

The Role of Work Motivation in Mediating the Effect of Recognition on Organizational Commitment at the Tax Service Office Pratama Medan Belawan

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Abstract

This study aims to analyze the effect of rewards on organizational commitment with work motivation as a mediating variable among employees of the Medan Belawan Tax Office. Organizational commitment is an important factor in determining employee performance quality, while rewards and work motivation are believed to be the main drivers of employee engagement and loyalty. This study uses a quantitative approach with a population of 100 permanent employees of the Medan Belawan Tax Office. Data were collected through questionnaires and analyzed using Partial Least Squares (PLS) to test the validity, reliability, and direct and indirect effects between variables. The results show that rewards have a positive and significant effect on work motivation (t-statistic = 9.701; $p < 0.05$) and organizational commitment (t-statistic = 2.783; $p < 0.05$). Work motivation also has a positive and significant effect on organizational commitment (t-statistic = 4.572; $p < 0.05$). Furthermore, work motivation is proven to mediate the effect of rewards on organizational commitment (t-statistic = 3.970; $p < 0.05$). This confirms that appropriate rewards can increase employee work motivation, which in turn strengthens their commitment to the organization. Based on these findings, it is recommended that the leadership of KPP Medan Belawan strengthen the reward system, both financial and non-financial, and create a work environment that supports employee motivation and emotional attachment, so that organizational commitment can increase sustainably.

Keywords: Rewards, Work Motivation, Organizational Commitment

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Introduction

Organizational commitment is an important factor that determines the success of an organization in achieving its strategic objectives and improving the quality of public services. Employees with a high level of commitment tend to show loyalty, good performance, and a willingness to contribute actively to the achievement of organizational goals (Robbins, 2022). In government agencies such as the Medan Belawan Tax Office (KPP), employee commitment is crucial given the enormous responsibility of collecting state revenue, providing services to taxpayers, and achieving the targets set by the Directorate General of Taxes.

One factor that influences employee commitment is rewards. Rewards that are given fairly and proportionally, whether financial or non-financial, can increase employee satisfaction, motivation, and sense of appreciation (Hasibuan, 2020; Hidayati & Ramadhan, 2020). Employees who feel appreciated tend to have higher loyalty and strong commitment to the organization.

On the other hand, work motivation is also an important factor in strengthening the relationship between rewards and organizational commitment. Work motivation is understood as internal and external drives that encourage employees to work optimally (Vo et al., 2022). Well-motivated employees are able to make the most of rewards to improve their performance and emotional attachment to the organization. Previous studies have shown that work motivation can mediate the influence of rewards on organizational commitment, so that rewards given will be more effective when accompanied by increased work motivation (Sihombing & Hutapea, 2022; Nugroho & Abdullah, 2023).

However, comprehensive research that integrates the variables of rewards, work motivation, and organizational commitment in the tax agency environment, particularly the Medan Belawan Tax Office, is still limited. Given the complexity of work at the Tax Office, which includes pressure to meet revenue targets, high demands for professionalism, and intense public service, it is important to conduct research to empirically understand the role of work motivation in mediating the effect of rewards on organizational commitment.

This study is expected to contribute theoretically to the development of human resource management science as well as provide practical recommendations for the leadership of the Medan Belawan Tax Office in improving employee commitment through an appropriate reward system and optimal work motivation.

Literature Review

Organizational Commitment

Definition of Organizational Commitment

Robbins (2022) defines organizational commitment as a state in which an employee sides with a particular organization and its goals and has a desire to maintain membership in that organization.

Indicators of Organizational Commitment

1. Affective Commitment

This refers to the emotional attachment of employees to the organization. Employees with high affective commitment enjoy working in the organization and have strong emotional ties to it.

2. Continuance Commitment

This is attachment to the organization that stems from the desire to stay because the perceived costs of leaving the organization would be greater. Employees with continuance commitment often feel trapped in the organization due to external factors such as a lack of job alternatives or existing responsibilities.

3. Normative Commitment

This is a sense of obligation to remain in the organization because they feel morally expected to do so. Employees with normative commitment feel bound to continue working for reasons of loyalty or a sense of responsibility to the organization.

Work Motivation

Definition of Work Motivation

According to Vo et al., 2022, work motivation is a drive that stems from individual needs (competence, autonomy, social relations) that encourage productive and effective individual work behavior.

Indicators of Work Motivation

The indicators of work motivation according to Vo et al., 2022 are as follows:

1. Competence
Refers to an individual's ability to perform tasks well and feel capable of mastering their work. In this study, competence is measured through "highest level of education achieved" as a proxy.
2. Autonomy
Refers to an individual's freedom and control over how they perform their work — that is, the ability to make their own decisions and have choices in their work.
3. Social connectedness
Refers to an individual's need to feel connected, accepted, and have positive relationships with others in the work environment — for example, feeling that they belong to a group, are supported by coworkers, and have a sense of social belonging.

Recognition

Definition of Rewards

According to Mdhlalose (2024), rewards are the provision of compensation to employees for their ideas or innovations, which demonstrates the function of rewards as a motivator for specific desired behaviors.

Reward Indicators

Mdhlalose (2024) states that the indicators of rewards used are:

1. Intrinsic rewards
A type of reward that originates from within the employee, for example: satisfaction with work results, opportunities for personal development, meaningful work challenges.
2. Non-financial extrinsic rewards
A type of reward that comes from outside or the work environment but is not in the form of direct money, for example: public recognition, job promotions, award certificates, additional facilities.
3. Financial extrinsic rewards
A type of reward in the form of direct financial compensation or material rewards, such as bonuses, cash allowances, monetary gifts. Mdhlalose states that the influence of this type of reward can either encourage or hinder creativity depending on the context.

Conceptual Framework

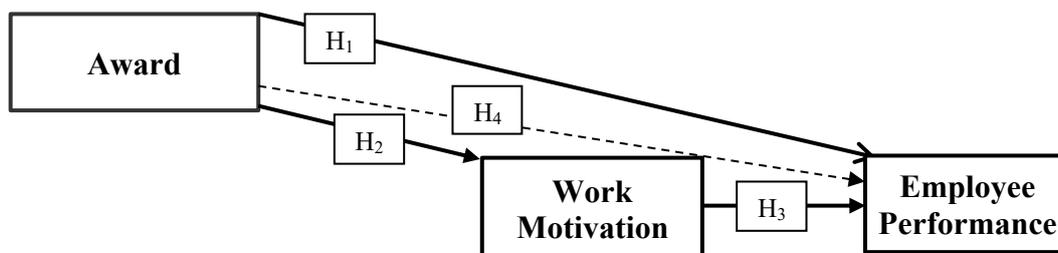


Figure 1. Conceptual Framework

Research Hypothesis

H₁ Rewards have a positive and significant effect on work motivation at the Medan Belawan Tax Office.

- H₂ Rewards have a positive and significant effect on work motivation at the Medan Belawan Primary Tax Office.
- H₃ Work motivation has a positive and significant effect on work motivation at the Medan Belawan Primary Tax Office.
- H₄ : Rewards have a positive and significant effect on work motivation through work motivation at the Medan Belawan Primary Tax Office.

RESEARCH METHOD

Type of Research

The type of research used by the researcher is quantitative research. This type of quantitative research is conducted to create a study that aims to adjust a study and to analyze organizational culture and appreciation of work motivation with work motivation as a mediating variable at the Medan Belawan Tax Office.

Research Location and Time

The research location was at the Medan Belawan Primary Tax Office, located at Jalan Kolonel Laut Yos Sudarso No. 27 KM 8, RW.2, Tanjung Mulia, Medan Deli District, Medan City. The research was conducted over a period of 3 months, from October to December 2025.

Population and Sample

Sugiyono (2022) defines population as a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions are drawn. The population and sample in this study were all permanent employees at the Medan Belawan Primary Tax Office. There were 100 civil servant employees at the Medan Belawan Primary Tax Office. In this study, the entire population was used as the sample, which is known as a population study.

Research Data Sources

The data source used in this study is primary data.

RESULTS AND DISCUSSION

Outer Model Analysis

Outer Model Analysis using *the PLS Algorithm* produced the following results:

Validity Test

Table 1.Outer Loadings Values

	Award	Job Motivation	Organizational Commitment
X2.1	0.831		
X2.2	0.876		
X2.3	0.861		
Y.1			0.738
Y.2			0.909
Y.3			0.805
Z.1		0.869	
Z.2		0.809	
Z.3		0.852	

Source: Smart PLS Output, 2025

Based on the values in Table 1 above, which show the results of outer model testing through loading factor/outer loadings values, all indicators in each variable have a loading value ≥ 0.70 . This indicates that each indicator is measured validly and strongly. Therefore, it can be concluded that all items in the questionnaire have met the validity criteria, as shown in the following figure.

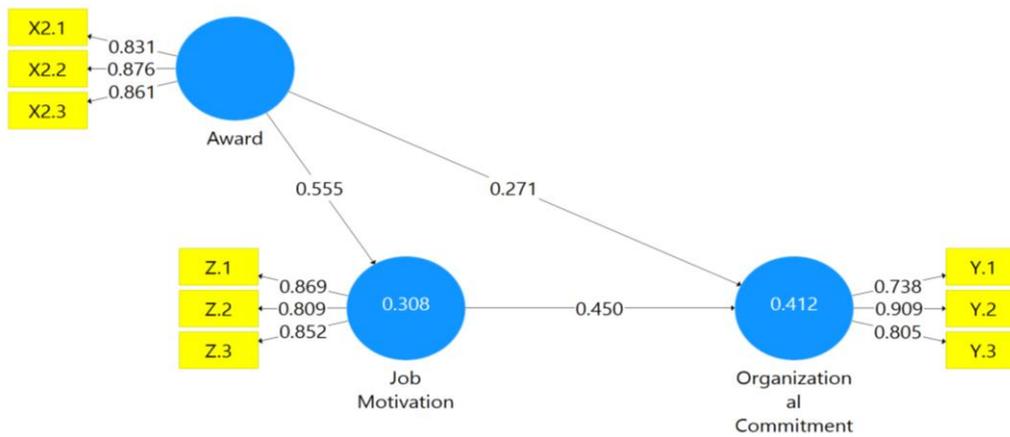


Figure 2. Outer Loading

Reliability Test

Table 2. Construct Reliability and Validity Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Award	0.819	0.833	0.892	0.733
Job Motivation	0.798	0.801	0.881	0.712
Organizational Commitment	0.754	0.778	0.859	0.671

Source: Smart PLS Output, 2025

From Table 2 above, the reliability test results show that the Cronbach's Alpha and Composite Reliability values for all constructs are above 0.70. This indicates that all indicators have high internal consistency and are reliable in measuring their respective constructs. Thus, the research instrument is declared reliable and suitable for use in structural model testing.

Coefficient of Determination (R²)

In assessing the model with PLS, we begin by looking at the R-square for each dependent latent variable. The table below shows the results of the R-square estimation using SmartPLS.

Table 3. R Square Results

	R Square	Adjusted R Square
Job Motivation	0.308	0.301
Organizational Commitment	0.412	0.400

Source: Smart PLS, 2025

Table 3 shows the R-square values for both dependent variables. For the work motivation variable, the R-square value is 0.308, meaning that the influence of rewards is 0.308 or 30.8%, with the remainder attributable to other variables outside the model. The R-square value for organizational commitment is 0.412, meaning that the influence of rewards and work motivation is 0.412 or 41.2%, with the remainder attributable to other variables outside the model.

Structural Model Testing (Inner Model)

Hypothesis Testing

Direct Influence Between Variables

The direct effect between variables can be seen in the *path coefficients*. The data analysis results show the direct effect values in the following table.

Table 4. Path Coefficients (Direct Influence)

	Original Sample	T Statistics	P Values	Conclusion
Award -> Organizational Commitment	0.271	2.783	0.006	Accepted
Award -> Job Motivation	0.555	9.701	0.000	Accepted
Job Motivation -> Organizational Commitment	0.450	4,572	0.000	Accepted

Source: Smart PLS Output, 2025

The results in Table 4 show the following direct effect values:

1. Rewards have a positive and significant effect on organizational commitment with a t-statistic value of 2.783 above 1.96 and a significance of 0.006 below 0.05, meaning that rewards have a real effect on organizational commitment because the significance value is below 0.05. The results of this study are in line with previous studies, namely that rewards and work environment have a positive and significant effect on organizational commitment (Widodo et al, 2025).
2. Rewards have a positive and significant effect on work motivation with a t-statistic value of 9.701 above 1.96 and a significance of 0.000 below 0.05, meaning that rewards have a real effect on work motivation because the significance value is below 0.05 . The results of this study are in line with previous studies, namely that rewards have a positive and significant effect on work motivation (Santosa, & Adiputra, 2023).
3. Work motivation has a positive and significant effect on organizational commitment with a t-statistic value of 4.572 above 1.96 and a significance of 0.000 below 0.05, meaning that work motivation has a real effect on organizational commitment because the significance value is below 0.05. The results of this study are in line with previous studies, namely that work motivation has a positive and significant effect on organizational commitment (Setiawan, et al, 2022).

Indirect Effects Between Variables

The indirect effect between variables can be seen in the *specific indirect effects* value. The data analysis results show the indirect effect value in Table 5 below.

Table 5. Specific Indirect Effects (Indirect Effects)

	Original Sample	T Statistics	P Values	Conclusion
Award -> Job Motivation -> Organizational Commitment	0.250	3.970	0.000	Accepted

Source: Smart PLS, 2025

Table 5 shows the indirect effect between variables, namely: rewards have a positive and significant effect on organizational commitment through work motivation with a t-statistic value of 3.970 above 1.96 and a significance value of 0.000 below 0.05, meaning that work motivation acts as an intervening variable between rewards and organizational commitment.

Conclusion

1. Rewards have a positive and significant effect on work motivation at the Medan Belawan Tax Office.
2. Rewards have a positive and significant effect on work motivation at the Medan Belawan Tax Office.
3. Work motivation has a positive and significant effect on work motivation at the Medan Belawan Tax Office.
4. Rewards have a positive and significant effect on work motivation through work motivation at the Medan Belawan Tax Office.

Recommendations

1. Organizational commitment with the lowest value statement is "I feel a strong emotional attachment to the organization where I work." Therefore, the recommendation is that the Medan Belawan Tax Office should strengthen employee organizational commitment by creating a conducive work climate, ensuring management pays attention to employee welfare and development, and strengthening organizational values and culture, so that employees have a stronger emotional attachment to the organization.
2. Work motivation with the lowest value statement is "I am motivated because I am given the freedom to manage how I complete my work." The Medan Belawan Tax Office is advised to increase employee work motivation by providing targeted autonomy in the implementation of tasks, accompanied by clear targets and proportional supervision, so that employees are more motivated and responsible in completing their work.
3. Recognition with the lowest score: "I feel appreciated through a sense of pride and personal satisfaction with the results of my work." The Medan Belawan Primary Tax Office is advised to improve its non-financial reward system through recognition of performance, open appreciation, and positive feedback from leaders, so that employees feel proud and gain personal satisfaction from the results of their work.

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