The Influence of Change Readiness on Quality of Communication and Participation of Employees in PT. Bank Mandiri (Persero), Tbk, Medan

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Abstract- Changes in the organization are needed for the progress and success of the organization. However, it often leads to rejection by employees. To get employees with the quality of communication and good participation, it required readiness to change from the employees. This study aims to determine the effect of changing readiness on the quality of communication and participation in companies that experience change. The subjects were 80 employees of PT. Bank Mandiri (Persero), Tbk., Medan Balaikota Area and sampling technique is purposive sampling. Data were collected using the scale of communication, the scale of participation, and the scale of readiness to change. Data were analyzed statistically using multiple regression analysis. The results of the analysis indicate a significant and positive influence of changed readiness on communication and participation. Where the readiness to change gives a significant effect towards communication better than participation. Readiness change gives 98,4% effect toward communication, and 96,7% effect toward participation. It helps the company to recognize the most powerful strategic to improve employees readiness of change, so they could achieve the company purpose.

Keywords- Change Readiness, Quality of Communication, Participation.

I. INTRODUCTION

Bank Mandiri is a state-owned bank with the largest assets, loans and deposits in Indonesia. Established on 2 October 1998, Bank Mandiri is a government program to restructure banks, and is a combination of 4 major Banks in Indonesia, namely Bank Dagang Negara (BDN), Bank Rumi Daya (BBD), Bank Pembangunan Indonesia (Bapindo), and Bank Ekspor Impor Indonesia (Bank Exim). (Mandiri magazine, 2014).

Each of these banks, of course, has a different work culture but strives to become a new banking institution to achieve its vision and mission. Bank Mandiri also rushed to make changes, to pursue its vision of being "The Best Bank in ASEAN 2020" (Mandiri Magazine, 2014; Company Document, 2014).

According to Cohen (1999) organizations must apply transformational change and also continuously to be able to keep competing. Change helps organizations to adapt to the environment, and affects the roles, responsibilities, and lives of employees. However, often the changes planned by the company fail. Beer, Eisenstat, and Spector (1990) suggest that change may fail or make the organization's situation worse. Some of the causes of failure in reorganization or organizational change are limited technological and financial difficulties, but the main point is the interpersonal relationship.

Currently, the reorganization has been implemented by Bank Mandiri. However, there are some things that become obstacles. The thing most complained about by the employees of Bank Mandiri is their ignorance of the current reorganization.
Reorganization raises a lot of new things to the company. The new thing is like the emergence of new task differences compared to before. In addition, the target to be achieved is also higher, thus making employees feel uncomfortable. In a preliminary interview, it was found that front-liners in the branch felt that their work demands more and more, with no further explanation of the reorganization.

Based on research conducted by Prochaska (2001) after a survey of 400 organizations, it was found that employee rejection of change was one of the most striking reasons for failure of change. One reason for rejection is due to employees' ignorance of changes taking place within the organization. In a change run by an organization, setting up an employee will make them understand why the change is taking place (Oreg, 2011). Thus, in practice their behavior will act in accordance with the expectations of the organization.

In the process of change, according to Holt (2007) there are several dimensions to consider, namely Appropriateness (Self-efficacy for change), Self-efficacy for change, Management support, and Personal valence (Benefits for individuals).

In addition, Armenakis and Harris (2002) state that communication plays an important role in the process of change in the organization. Kovorr-Misra (2002) states that good communication, will provide a better perception on employees to be able to build a new organizational identity. Can be concluded that to run the process of organizational change required effective communication between employees. According to Devito (1995), in communication, there are several communication qualities that must be considered, namely, openness, empathy, supportiveness, positiveness, and equality. Building effective communication, will be able to determine the steps to achieve a certain goal can be run properly.

Changes that occur in Bank Mandiri certainly expect the willingness of employees to support these changes. Employee participation also plays an important role in organizational change is the desire of employees to participate. According to Wanberg and Bannas (2000) employee participation plays an important role in the success of organizational change process.

In accordance with the background that has been described above, then the formulation of the problems in this study are:

1. Is there any effect of readiness to change towards the communication quality of employees of Bank Mandiri Medan Balaikota Area.
2. Is there any effect of readiness towards change on the level of participation of employees of Bank Mandiri Medan Balaikota Area.
3. Is there effect of readiness change towards communication quality and level of employee participation of Bank Mandiri Medan Balaikota Area.

II. CHANGE READINESS

Individual readiness to change is defined as the desire to be open to cognitive and emotional change (Armenakis, Holt, Harris, and Field, 2006). Measurement limits are made based on existing dimensions, namely appropriateness, self-efficacy for change, management support and personal valence.

a. Appropriateness (Accuracy to make changes)

This dimension explains the aspect of individual belief that proposed changes will be appropriate for organizations and organizations will benefit from the implementation of change. Individuals will believe in a logical reason for change and the need for a proposed change and focus on the benefits of change for the company, the efficiency gained from changes and the congruence of corporate goals with the goal of change.

b. Self-efficacy for change (Self-efficacy for change)

This dimension explains the aspect of the individual's beliefs about his ability to apply the desired change, which he feels has the skills and is capable of performing tasks related to change. This dimension also explains the level of confidence of individuals and groups in order to succeed the planned change.

c. Management support

This dimension explains the aspect of individual beliefs or perceptions that leaders or management will support and commit to the proposed change.

d. Personal valence (Benefits for individuals)

This dimension explains the belief aspects of the perceived personal gain that will be obtained when the change is implemented.

III. COMMUNICATION

Communication is a process whereby information and understanding information exists between two or more parties, usually with a view to motivating or influencing
behavior (Frahm and Brown, 2007). In general, these five qualities enhance meaning, honesty, and satisfy the interactions that occur.

a. Openness

Openness refers to three aspects of interpersonal communication. First, the desire to be more open, where someone reveals information about him that usually he always hid. Openness shown only by one party is usually not enough. According to Montgomery (1981), openness in communication must be bilateral, in which personal and personal information exchanged.

Second, openness refers to the desire to react honestly to messages conveyed by others. Being silent, uncritical, and not having any movement makes the communication going boring. Usually a person wants people or other parties to react openly to what he says, and everyone feels he has that right. Openness in communication can be seen how far one can respond spontaneously and without any pretense to communication and feedback on others.

Third, openness refers to a sense of "possession" of feelings and thoughts. To be open in this case, one needs to recognize the feelings and thoughts expressed by others and have a sense of responsibility towards them without trying to change them. When a person "owns" the message he is conveying, he or she will tend to present it with an "I-messages" message rather than "you-messages". When someone uses "I-messages", then he will convey a message by expressing his feelings. If communication occurs in this way, then communication can give explicit meaning that one's feelings result from what happens outside of a person, and what happens in a person.

b. Empathy (Empathy)

Often what makes communication qualities difficult is the ability to have empathy with others. The term empathy comes from the Greek language translated into German meaning "feeling". Empathizing with others means having the same feelings toward that person, experiencing what is experienced from the other person's point of view without losing his or her identity. To empathize is to have feelings with someone in the same way. Empathy will make a person understand emotionally and intellectually, from that experienced by others.

c. Support (Supportiveness)

A descriptive rather than evaluative atmosphere will lead to supportive communication. When a person feels that the communication is being asked for information or explains an event, then the person will not feel any threat that arise. Then there will be good communication and do not cause barriers to others.

People often respond to positive evolutions without feeling threatened. When a person feels the power of knowledge, and the right to evaluate others, others will feel threatened, and anticipate that subsequent evaluation will be unpleasant, so communication is ineffective.

To be able to communicate effectively, it is necessary to be provisionalism. Provisionalism means having a tentative, open, and willing attitude to listen to others from the point of view of the possessions and to swap the positions they experience if necessary. This will make others feel tolerated and feel the equivalent of the opponent.

d. Positive Thinking (Positiveness)

Communication can walk positively if there are two things, namely: a positive attitude that appears, and praise others when interacting.

- Attitude

A positive attitude in communicating refers to a person's positive feelings toward others, and for general communication situations. The feelings that a person has during the communication will be obvious during the communication and will affect the satisfaction of the interaction. Negative feelings, will make communication difficult to run.

-Compliment

Another aspect of positive feelings is behavior that recognizes the existence and importance of the presence of others. When someone praises others, he will regard others as being in existence. This can be demonstrated by both verbal and nonverbal. Even some people have deeper relationships because they feel appreciated and praised by the person.

e. Equality

Equality is a strange thing. This is because in any situation, inequality is bound to emerge. On the one hand a group of people situations and conditions more than any other group, and vice versa. However, effective communication will occur when equality arises between the parties communicating. Equality does not mean accepting and approving all other parties' behavior, however, placing themselves parallel to the other.
IV. PARTICIPATION

Participation is the fair giving of opportunities to employees and decision-making during changes in the organization, and impacts on a more positive attitude (Mikkelsen, 2000 ;). In participation, Joensson (2008) states that there are several dimensions in participation, namely:

a. Intensity

The intensity of participation shows the level of influence associated with participation, or also called the level of depth of participation. Intensity also shows interest and self-determination in a person. Intensity can be seen in how employees maintain and share about the growing social value at the time of change. This dimension plays an important role during the process of group identification in an organization. For example, a group of an organization will influence its social value, thereby increasing its status within the organization. If the individual of the group can also show its influence in the social value, then the group also increases its social status. Here it can be seen that, the intensity of employee participation both individually and in groups, related to social status within an organization.

b. Decision authority

This dimension refers to the party that making the decision. A decision made by the manager individually, will be different if done by a group of employees. Different forms of decision-making will result in different decision-making processes, and will produce different results on the attitudes and relationships of individuals within the organization. Decision-making can be done individually or in groups of work units. For that, need more specific description of the participation that occurs within an organization.

When the individual understands why change is needed, the individual will participate and be ready to change (Madsen, Miller, John, 2005). Understanding and receiving knowledge about the changing conditions, will bring the ability to think to employees about how to cope with the changes that are happening. Furthermore, Jimmieson (2008) states that participation is positively correlated with individual readiness to change, and has the potential to reduce employee rejection of change.

Miller et al. (1994) and Wanberg and Bannas (2000), stated that communication and participation are related to the individual's readiness to change, as well as to reduce individual rejection within the organization to the process of change. Chilton (2010) also states that to get employees who are ready to change, encouragement is required for employees to participate and implement honest communication, so that employees are ready to face change.

Based on the explanation above, it can be said that the readiness changed affect the quality of communication and participation. Communication and participation are indispensable in carrying out changes in an organization. The sharing of information between the work, will increase the understanding and also self-belief to support the existing changes. In addition, employees also feel that their participation will have an impact in the implementation of the company's strategic plan.

Based on the above theoretical description, the hypothesis in this study is as follows:

H1: There is an effect between the qualities of communication to change readiness. Communication quality plays a role in improving employees' readiness to change.

H2: There is an effect between participation on readiness to change. Participation contributes to improved employee readiness to change.

H3: There is an effect between the quality of communication and participation towards readiness to change. The quality of communication and participation plays a role in improving employees' readiness to change.

V. IDENTIFICATION OF RESEARCH VARIABLES

1. Independent Variable: Readiness to Change (Y)
2. Dependent Variables:
   - Communication Quality(X1)
   - Participation (X2)

Individual readiness to change is defined as the individual condition cognitively and emotionally in order to carry out a change according to individual and organizational characteristics. Readiness to change is measured by using a change readiness scale compiled based on changes in readiness dimensions set forth by Holt (2007).

Individual readiness to change is defined as the individual condition cognitively and emotionally in order to carry out a change according to individual and organizational characteristics. Changed readiness is measured by using a change readiness scale compiled based on changes in readiness dimensions set forth by Holt (2007).
The dimensions of readiness change include, Appropriateness, self-efficacy for change, management support, and personal valence. The change readiness score is derived from the total score of all dimensions of the readiness scale changed. Subjects who get high scores on the scale of readiness change illustrate that the subject has a high changeability readiness and low scores instead illustrate that the subject has a low readiness change.

Communication is the process of conveying and understanding information in order to motivate group members, to correct conflicts within groups, to achieve desired change.

Communications that run within the organization will be measured using a communication scale based on quality in interpersonal communication proposed by Devito (1995), namely, Openness, Empathy, Supportiveness, Positiveness, Equality. The communication score is derived from the total score of all dimensions of the communication scale. High communication score illustrates that the subject has humanistic capital in having effective communication. Conversely, a low score illustrates that a subject cannot run an effective communication.

Participation can be summed up as an opportunity for all individuals in the organization to be able to make decisions so as to enhance their relationship to the organizations they are sheltering. Participation is measured by the scale of participation with the dimensions expressed by Joensson (2008) consisting of intensity, and decision authority. The participation score is derived from the total score of all dimensions of the participation scale. The higher a person's score means the better the individual's ability to participate in organizational change. Conversely, the lower the score achieved means the lower the individual's ability to participate in organizational change.

VI. POPULATION AND SAMPLE

The population studied in this research is employees of PT Bank Mandiri (Persero) Tbk Medan Balaikota Area. The sample characteristics in this study are employees of PT Bank Mandiri (Persero) Tbk. who has worked for a minimum of 1 year. The executing employees are those who work in frontliner positions. In the researcher using purposive sampling technique, purposive sampling is a method of sampling that is characterized by the use of judgment and a deliberate attempt to obtain a representative sample, by establishing a characteristic that is typical of a particular group or area (Kerlinger, 2003). So the number of respondents in this study is 80 people.

This study uses Likert model scaling is a scaling model of attitude statement using response distribution as the basis for determining attitude value (Azwar, 2005). Each aspect / dimension will be broken down into a number of favorable and unfavorable statements, where subjects are given five alternative options: strongly agree (SS), agree (S), neutral (N), disagree (TS), and strongly disagree (STS). The score moves from 5 to 1 for favorable and 1 to 5 for unfavorable items.

The 3 scales used in this study, namely the scale of readiness change, scale of communication quality and participation scale.

In this study, the population used is employees who work in Bank Mandiri Medan Balaikota Area. The subject of this research is 80 people who work in Bank Mandiri Medan Balaikota Area which can be grouped by sex, work experience, last education, and type of branch.

a. Description of Research Subjects by Sex

Based on the gender of the subject consisted of 30 men and 50 female subjects. The following table explanation below:

Based on Table 4.1, it can be seen that the number of male research subjects were 30 people (37.5%), female research subjects were 50 people (62.5%).

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>30</td>
<td>37.5%</td>
</tr>
<tr>
<td>Female</td>
<td>50</td>
<td>62.5%</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100%</td>
</tr>
</tbody>
</table>
b. Description of Research Subjects Based on Work Experience

Table 4.2 Description of Research Subjects Based on Work Experience

<table>
<thead>
<tr>
<th>Work Experience</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 5 years</td>
<td>15</td>
<td>18.8%</td>
</tr>
<tr>
<td>6 – 10 years</td>
<td>28</td>
<td>35%</td>
</tr>
<tr>
<td>11– 15 years</td>
<td>21</td>
<td>26.3%</td>
</tr>
<tr>
<td>16– 20 years</td>
<td>16</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100%</td>
</tr>
</tbody>
</table>

Working Experience employees percentages ranging from 1-5 years, 6-10 years, 11-15 years, and 16-20 years. Based on the percentage it was found that 15 people had 1-5 years working experience (18.8%), 28 people with 6-10 years working experience (35%), 21 people with 11-15 years work experience (26.3%), and 16 people with work experience 16-20 years (20%).

c. Description of Research Subjects Based on Level of Education

Table 4.3 Description of Research Subjects Based on Level of Education

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate’s Degree</td>
<td>31</td>
<td>38.8%</td>
</tr>
<tr>
<td>Bachelor</td>
<td>49</td>
<td>61.3%</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100%</td>
</tr>
</tbody>
</table>

The education level of employees of Bank Mandiri Medan Balaikota Area is starting from Associate’s Degree and Bachelor. After categorization, 31 employees with Associate’s Degree (38.8%) and 49 Bachelor (61.3%) were selected.

d. Description of Research Subjects by Branch Type

Table 4.4 Description of Research Subjects by Branch Type

<table>
<thead>
<tr>
<th>Branch Type</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 1</td>
<td>30</td>
<td>37.5%</td>
</tr>
<tr>
<td>Class 2</td>
<td>17</td>
<td>21.3%</td>
</tr>
<tr>
<td>Class 3</td>
<td>14</td>
<td>17.5%</td>
</tr>
<tr>
<td>Class 4</td>
<td>12</td>
<td>15%</td>
</tr>
<tr>
<td>Class 5</td>
<td>7</td>
<td>8.8%</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100%</td>
</tr>
</tbody>
</table>
The employees of Bank Mandiri Medan Balaikota Area consists of 5 types of branches. After categorization, 30 people from class 1 (37.5%), 17 from class 2 (21.3%), 14 from grade 3 (17.5%), 12 people who are from grade 4 (15%), and 7 from grade 5 (8.8%).

VII. RESULTS

This research get result indicate that communication have positive and significant effect to readiness change, with correlation coefficient equal to 0.984% or 98.4%. Positive and significant influences provide the understanding that the better the quality of communication in a company, the readiness to change will be better, and when the quality of communication in the company worse, then the readiness to change will be low.

<table>
<thead>
<tr>
<th>Variable</th>
<th>partial correlation value towards readiness to change</th>
<th>Requirement (based on Sugiyono’s table (2006))</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Communication</td>
<td>0.984</td>
<td>0.8 -1 = strong correlation</td>
<td>Communication strongly effected toward readiness to change</td>
</tr>
</tbody>
</table>

The second result in this study explains the effect of participation on the readiness to change, where the results suggest that there is a significant positive influence between participation on change readiness with a correlation coefficient of 0.967, or the effective contribution of participation to change readiness is 96.7%. The resulting positive and significant effects give the understanding that the higher the level of employee participation, the readiness to change will be higher also, and the lower the participation, the lower the readiness to change.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Partial correlation value towards readiness to change</th>
<th>Requirement (based on Sugiyono’s table (2006))</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>0.967</td>
<td>0.8 -1 = strong correlation</td>
<td>Participation strongly effected towards readiness to change</td>
</tr>
</tbody>
</table>

From research conducted on 80 frontliner employees working at PT. Bank Mandiri, (Persero) Tbk Medan Balaikota Area, the results show that there is a significant influence between communication and participation together on the readiness to change with the coefficient determinant (R2) of 0.991, or can be said the communication and participation variables give effect to Readiness variables change jointly is 99.1%, while the remaining 0.9%
influenced by other factors not described in this study. This combined significant effect gives understanding that communication and participation simultaneously contribute to the size or magnitude of a changed readiness in a company.

<table>
<thead>
<tr>
<th>Variable</th>
<th>R</th>
<th>R²</th>
<th>F</th>
<th>P</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictor :</td>
<td>0.996</td>
<td>0.991</td>
<td>4485.292</td>
<td>0</td>
<td>Hypothesis accepted</td>
</tr>
<tr>
<td>communication,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>participation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Criteria :</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Readiness to change</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Based on the result, the quality of employee communication PT. Bank Mandiri (Persero), Tbk., Is in the medium category. This is influenced by factors not discussed in this study. The quality of communication on employees has not been maximized, because there is still feeling hesitate, and dishonest in communicating. In addition, still lack of empathy and self-placement with and between 1 employee with another.

The second thing in the categorization, found that the participation of employees at PT. Bank Mandiri (Persero) Tbk., Shows that the participation rate is in the high category. Employee participation is actively applied in this company. Employees in this study are trained to participate in efforts to achieve corporate change, by giving employees the opportunity to give opinions or look for ideas related to company goals. Although they also assume that the decision will ultimately be taken by the employee.

Finally, employee readiness to change at PT. Bank Mandiri (Persero) Tbk., is in the high category. Employees are trained to be ready for upcoming changes, by preparing their behavior or skills as best they can.

VIII. CONCLUSION

Based on research conducted on 80 employees at PT. Bank Mandiri (Persero), Tbk., Medan Balaikota Area obtained the following research results:

1. Readiness to change has a positive influence on communication on frontline employees working at PT. Bank Mandiri, (Persero) Tbk Medan Balaikota Area with effective contribution of 98.4%. Positive influence is given that the better the quality of communication the better the readiness to change, and the worse the quality of communication, where the lower also the readiness to change employees.

2. Readiness to change has a positive influence on the level of participation in frontline employees working at PT. Bank Mandiri, (Persero) Tbk Medan Balaikota Area with effective contribution of 96.7%. Positive influences provided mean that the higher the level of employee participation the higher the readiness to change, and the lower the level of employee participation, the lower the readiness to change.

3. The readiness to change significantly influences the quality of communication and participation in frontline employees working at PT. Bank Mandiri, (Persero) Tbk Medan Balaikota Area with effective contribution of 99.1%.

Specifically, the categorization in the study is divided into moderate high categories, and low on each variable. The quality of communication in this company is in the medium category. Then, for the participation of employees classified as active. Lastly for the readiness to change the employees in this company is high.

METHODOLOGICAL SUGGESTIONS

Based on this research, for those who have interest to develop further research should be able to expand the research subject, for example by taking subject from other BUMN Bank, so that research can be generalized.

PRACTICAL SUGGESTIONS

Furthermore, the influence of each type of branch based on the complexity of the type of transaction, the different targets, and the number of customers visiting. Therefore, further research can be done to find out specifically about the effect of changing readiness on communication quality and participation on readiness to change on different branch types at PT. Bank Mandiri (Persero), Tbk., or at other BUMN Bank. It is hoped to illustrate whether this type of branch gives more specific influence in the study.

Based on research results:

a. The company can improve the quality of communication, so the company's goal to change can be achieved. The quality of this communication can be improved by providing training, or by coaching.
b. Employee participation rate at the company is in high category. This gives an advantage to be able to achieve the target company. Active participation in work can be maintained by training in teamwork, as well as training that hone the ability of employees to be able to play an active role in the company.

c. Employee turnover is in the high category. High readiness to change will make it easier for companies to get employees to deal with existing changes. Practicing change preparedness can be done by routine socialization, as well as coaching so that employees can be better prepared in the face of change.

REFERENCES


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