

# The Effect of Employee Relations on Employee Performance Through Work Motivation at the Forestry Service of East Kalimantan Province

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DOI: <https://doi.org/10.30880/rmtb.2024.05.02.003>

## Article Info

Received: 30 September 2024

Accepted: 01 November 2024

Available online: 01 December 2024

## Keywords

Employee relations, employee performance, work motivation

## Abstract

This study aims to determine and analyze the effect of Employee Relations on Employee Performance through Work Motivation at the East Kalimantan Provincial Forestry Service. The population of this study were employees of the East Kalimantan Provincial Forestry Service. This research uses descriptive quantitative type. This study obtained a sample of 156 respondents who were taken by Krejcie and Morgan method using random sampling or all positions in the East Kalimantan Provincial Forestry Service. The data collection technique in this study used a questionnaire in the form of a Google Form. The data processing method in this study is to use IBM SPSS Version 26 and SmartPLS software version 4.0.2. The results of this study indicate that employee relations have a positive and significant effect on employee performance, employee relations have a positive and significant effect on work motivation, work motivation has a positive and significant effect on employee performance, and employee relations have a positive and significant effect on employee performance through work motivation.

## 1. Introduction

Human resources are assets that play an important role in the progress of a company because they run the wheels of the company's life. To achieve their goals, every company must make many changes in various fields, especially in terms of human resources. One of the most important things related to human resources is the issue of performance. In realizing the success of a company, performance is a very important issue (Latief *et al.*, 2019). Human resources are an organization's greatest asset because without them, day-to-day business operations such as managing cash flow, conducting transactions, communicating through media, and interacting with customers cannot be performed. Human resources and their potential are the key to a company's success. Organizations today are constantly changing due to globalization and technological advancements. As a result, organizational changes have an impact on businesses and employees. Human potential, individual abilities, time, and talent must be managed and developed to maximize organizational performance. Therefore, HR efforts and HR management ensure that employees can achieve company goals (Haslinda, 2021).

Performance can mean the results of employee work done to the best of their ability and effort. Therefore, employee performance is the result achieved by workers according to company standards. This performance can be achieved by workers in a way that is in accordance with their respective authorities and responsibilities in an effort to achieve organizational goals legally, without violating the rules, based on morals and ethics. Company goals will be easier to achieve by improving employee performance (Lestari & Darmawan, 2014). Good

employee performance will have a positive impact on the sustainability of the company. Whether or not performance can be a benchmark for making good decisions for the business. But there are some employees who perform poorly. This is caused by many variables that affect employee performance, one of which is interpersonal relationships (Latief *et al.*, 2019).

According to Benyamin (2019) the performance of employees at the East Kalimantan Provincial Forestry Service is reviewed based on their ability to complete the tasks assigned, there are indications that employee performance is not good. The results of field research and interviews can show this. It shows that most employee performance does not have the ability to carry out the responsibilities and tasks assigned to them. The achievement of employee performance indicators that do not reach the organization's target shows this. Based on the findings and interviews, it is clear that the current performance condition does still cause problems, some employees still often delay their tasks. In addition, employees show poor performance because they lack creativity and innovation at work. Some employees are not able to use their working hours well, and it is possible that employees lack understanding of their assigned tasks.

Employee relations is defined as the relationship between employees and managers to improve employee morale, commitment and trust and to create a suitable work environment that enables them to exert their maximum efforts to achieve organizational goals (Bajaj & Tiwari, 2013). And according to Dessler (2005: 726) in employee relations, the organizational structure is able to balance centralized control between the center and the regions with adequate regional autonomy and expand HR policies and systems to serve the needs of overseas staff.

Companies that want to improve their employee performance must consider leadership, welfare, education and training, communication, work environment, participation, and work relationships (Novayana & Sudarma, 2014). "Working relationships" is a term that refers to situations that occur in the workplace, whether with superiors, coworkers, or subordinates within the company. Work atmosphere is a comfortable working condition, such as a comfortable workplace, and working relationships among organizational members towards company goals, such as superiors and subordinates, which are coordinated with an understanding of the relationships that exist between employees. There are two general types of relationships, namely formal and informal relationships, shown by employees in the company (Bellaudi & Suryadi, 2022). The starting point of the employee relationship is the employee's effort to provide skills and effort to the employer in exchange for the employer providing a salary or wage to the employee (Armstrong, 2006: 217).

Riyanto *et al.* (2017) revealed that motivation is something that encourages someone to carry out certain activities, motivation is also referred to as a driver of one's behavior. However, according to Siagian & Khuzaini (2015), said that motivation is the power to encourage someone in the organization to develop their expertise and skills, as well as to spend time and energy to carry out various activities that are their responsibility and fulfill their obligations to achieve goals. An organization or institution offers motivation to encourage its employees to strive to achieve organizational goals. Leaders who provide motivation will make employees feel motivated to do more. If high performance results are to be achieved consistently, highly motivated employees are essential (Nasution, 2014).

Based on the research of Brhane & Zewdie (2018) the result of this study is that employee relations have a significant effect on employee performance. Meanwhile, research by Rahman & Taniya (2017) as for the results of this study is that employee relations have a significant positive effect on employee performance. Based on research from Samwel & Janes (2018) the result of this study is that employee relations have a significant effect on employee performance. Therefore, it can be concluded that:

H1: Employee Relations (X) has a positive and significant on Employee Performance (Y) at the East Kalimantan Provincial Forestry Service.

Based on Kube's research (2017), the result of this study is a low working relationship that has no effect on work motivation. Meanwhile, research by Hakim *et al.* (2018) as for the results of this study is that work relationships have a significant effect on motivation. Based on research from Aisyah (2016) the result of this study is that work relationships have a significant effect on motivation. Therefore, it can be concluded that:

H2: Employee Relations (X) have a significant effect on Work Motivation (Z) at the East Kalimantan Provincial Forestry Service.

Based on research by Rusydi *et al.* (2021) as for the results of this study is that work motivation has a positive and significant effect on employee performance. Meanwhile, Sopandi's research (2022) as for the results of this study is that work motivation has a positive and significant effect on employee performance. Based on research from Ekhsan (2019) the result of this study is that motivation has a significant effect on employee performance. Thus, it can be concluded that:

H3: Work Motivation (Z) has a significant effect on Employee Performance (Y) in the Forestry Service of East Kalimantan Province.

According to the results of research by Widyantari *et al.* (2020) the result of this study is that motivation has a significant effect on employee relations and employee performance. Meanwhile, research by Pratiwi *et al.* (2022) as for the results of this study, namely motivation has a significant effect on employee relations and employee performance. Based on research conducted by Parinussa R & Dunan (2022) the results of this study are motivation and work relationships have a positive effect on employee performance. Thus, it can be concluded that:

H4: Work Motivation (Z) has a significant effect as a mediator between Employee Relations (X) and Employee Performance (Y) at the East Kalimantan Provincial Forestry Service.

## 2. Research Methodology

The research starts with planning, collecting data, processing data, analysing data, and writing the article. This research is quantitative research, which is to determine and analyse the effect of exogenous variables on endogenous variables through intervening variables. Exogenous variables include employee relations (X), endogenous variable is employee performance (Y), and intervening variable is work motivation (Z). The indicator of the employee relations variable (X), trust, job completion, good relationships, good communication. Meanwhile, the indicators of the employee performance variable (Y) are, work standards, amount of work, time to complete work, and collaboration with coworkers. And for indicators of work motivation variables (Z) are harmonious relationships between coworkers, developing optimal abilities, and interacting well with coworkers.

In the results of this study, the sample size was determined using the Krejcie and Morgan Table, based on (LKjIP, 2022) the total population in the East Kalimantan Provincial Forestry Service of 603 employees, a sample size of 234 was needed to represent the entire population. However, sample size estimates calculated using Cohen (1992) vary according to the type of statistical test used by the researcher. The sample size required for correlational research is 85 while multiple regression analysis requires 116. This suggests that the sample size can range from a minimum of 85 samples to conduct correlational analysis to a maximum of 234 samples as recommended by Krejcie and Morgan (1970).

**Table 1** Krejcie and Morgan

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380

190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

The SEM-PLS model was applied using SmartPLS software to analyse the data. The analysis process began by testing the validity of the variable construct indicators, as well as the validity and reliability of the variables. Next, hypotheses were tested through path analysis and specific indirect analysis to explore the influence of other variables on endogenous variables. The analyses also included in-depth descriptions to identify the potential influence of relevant variables in the context of this study.

### 3. Result and Discussions

It is known that in this study consisted of 156 respondents, the number of male respondents was 59% or 92 people, while the number of female respondents was 41% or 64 people. Among the ages, the number of respondents aged 20-35 years was 118 people with a percentage of 75.6%, the number of respondents aged 36-50 years was 32 people with a percentage of 20.5%, and the number of respondents aged >50 was 6 people with a percentage of 3.8%. It is known that in this study consisted of 156 respondents, the number of male respondents was 59% or 92 people, while the number of female respondents was 41% or 64 people. Among the ages of the number of respondents who had ages 20 - 35 years as many as 118 people with a percentage of 75.6%, the number of respondents who had ages 36 - 50 years as many as 32 people with a percentage of 20.5%, and the number of respondents who had ages > 50 was as many as 6 people with a percentage of 3.8%. Meanwhile, the number of respondents who have worked for 1 - 10 years is 83.3% or 130 people, the number of respondents who have worked for 11 - 20 years is 10.9% or 17 people, the number of respondents who have worked for 21 - 30 years is 3.8% or 6 people, and the number of respondents who have worked for 1.9% or 3 people.

All indicators for Employee Relations, Employee Performance, and Work Motivation variables have values above 0.70. Therefore, it can be concluded that all indicators of these variables are valid. Furthermore, Cronbachs Alpha for each construct > 0.70, Composite Reliability for each construct > 0.70 and Average Variance Extracted (AVE) for each construct > 0.50 meaning that all constructs are reliable and valid.

Path analysis test results are used to analyze whether each hypothesis is supported. The following is a path analysis table (Table 2), as well as an image of the constructed model (Figure 1):

**Table 2** Path Analysis Test Result

No	Variable	Original Sampel	T-Statistics	P-Value
1	Employee Relations > Employee Performance	0.335	2.463	0.014
2	Employee Relations > Work Motivation	0.822	14.924	0.000
3	Work Motivation > Employee Performance	0.268	2.207	0.027

Specific indirect analysis test results are used to analyze whether each hypothesis is supported. The following is specific indirect analysis table (Table 3).

**Table 3** Spesific Path Analysis Test Result

No	Variable	Original Sampel	T-Statistics	P-Value
1	Employee Relations > Work Motivation > Employee Performance	0.220	2.138	0.033

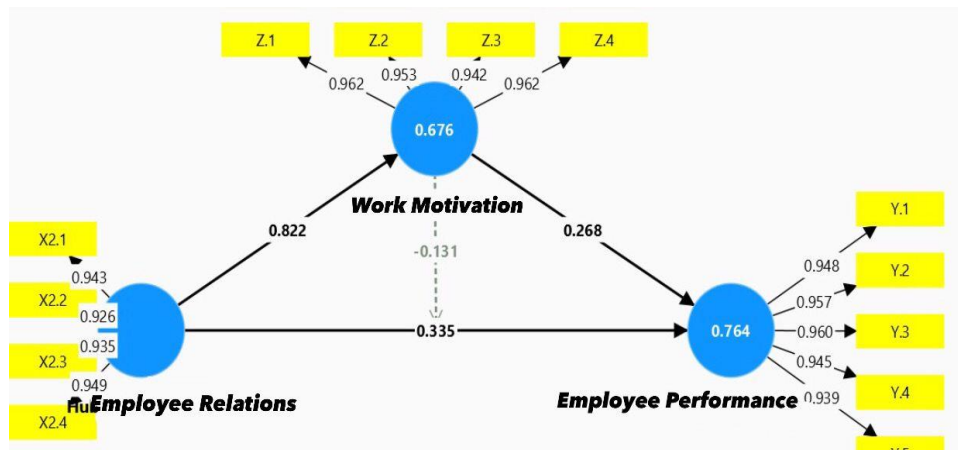


Fig. 1 The Constructed Model

#### 4. Discussions

Based on the results of this study, it shows that good relationships between employees make employees have good working relationships, often discuss and share ideas freely. So that they can develop solutions quickly, causing their performance to improve because the work can be completed quickly and with better results.

The findings of this study are in line with previous research conducted by Ahmed *et al.* (2017), where researchers found that Employee Relations has a positive and significant effect on Employee Performance. And also, research conducted by Samwel & Janes (2018) says that Employee Relations has a positive and significant effect on Employee Performance.

Based on the results of this study, it shows that good relationships between team members facilitate effective communication, so that it can make employee performance at the East Kalimantan Provincial Forestry Service increase.

The findings of this study are in line with previous research conducted by Hakim *et al.* (2018), where researchers found that Employee Relations had a positive and significant effect on Work Motivation. And also, research conducted by Aisyah (2016) the result of this study is that Work Relationships have a significant effect on Motivation.

Based on the results of this study, it shows that work motivation is very important in employee performance. Employees at the East Kalimantan Provincial Forestry Service who have high work motivation will give their best in their work. They become more thorough in carrying out their duties, resulting in good employee performance.

The findings of this study are in line with previous research conducted by Yunarifah & Kustiani (2012), where researchers found that Work Motivation has a positive and significant effect on Employee Performance. And also, like research conducted by Tarjo (2019) says that there is a positive and significant influence between Work Motivation and Employee Performance.

An employee who has a good relationship between coworkers will foster a sense of work enthusiasm at the East Kalimantan Provincial Forestry Service. This then affects the motivation for employees to work better because they feel more prepared and skilled in handling the challenges that arise.

The findings of this study are in line with previous research conducted by Widyantari *et al.* (2020) the result of this study is that motivation has a significant effect on employee relations and employee performance. And also like the research conducted by Pratiwi *et al.* (2022) as for the results of this study is Work Motivation has a significant effect on Employee Relations and Employee Performance.

#### 5. Conclusion

Based on the results of the data analyzed using SEM-PLS which includes the formulation of problems, hypotheses and research results, it can be concluded that Employee Relations has a positive and significant effect on Employee Performance. So, this shows that the better the Employee Performance at the East Kalimantan Provincial Forestry Service.

Based on the results of research using the SEM-PLS method, it was found that Work Motivation has a positive and significant effect on Employee Performance. Thus, this finding is in line with the third hypothesis. So, this shows that the greater the Work Motivation of an employee, the greater the effect on Employee Performance at the East Kalimantan Provincial Forestry Service.

## Acknowledgement

The authors would like to thank the Department Business Economy and Politics of Faculty Business and Politics, University East Kalimantan Muhammadiyah for its support.

## Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

## Author Contribution

The authors confirm contribution to the paper as follows: **study conception and design:** R. A. N., I. and F.; **data collection:** R. A. N., I. and F.; **analysis and interpretation of results:** R. A. N., I. and F.; **draft manuscript preparation:** R. A. N., I. and F. All authors reviewed the results and approved the final version of the manuscript.

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