Understanding Interpersonal Relationship Drivers to Increase Employee Engagement: Study Case of PT. Sukses Multi Amarta

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ABSTRACT: This research examined the significant factors that influence interpersonal relationship of PT. Sukses Multi Amarta active and former employees. It is found that interpersonal relationship plays very important role for the employee engagement and turnover within organization. The interpersonal relationship variables are measured by applying some researches that have been conducted by previous research which concluded into three main antecedents, Social Satisfaction, Communication, and Self-Esteem. This research used qualitative interview approach as primary data to predict the root cause of the employee turnover in which concludes the interpersonal relationship as the main cause. Quantitative approach is also used in this research for secondary data by collecting literatures and distributing questionnaires. The findings of this study showed that all of the independent variables, social satisfaction, communication and self-esteem has a positive and significant effect on interpersonal relationships among workers. Communication became the key variable in influencing the level of interpersonal relationship. The recommendation programs to increase the level of communication are also provided to develop better interpersonal relationship and its least valued attributes.

KEYWORDS: Communication, Self-Esteem, Employee engagement, Interpersonal Relationship, Social Satisfaction.

INTRODUCTION

The development of small and medium-sized enterprises (SMEs) is critical to Indonesia's economic growth. SMEs account for over 99% of all enterprises in Indonesia and employ over 97% of the workforce. Micro, small, and medium-sized enterprises (MSMEs) are being developed in Indonesia to raise income by giving many easier jobs and to improve economic growth. They have also been claimed to benefit the local industry in general (Srinivas, 2013; Mujahid, & Begam, 2019).

SMEs in Indonesia face a lack of government assistance, including the execution of policies to promote the development of local MSMEs in order to reduce poverty, unemployment, and inequality, as well as to enhance income and economic growth (Prasetyo, 2008). They do, however, confront a number of significant limits and obstacles, including a lack of credit, poor market linkages, insufficient training, reliance, poor human resource development, and low productivity (Tambunan, 2019; Weldeslassie et al., 2019). SME owners and workers' skills and training programs must be strengthened. Many SMEs lack personnel with the necessary technical and commercial capabilities. The government and the private sector could collaborate to enhance vocational training and entrepreneurship programs suited to the needs of SMEs. This has the potential to improve the capabilities of Indonesia's SME workforce. According to theory by Tambunan (2019), this is similar to what large corporations have done, whereby they create human resources through a novel approach to education and training, resulting in employee competitiveness inside MSMEs. Other than that, company are also having issues in managing its employees with high turnover ratio. Thus, company is in urgent need of increasing the human resource development and employee engagement.

PT. Sukses Multi Amarta is a food beverage company with business model as a restaurant chain. The company introduced itself under the brand of "Bang Sate Bang" with product speciality of satay variants. It was launched in mid 2022 and established as a legal entity in the late 2022. Employee turnover is the percentage of employees that leave an organisation and are replaced by new personnel. From its opening in September 2022 till September 2023, the company has already recruited a lot of employees and faced turnover within its all departments.

Figure 1. PT. Sukses Multi Amarta's Employee Turnover

From the data presented above, we can conclude that more than 50% of employees recruited are changing and leave the remaining survivors. Through some literature reviews, there are some effects of this phenomenon. If turnover intentions are not expected, the organisation may suffer damages (Sahin, 2011). Any organisation experiences some degree of turnover, but excessive or uncontrolled turnover can have a number of important effects on a business, both good and bad. The impact caused by employee turnover can be financial (training cost, recruitment, etc.) or non-financial (low motivation for other employee, bad company image) (Boushey & Glynn, 2012).

From the data presented, the search for the root cause is done to determine the turnover ratio was so high. This research has examined that the effective methodology is by doing preliminary research, specifically an exit interview. The interview involved three (3) active & former employees in which they were asked 20 questions, regarding why they decided to resigned, what the things that make them feel comfort, mention it in sequence orders. All the questions are asked to gain deeper understanding about their motives and principles. Some ot the causes that might affect their willingness to stay such as relationship among workers, salary, supervisor guidance, subordinate discipline, company culture etc. In the end, it is concluded that the main cause of turnover is the interpersonal relationship among workers.

According to research framework model conducted by Saks and Gruman (2014) and Kahn (2009), It proposes a study paradigm in which interpersonal relationships are viewed as a component that influences employees' job engagement via deep acting emotional labour skills, initiative climate, and learning goal orientation. From this research there is indication where interpersonal relationship is related with employee engagement. According to previous research also, good interpersonal relationship and leadership is a crucial organisational resource for generating an engaged employee (Bakker and Albrecht, 2018).

Another theory of interpersonal relationship promoting growth model states that healthy interpersonal relationships help people recover from traumatic experiences, think positively, rebuild their cognitive abilities, lower their levels of psychological stress, and build its social satisfaction (Rui, 2021). Social Satisfaction refers to a state of mind that describes a person's subjective evaluation of the quality of a relationship (Cheng, 2022). Companies' daily lives involve multiple interpersonal relationships, behavioural differences, task and function commands, and cooperation, in which some moments of dysfunction can become frequent or sporadic depending on the knowledge of employees and their managers have the dynamics that sustain business communication (Coda, 2016).

For Ferreira and Malheiros (2016), business communication is a strategic tool to affect interpersonal relationships at work. Global self-esteem, defined as the general evaluative attitude we have towards ourselves, is a social psychology construct: it is anchored in social interaction and grows in tandem with our interpersonal relationships (Kiviruusu et al., 2016). Some of these researches have also looked at how self-esteem trajectory impact interpersonal relationship across time (Kiviruusu et al., 2016; Orth et al., 2010).

From the mentioned literature above, it can be concluded and proposed that there are three main antecedents that influence interpersonal relationship most. Then the research framework is constructed below.
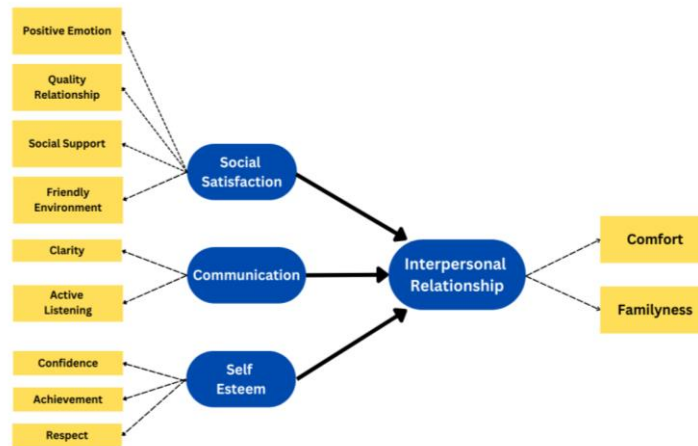
Figure 2. Initial Conceptual Model of Interpersonal Relationship

RESEARCH METHODOLOGY

A deductive technique to theorising is often used in quantitative research to construct and confirm a theory by gathering conceptual studies in order to answer research questions and build hypotheses (Neuman, 2014). As a result, in order to analyse the antecedents impacting interpersonal relationship in the context of Bang Sate Bang company, this study employs a quantitative technique to evaluate significant variables, as well as a deductive theorising path to appropriately conceptualise theories to be analysed.
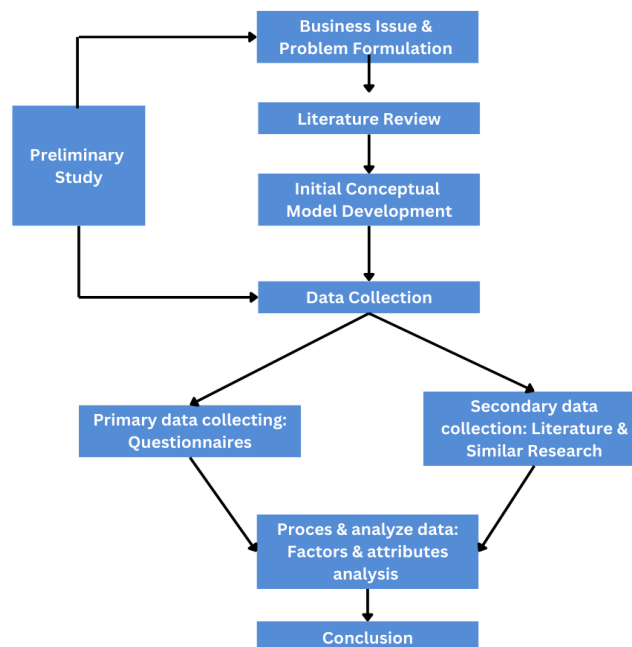

Figure 3. Research Methodology

Data Collection Method

Primary data are sources obtained and collected from their original sources for a specific purpose (Sekaran & Bougie, 2016). Interviews, observations, survey questionnaires, and experiments are the four methods that can be utilised to collect and retrieve primary data (Sekaran & Bougie, 2016). There are some methods to measure the employee engagement, and the most effective method is by using exit interviews.

The result of the preliminary research shows that interpersonal relationship plays the most important role in employee engagement and turnover. The finding of the answers to this issue is collected through preliminary research using exit interviews method. 3 interviews are conducted to the past employees that have worked in the company.

Secondary data is information that is already available from a variety of sources and does not need to be gathered (Sekaran & Bougie, 2016). Secondary data is typically collected early in the study process, and should be thoroughly assess it before using it (Sekaran & Bougie, 2016). In analysing secondary data, four factors are used: the timeliness of the data, the correctness of the data, the relevance of the data, and the cost of the data (Sekaran & Bougie, 2016). Previous literatures are used to strengthen the gathered data in this research.

Instrument Validity Test

The validity test of the instrument in this research was carried out with the help of the SPSS version 26 program, where the test was carried out by looking at the corrected item-total correlation (r count) value for each question item. In this test, the statement item is declared valid if the calculated r value is significant and the value exceeds the table r value. Based on the R table, the r table value for a trial sample of 31 respondents (α = 5%) is 0.355, therefore in this test, the question item is declared valid if the calculated r is significant and the value exceeds 0.355.

Table 1. Validity Test Results

Variable	Item	Sig.	t count	t table	Validity
Social Satisfaction	SS1	< 0,001	0,891	0,355	Valid
	SS2	< 0,001	0,841	0,355	Valid
	SS3	< 0,001	0,885	0,355	Valid
	SS4	< 0,001	0,872	0,355	Valid
	SS5	< 0,001	0,881	0,355	Valid
	SS6	< 0,001	0,902	0,355	Valid
	SS7	< 0,001	0,854	0,355	Valid
	SS8	< 0,001	0,845	0,355	Valid
Self Esteem	SE1	< 0,001	0,895	0,355	Valid
	SE2	< 0,001	0,879	0,355	Valid
	SE3	< 0,001	0,918	0,355	Valid
	SE4	< 0,001	0,887	0,355	Valid
	SE5	< 0,001	0,892	0,355	Valid
	SE6	< 0,001	0,886	0,355	Valid
Communication	COM1	< 0,001	0,913	0,355	Valid
	COM2	< 0,001	0,905	0,355	Valid
	COM3	< 0,001	0,936	0,355	Valid
	COM4	< 0,001	0,888	0,355	Valid
	IR1	< 0,001	0,877	0,355	Valid

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Interpersonal Relationship	IR2	< 0,001	0,931	0,355	Valid
	IR3	< 0,001	0,880	0,355	Valid
	IR4	< 0,001	0,851	0,355	Valid

Instrument Reliability Test

After all statement items are declared valid, the test continues with the reliability test. The reliability test used is the Cronbach's Alpha reliability test where the instrument is declared reliable if the Cronbach's alpha value is > 0.7 (Ghozali; 2018). The reliability test results for each instrument can be seen in the following table:

Table 2. Reliability Test Results

Variable	Number of Valid Item	Cronbachs Alpha	Cut Value	Reliability
Social Satisfaction	8	0,967	0,7	Reliable
Self Esteem	6	0,966	0,7	Reliable
Communication	4	0,963	0,7	Reliable
Interpersonal Relationship	4	0,952	0,7	Reliable

Because the Cronbach's alpha value for all instruments is <0.7, all research variable instruments are declared reliable.
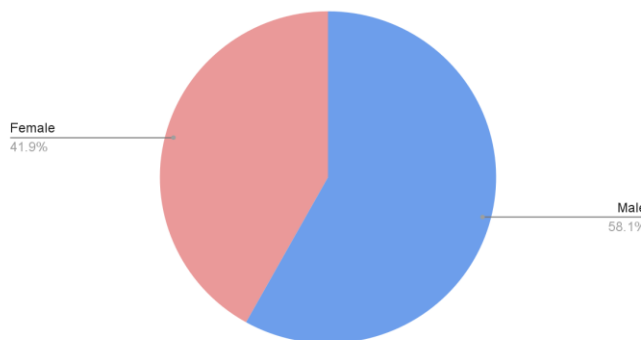
Respondent Description

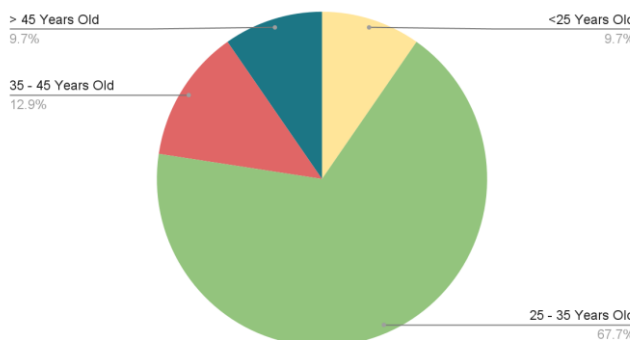**Figure 4. Respondents based on gender**

Figure 5. Respondents based on age

The results of the descriptive analysis of the characteristics of the respondents in Table 4.3 according to gender are mostly male (58.1%), while the remaining 41.9% are female. This is in accordance with the population where respondents are dominated by male respondents. compared to the female gender. Furthermore, according to age, according to the age of the respondents, the majority were aged 25 - 35 years (67.7%), while the remaining 12.9% of respondents were aged 35 - 45 years, 9.7% were aged < 25 years and as young as 9.7% of respondents aged > 45 years.

Research Variables Description

This research uses a 1-5 Likert scale, the perception of respondents' answers can be done by looking at the mean score of respondents' answers to each question item. Ghozali (2018) categorized the mean score of respondents' answers on a Likert scale of 1-5 with the following criteria: a mean value between 1.00 – 2.33 indicates a low perception tendency among respondents; while the mean value between 2.33 - 3.67 indicates moderate perception and the mean value between 3.67 - 5.00 indicates a tendency for high perception. Based on the results of filling out the questionnaire, the following is a description of the respondents' perceptions of the variables studied in this research.

Multiple Linear Regression Analysis

a. Normality test

The Normality Test can be carried out statistically using the Kolmogorov Smirnov normality test, in this test the residuals from the regression results are declared to be normally distributed if the significant value of the test results exceeds 0.05. Because the significance value obtained is > 0.05, it is concluded that the regression residuals have a normal distribution of data.

Table 3. Normality Test Results

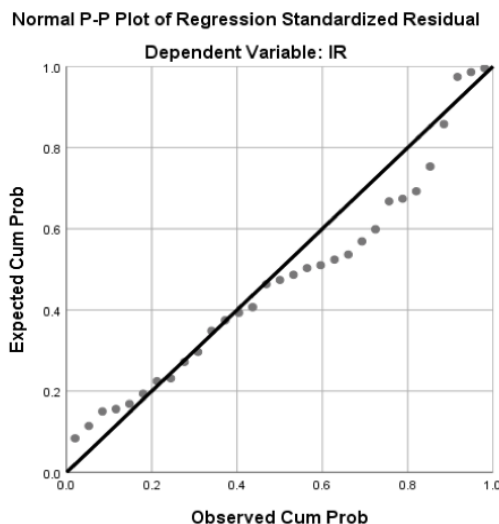| Testing	Significance	Criteria	Results
Normality	0,133	data is normally distributed if sig. > 0,05	Sig. 0.133 > 0.05 means the regression residual is normally distributed

Figure 6. PP Plot Graph

b. Multicollinearity test

The multicollinearity test is carried out to test whether there is multicollinearity in the regression model. The multicollinearity test can be seen from the VIF and Tolerance values of the independent variables. A variable is declared to have no multicollinearity with other variables if the VIF value is <10 and Tolerance is >0.1.

Table 4. Multicollinearity Test Results

Variable	Tolerance	VIF
Social Satisfaction	0,599	1,670
Communication	0,506	1,975
Self Esteem	0,607	1,647

c. **Heteroscedasticicity test**

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. The heteroscedasticity test can be carried out statistically, namely by using the Glejser test. In this test, the model is declared free from heteroscedasticity if the significance value of all independent variables is > 0.05.

Table 5. Glejser Test Results

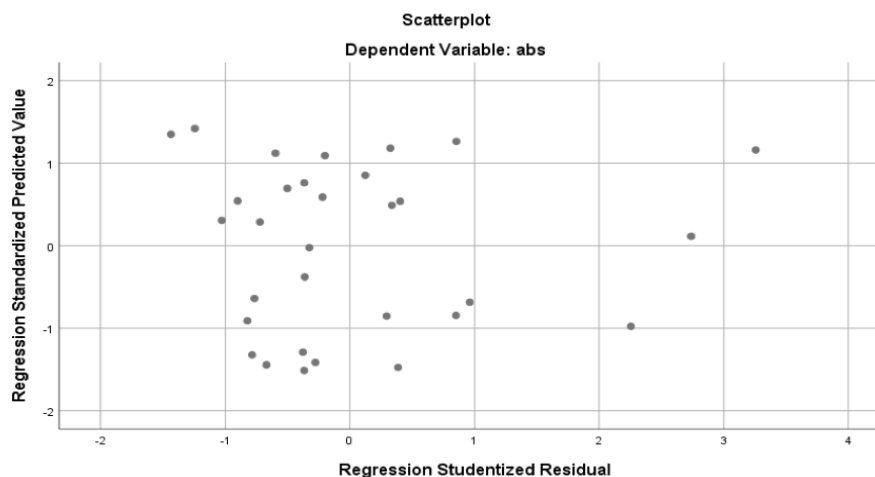| Variable	t count Glejser Test	sig. Glejser Test	Results
Social Satisfaction	0,389	0,700	No heteroscedasticity
Communication	-0,076	0,940	No heteroscedasticity
Self Esteem	0,592	0,559	No heteroscedasticity

Figure 7. Scatter Plot Graph

d. **T test**

In multiple linear regression analysis, the partial test (t test) is used to test the partial influence of each independent variable on the dependent variable. The test hypothesis used in this test is as follows:

Ho: the independent variable partially has no effect on the dependent variable

Ha: the independent variable partially influences the dependent variable

With a confidence level of 95%, Ho will be rejected if the significant value is <0.05 and Ho will be accepted if the significant value is >0.05.

Table 6. Partial Test Results (t test)

Variable	Regression Coefficients	t count	t table	Sig.	Results
Social Satisfaction	0,137	2,640	1,960	0,014	Positive and significant influence
Communication	0,432	4,191	1,960	0,000	Positive and significant influence
Self Esteem	0,246	3,676	1,960	0,001	Positive and significant influence
Regression Constants = - 0,315					

The significance value of the influence of social satisfaction, communication and self-esteem on interpersonal relationships are 0.014, 0,00 and 0,001 in sequence order this means it has less value from <0.05, is has positive effect to interpersonal relationship. The t count for each variables, which shows value of 2.640, 4.191, 3.676 and all of the positive regression coefficients it strengthen the proof that all the variables has a positive and significant effect towards interpersonal relationship. This means that the higher the value of each antecedents, the higher the interpersonal relationship will be.

FINDING AND DISCUSSION

a. Regression Equation

The result on the regression analysis in table V shows a regression constant value of – 0.315 with a social satisfaction regression coefficient of 0.137, a communication coefficient of 0.432 and a self-esteem regression coefficient of 0.246. Based on these values, the regression equation that can be used to predict interpersonal relationships based on social satisfaction, communication and self-esteem is as follows:

$$Y = -0.315 + 0.137(X1) + 0.432(X2) + 0.246(X3)$$

With:

Y = Interpersonal Relationship

X1 = Social Satisfaction

X2 = Communication

X3 = Self Esteem

The Coordinate Point of the intersection of importance value and performance value). Then if we take the value from the average mean score table figure above, we can sum up with importance value for each variable as stated below.

Table 7. Importance-Performance Value Table

Variable	Importance Value	Performance Value	Coordinate
X1	0.137	3.01	(0.137, 3.01)
X2	0.432	3.03	(0.432, 3.03)
X3	0.246	3.12	(0.246, 3.12)

Then it is also necessary to find the average of the mean score in order to measure the Median of Performance Value (Y Axis). If we measured the average mean score of X1, X2, X3 it will be:

Average Mean Score: (X1+X2+X3)/3= (3.01+3.03+3.12)/3) = **3.0533**

The average of Mean Score 3.0533 will be the median for the performance value (Y Axis).

To seek for the median point of Importance Value (X Axis), it sums up all of the eigen values (coefficient) and divided by 3 from all the variables. The result is:

Average Eigen Values = (0.137+0.432+0.246) / 3 = **0.271**

The average of eigen value of 0.271, will be the median point for the importance value (X Axis).
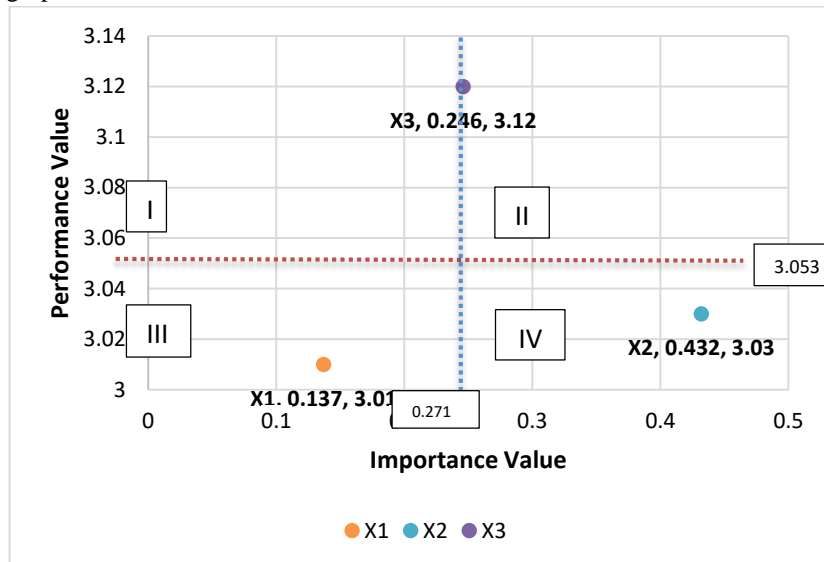
Then we can illustrate the graph:

Figure 8. Importance Performance Matrix

The most prioritize quadrant area is the 4th quadrant which positioned in the right bottom of the graphic quadrant. While the second most important quadrant is the right upper and left bottom quadrant. While the left upper quadrant area is considered as unprioritized area.

From the graph constructed above, it can be concluded that X2 Variable (Communication) has become the most important variable since it is placed in the fourth quadrant.
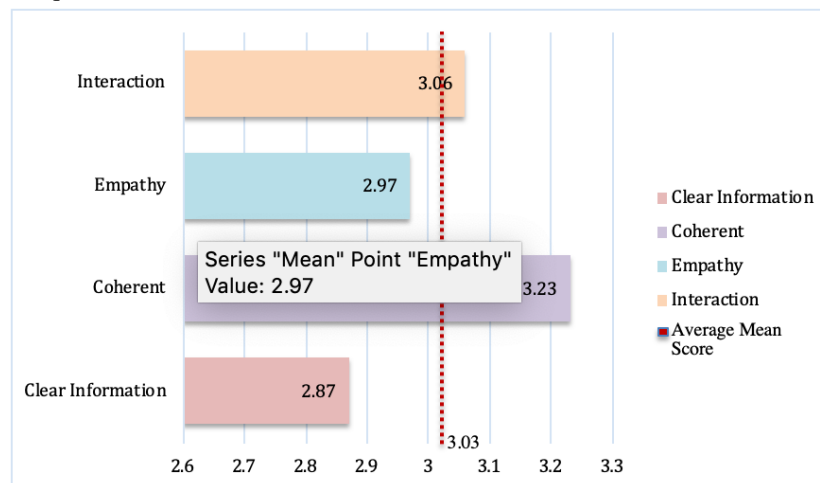

Figure 9. Communication variable mean score

The most critical point that should be developed is the least valued attributes of Communication variable. In this figure it can be seen that clear information has the most insufficient number of 2.87 and empathy with 2.97. Both of this attributes are less that the average mean score of 3.03. Considering the importance value of communication variable, it is necessary to increase the level of this two attributes.

e. Hypothesis Testing Results

Based on the overall results of the analysis in this research, the following is a summary of the results of hypothesis testing in this research.

Table 8. Hypothesis testing results

Hypothesis	Result	Conclusion
There is a positive influence of social satisfaction on interpersonal relationship	Sig. t test = 0.014; t count = 2.640 and regression coefficient 0.137	Hypothesis Accepted
There is a positive influence of communication on interpersonal relationship	Sig. t test = 0.000; t count = 4.191 and regression coefficient 0.432	Hypothesis Accepted
There is a positive influence of self-esteem on interpersonal relationship	Sig. t test = 0.001; t count = 3.676 and regression coefficient 0.246	Hypothesis Accepted

The results of this research show that Social Satisfaction, Communication and Self-Esteem has a positive and significant effect on interpersonal relationships, the higher the antecedent level, the higher the interpersonal relationship, and vice versa, interpersonal relationships will decrease if the independent variable decreases. The results of this research are in line with several previous research results, such as research results (Barnett et al., 2019; Chen et al., 2023).

DISCUSSION

According to the results of the data processed above, there are some key takeaways that can be improved from this research:

a. From the equation formula result above, it can be concluded that the independent variable of Communication (X2) has the highest value 0f 0.432 and it is placed on the fourth (IV) Quadrant. This value means that Communication became the most influencing independent variable and also most important towards the level of interpersonal relationship level among workers. Meanwhile independent variable of Self Esteem (X3) becomes second with value of 0.246 and Social Satisfaction is placed third with value of 0.137.

b. The two (2) least valued of communication variable are the clear information and empathy. Development clear information can be earned through some programs according to literature from Hewett (2021) and Suddaby (2010), such as:
   - Be Clear and Concise.
   - Be Aware of Non-Verbal Communication.
   - Select our tone

   For the Development of empathy can be achieved through some programs. One of most effective programs can be learnt from the famous book of Daniel Goleman's 1995 "Emotional Intelligence". On Daniel Goleman's Book (2020), Goleman stated that empathy is basically the ability to understand others' emotions. Goleman also, however, notes that at a deeper level, it is about. defining, understanding, and reacting to the concerns and needs that underlie others' emotional responses and reactions. From Previous literature of Kewalrani (2015), there are some programs to increase empathy:
   - Empathy & Leadership Training Model Workshop.
   - Regular Focus Group Discussion by monthly.
   - Implement 360 peer evaluation yearly

CONCLUSION

Social Satisfaction, Communication and Self-Esteem have positive and significant effect on interpersonal relationships, the higher the value of these independent variables, the higher the interpersonal relationship, and vice versa, interpersonal relationships will decrease if the level of independent variables decrease. Social Satisfaction becomes third most influencing and important variable towards interpersonal relationship, While Self Esteem becomes second most influencing and important variable towards interpersonal relationship. Communication becomes the most influencing and important variable towards interpersonal relationship. Since communication importance, it is necessary to improve the communication level among workers in PT. Sukses Multi Amarta. This is should be taken into account due to its importance and performance level which positioned in the fourth quadrant. The least

valued attributes of the particular variable, Clear Information and Empathy become the focus points of development with the programmes according to Figure VIII. With the increasement on these attributes, the organization can earn significant result in interpersonal relationship.

RECOMMENDATION

For better result within the organization and also to make the research useful, it is necessary to create development programs for the better interpersonal relationship and working climate. If we take a look back to the result, communication become the strategic independent variable that influences interpersonal relationship most.

Some programs that can be considered to be executed within the organizations are:

1. Empathy & Leadership Training Model Workshop.
2. Regular Focus Group Discussion by Monthly.
3. 360 Peer Evaluation by Yearly.

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