

THE INFLUENCE OF WORK EXPERIENCE AND ENVIRONMENTAL UNCERTAINTY ON EMPLOYEE PERFORMANCE MEDIATED BY WORK FLEXIBILITY IN HUMAN RESOURCE PRACTICES IN REGIONAL OFFICE EMPLOYEES OF THE DIRECTORATE GENERAL OF TAXES NORTH SUMATRA I KPP PRATAMA MEDAN POLONIA

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Abstract

The performance of employees at the Medan Polonia KPP Pratama Office is not yet optimal, which is reflected in the level of errors in tasks and non-achievement of targets. Apart from that, low work flexibility can be seen from the difficulty of employees adapting. The experience of working in the office is still not strong, especially in switching from offline to online work after the pandemic. Uncertainty in the work environment also affects employee effectiveness and efficiency. This research aims to test and analyze the impact of various factors such as work flexibility, work experience and environmental uncertainty on employee performance. This research uses quantitative descriptive methods. The research sample was 100 KPP Pratama Medan Polonia employees. Data collection was carried out through distributing questionnaires and data analysis was carried out using the SmartPLS application. The research results show that Work Experience and Work Flexibility have a positive effect on improving employee performance, with Work Flexibility also acting as a mediator in this relationship. In contrast to Environmental Uncertainty, this variable has been proven to have a negative effect on Employee Performance.

Keywords: *Work Experience, Environmental Uncertainty, Work Flexibility, and Employee Performance*

1. INTRODUCTION

A government that runs well requires facilities and infrastructure which of course cannot be separated from the problem of financing development which requires a lot of funds. To obtain these large funds, the government provides a revenue post, namely the State Revenue and Expenditure Budget (APBN). The Taxation sector is the most dominant source of state revenue contributing to the APBN. It has been proven that tax revenues in Indonesia can still be increased through improvements in the performance of Tax Service Office employees in providing tax services (Harmaily, 2019). This is proven by the Realization of Tax Revenue released by the Central Statistics Agency (2023) which states that in 2019 the Republic of Indonesia recorded a difference between Realized Tax Revenue and the Tax Target of IDR 245.50 trillion. In 2020, the Republic of Indonesia is targeting tax revenues of IDR 1,192 trillion with the realization only reaching IDR 1,069.98 trillion. In addition, in 2020 the Republic of Indonesia achieved tax revenues of IDR 1,227.50 trillion, with a target of IDR 1,485.00 trillion. This situation shows that there have been fluctuations in Tax Revenue during these years. This fluctuation can be reduced by improving employee performance at the Tax Service Office (Harmaily, 2019). Research on tax service entities, which shows that an organization's ability to achieve its goals depends on employee contributions (Sofyan, 2020). Sofyan (2020) also investigated the contributions of individuals in the public sector, which can provide benefits to organizations. The importance of managing and

developing human resources to run an organization effectively and achieve its goals cannot be ignored. Fuandi (2019) shows that organizational culture and organizational work mechanisms can influence employee performance in the entity. McMackin & Heffernan (2020) show that employee performance in an entity can be influenced by work experience, environmental uncertainty and work flexibility. Work flexibility is a work mechanism that combines digital technology, allowing employees to work from any location they want, creating a more flexible work pattern. By freeing up the concept of work, this can increase positive sensations and encourage productivity and innovation in the workplace. One example is KPP Pratama Medan Polonia in North Sumatra Province which is starting to move towards Work Flexibility in its entity. This shows efforts to increase efficiency and responsiveness in tax services.

This effort to improve service quality is supported by the modernization of the work system at KPP Pratama Medan Polonia, especially through the implementation of a more flexible work system, namely Work Flexibility. Implementation of the Work Flexibility system began in 2013. At that time, the implementation of e-filing and e-SPT was introduced (source: jasa.go.id, accessed in 2023). Based on interviews conducted, work experience at the Medan Polonia Pratama Tax Service Office has been affected by the 2019 Coronavirus Disease pandemic. Since the emergence of the disease outbreak, the office has changed its work patterns by increasing the use of online communication. Apart from that, when holding meetings they tend to use online meetings via applications such as Zoom or Google Meet. These changes in work systems can increase environmental uncertainty in an entity. Managers who can predict uncertain conditions in the future tend to have lower perceptions of environmental uncertainty (Ilmy et al., 2021). In the context of changes to the work system at the Medan Polonia Pratama Tax Service Office, the introduction of more flexible and modern work mechanisms such as work from home and time flexibility can create a new environmental uncertainty for employees. The pre-survey was carried out in order to get a clearer picture of the level of employee performance, work flexibility, work experience and environmental uncertainty of workers at KPP Pratama Medan Polonia.

Table 1 Pre-Survey Results of Employee Performance Variables

Identification Questions	Answer	
	Yes	No
I feel unsure about my surroundings	18 60%	12 40%
I feel unsure about the influence my coworkers have on my environment	23 77%	7 23%
I feel unsure about my colleagues or boss	16 53%	14 47%
I'm not sure about the results of my work	18 60%	12 40%

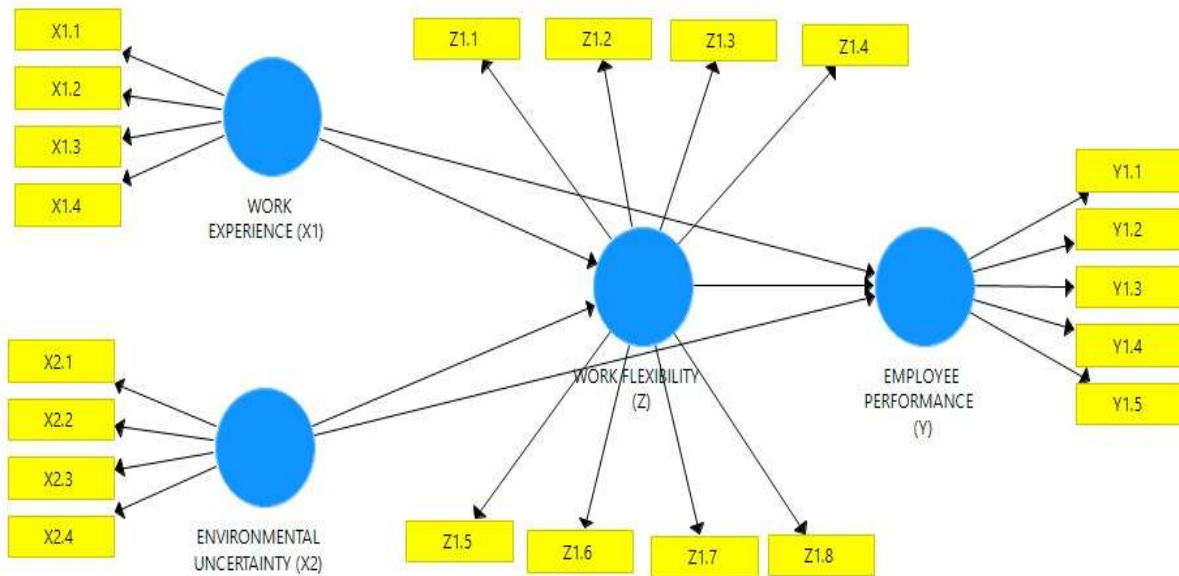
Source: Processed data (2023)

Based on the pre-survey results, Environmental Uncertainty at KPP Pratama Medan Polonia apparently has an impact on the lack of effectiveness and efficiency of employees' work. The pre-survey results also confirm the fluctuations in tax revenues at KPP Pratama Medan Polonia from 2018-2022. Fluctuations in tax revenue may indicate that the level of performance of KPP Pratama Medan Polonia employees is not yet optimal (Central Statistics Agency, 2023).

2. IMPLEMENTATION METHOD

This research will be carried out at KPP Pratama Medan Polonia. KPP Prama Medan Polonia is located on Jl. Suka Mulia No. 17A, AUR, Kec. Medan Maimun, Medan City, North Sumatra, starting from August 2023 to May 2024. The primary data in this research is data whose questionnaires were distributed from respondents from KPP Pratama Medan Polonia employees with a population of 100 people. Sampling is used by using a saturated sample which is carried out

if all members of the population are able to be used as research samples where all members of the population of 100 people are used as samples. Research data collection was carried out using the Questionnaire Distribution Technique, which is a method for collecting information from respondents. This method is achieved by involving a series of predetermined questions. This series of questions will be answered by research respondents and measured via an Interval Scale. This research uses Structural Equation Modeling analysis. The analysis method is a multivariate



statistical analysis method (Hair et al. 2019).

Picture1 Research Model Structure

There are three criteria for using data analysis techniques with SmartPLS to assess the outer model, namely: convergent validity, discriminant validity, and composite reliability. Inner model or structural model testing is carried out to see the relationship between variables, R-Square and Q-square values from the research model. Before conducting further research, the researcher will first carry out a pilot test or initial test in order to determine the level of validity and reliability of the questionnaire that has been prepared for research. This initial test only used 30 research data which was not part of the research sample, namely the East Medan KPP. In line with the previous explanation, convergent validity, discriminant validity, composite reliability (Cronbach's alpha) are used to test the level of validity and reliability (Ghozali and Latan, 2020).

3. RESULTS AND DISCUSSION

KPP Pratama Medan Polonia has 100 employees. Based on their position, there is only 1 employee who holds the position of Echelon III. The number of respondents in this study was 100 employees of KPP Pratama Medan Polonia according to the table

Table 2 Number of Employees Based on Position

Job Title	Number of Employees	Percentage (%)
Echelon III	1	1
Echelon IV	10	10
Supervisors	3	3
Functional Tax Inspector	17	17

Functional Assessor/UN	1	1
Account Representative	34	34
Functional Extension Officer	7	7
Executor	27	27
Total	100	100

Source: Primary Data (2024)

There are two stages in evaluating a research model. The stages in question are measurement evaluation or outer model and structural evaluation or inner model.

3.1 Outer Model Evaluation Results

In the outer model evaluation, the validity and reliability of research respondent data will be tested, and in the inner model evaluation, hypothesis testing will be carried out

Table 3 Convergent Validity Test Results

Variable	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Environmental Uncertainty (X2)	0.884	0.884	0.920	0.742
Employee Performance (Y)	0.915	0.923	0.936	0.747
Work Flexibility (Z)	0.934	0.935	0.946	0.686
Work Experience (X1)	0.925	0.926	0.947	0.817

Source: Processed data (2024)

All variables in this study were proven to pass the convergent validity test. This is proven by the AVE value for the Work Flexibility variable of 0.68; Environmental Uncertainty of 0.74; Employee Performance worth 0.74; and Work Experience worth 0.81. The reliability test table proves that each variable in this research passed the reliability test. In other words, the variables of this research can be said to be reliable

Table 4 Discriminant Validity Test Results

Variable	Environmental Uncertainty (X2)	Employee Performance (Y)	Work Flexibility (Z)	Work Experience (X1)
Environmental Uncertainty (X2)	0.861			
Employee Performance (Y)	0.827	0.864		
Work Flexibility (Z)	0.954	0.889	0.828	
Work Experience (X1)	0.830	0.884	0.858	0.904

Source: Processed data (2024)

The table shows that the discriminant validity test requirements have been met with the loading value of the initial indicator being greater than the loading value of the other indicators (Hair et al., 2019)

3.2 Evaluation of Inner Model

Table 5 R2 Value Test Results

	R-Square	R-Square Adjusted
Employee Performance (Y)	0.853	0.849
Work Flexibility (Z)	0.923	0.922

Source: Processed data (2024)

This research illustrates the influence of the variables Work Experience and Environmental Uncertainty on Work Flexibility by 0.92 or 92% and Work Experience, Environmental Uncertainty and Work Flexibility influence Employee Performance by 85%.

Table 6 Hypothesis Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STIDEV)	T Statistics (O/STIDEV)	P Values
Environmental Uncertainty (X2) -> Employee Performance (Y)	-0.295	-0.271	0.139	2,128	0.034
Work Experience (X1) -> Work Flexibility (Z)	0.212	0.207	0.099	2,147	0.032
Work Flexibility (Z) -> Employee Performance (Y)	0.763	0.731	0.195	3,912	0,000
Work Experience (X1) -> Employee Performance (Y)	0.474	0.482	0.131	3,610	0,000
Environmental Uncertainty (X2) -> Work Flexibility (Z)	0.778	0.782	0.087	8,914	0,000

Source: Processed data (2024)

There is an influence of the variables Work Experience and Environmental Uncertainty on Work Flexibility. Furthermore, work flexibility affects employee performance. This is proven by the P value which is smaller than 0.05 (Hair et al. 2019).

Table 7 Total Indirect Effects Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STIDEV)	T Statistics (O/STIDEV)	P Values
Work Experience (X1) -> Work Flexibility (Z) -> Employee Performance (Y)	0.162	0.155	0.079	2,050	0.041
Environmental Uncertainty (X2) -> Work Flexibility (Z) -> Employee Performance (Y)	0.593	0.580	0.179	3,309	0.001

Source: Processed data (2024)

Based on table 4.10, Work Flexibility is proven to be able to mediate the influence of Work Experience and Environmental Uncertainty on Employee Performance. This can be proven by a P value that is smaller than 0.05, namely 0.00 and 0.04. Thus, this research also does not accept Hypothesis 4 like Hypothesis 2 (Hair et al. 2014)

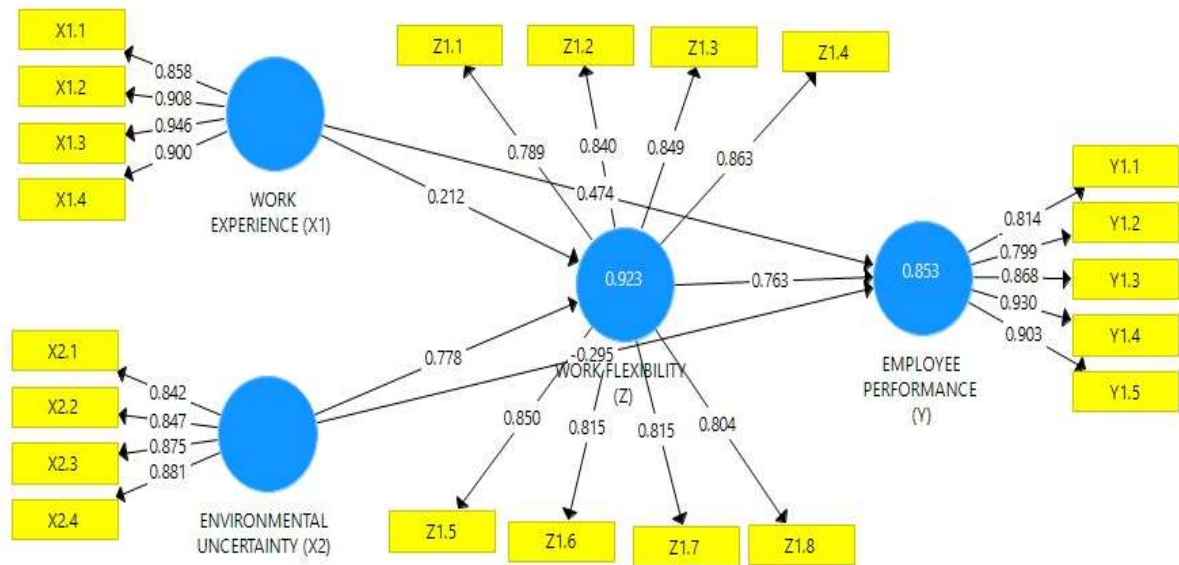


Figure 2. Evaluation of Analysis Model Output

4. CONCLUSION

Based on the results of the analysis carried out with the title The Effect of Work Experience and Environmental Uncertainty on Employee Performance Mediated by Work Flexibility in Human Resources Practices for Employees of the Regional Office of the Directorate General of Taxes, North Sumatra I, KPP Pratama Medan Polonia, the following conclusions were obtained:

1. Based on the results of the analysis, it shows that work experience has a positive effect on work flexibility
2. Based on the results of the analysis, it shows that environmental uncertainty has a positive effect on work flexibility
3. Based on the results of the analysis, it shows that work experience has a positive effect on employee performance
4. Based on the results of the analysis, it shows that environmental uncertainty has a negative effect on employee performance
5. Based on the results of the analysis, it shows that work flexibility has a positive effect on employee performance
6. Based on the results of the analysis, it shows that work flexibility can mediate the influence of work experience on employee performance
7. Based on the results of the analysis, it shows that Work Flexibility can mediate the influence of Environmental Uncertainty on Employee Performance

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