

EMPLOYEE AWARENESS OF THE IMPACT ON BIZNET COMPANY'S REPUTATION



Submitted as a Partial Fulfillment of the Requirement for Obtaining a Bachelor Degree of
Management at the Faculty of Economics and Business

By:

LETTY THALIA FACHRIZAL

B100184229

**MANAGEMENT DOUBLE DEGREE PROGRAM
ECONOMIC AND BUSINESS FACULTY
UNIVERSITAS MUHAMMADIYAH SURAKARTA
2023**

APPROVAL

**EMPLOYEE AWARENESS OF THE IMPACT ON BIZNET COMPANY'S
REPUTATION**

PUBLICATION ARTICLE

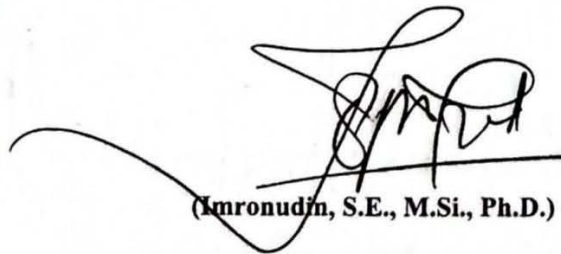
By:

LETTY THALIA FACHRIZAL

B100184229

Has been inspected and approved to be tested by:

Thesis Supervisor

A handwritten signature in black ink, appearing to be 'Imronudin', is written over a horizontal line. The signature is stylized with loops and flourishes.

(Imronudin, S.E., M.Si., Ph.D.)

ACCEPTANCE

EMPLOYEE AWARENESS OF THE IMPACT ON BIZNET COMPANY'S REPUTATION

Written and Composed by:

LETTY THALIA FACHRIZAL

B100184229

Its has been maintained in front of the Board of Examiners faculty of Economics
and Business Muhammadiyah Surakarta university

On Thursday, January 19, 2023

and declared to have met the requirements

Board of Examiners:

1. Imronudin, S.E., M.Si., Ph.D.
(Chairman of the Board of Examiners)
2. Kussudyarsana S.E., M.Si., Ph.D.
(Member 1 Board of Examiner)
3. Soepatini, S.E., M.Si., Ph.D.
(Member 2 Board of Examiner)

(.....)

(.....)

(.....)

Knowing

Dean of the Faculty of Economics and Business

University Muhammadiyah Surakarta



(Prof. Dr. Anton Agus Setyawan, S.E., M.Si)

TESTIMONY

I declare that in this scientific publication there is no work that has ever been submitted for a bachelor's degree at a tertiary institution and to the best of my knowledge there are also no works or opinions written or published by other people, except in writing referred to in the text and mentioned in references. .

If in the future it is proven that my statement above is not true, then I will be fully responsible.

Surakarta, 7th February 2023
The Writer.



Letty Thalia Fachrizal

B100184229

EMPLOYEE AWARENESS OF THE IMPACT ON BIZNET COMPANY'S REPUTATION

Abstrak

Penelitian ini menguji faktor-faktor yang mempengaruhi kesadaran karyawan tentang dampaknya terhadap reputasi perusahaan Biznet. Peneliti menyebarkan kuesioner kepada 150 karyawan Biznet sebagai sampel. Temuan utama menunjukkan bahwa reputasi perusahaan yang dirasakan (PCR) dan kebanggaan secara positif mempengaruhi AICR dengan PCR menunjukkan efek terbesar. Maka dapat disimpulkan bahwa membangun reputasi perusahaan yang baik adalah cara yang paling efektif untuk meningkatkan AICR karyawan. Penelitian ini mengkaji faktor-faktor yang memengaruhi kesadaran karyawan bahwa tindakan mereka dapat memengaruhi reputasi perusahaan yang bergerak di bidang jasa. 150 kuesioner analisis menggunakan metode penelitian kuantitatif. Temuan utamanya adalah bahwa kesadaran karyawan bahwa tindakan mereka dapat memengaruhi reputasi perusahaan dipengaruhi langsung oleh seberapa bagus persepsi karyawan terhadap reputasi perusahaan tersebut dan rasa bangga mereka terhadap perusahaan. Namun demikian, pengujian terhadap model menyatakan bahwa persepsi karyawan terhadap reputasi perusahaan memiliki pengaruh terbesar terhadap kesadaran karyawan, oleh karena itu cara efektif dalam meningkatkan kesadaran mereka adalah dengan membangun reputasi perusahaan yang bagus.

Kata Kunci : corporate reputation, pride, perceived corporate reputation

Abstract

This study examines the factors that influence employees' awareness of their impact on Biznet's reputation. Researcher distributed questionnaires to 150 Biznet employees as a sample. The main findings indicate that perceived company reputation (PCR) and pride positively affect AICR with PCR showing the largest effect. So it can be concluded that building a good company reputation is the most effective way to increase employee AICR. This research examines the factors that influence employee awareness that their actions can affect the reputation of companies engaged in the service sector. 150 questionnaires were analyzed using quantitative research methods. The main finding is that employees' awareness that their actions can affect the company's reputation is directly influenced by how well employees perceive the company's reputation and how proud they are of the company. However, tests of the model suggest that employees' perceptions of company reputation have the greatest influence on employee awareness, therefore an effective way to increase their awareness is to build a good company reputation.

Keywords: corporate reputation, pride, perceived corporate reputation

1. INTRODUCTION

Company reputation is something that companies must pay close attention to. Reputation means good name. And if it is associated with the company, then this means the company's good name among the wider community. Therefore, every step taken or decided by a company must be truly

mature and have good value in the future. This is because the reputation of the company is related to the history of the company. According to Fombrun and Rindova (1996), the company's reputation has an understanding as an overall picture of the company's actions in the past and the prospects that the company has in the future through all policies taken when compared to its competitors.

In consuming or using a product from a company, people often associate it with the company's reputation. A good company reputation is considered to have good quality products too. This means that the company's reputation is one of the considerations in society for consuming or using a product that is produced. According to Aaker and Keller (1998), company reputation is the customer's perception of quality associated with the company name. Company reputation directly forms customer trust in the products or services of the company concerned so that it will influence customers in making choices Dick, Chakravarty and Biehal (1990).

In building a good company reputation, employees have an important role. Especially, in service companies where product quality is not the only important thing that must be considered, but the relationship between employees and consumers is also important. One of the strategies to build and maintain a company's reputation is to involve employees (Elsbach and Glynn, 1996; Gotsi and Wilson, 2001; Harris and de Chernatony, 2001). Basically, the company's reputation is an award that is obtained by the company because of the advantages that exist in the company, namely the ability possessed by the company so that the company will continue to be able to develop itself to continue to be able to create new things to meet consumer needs. Besides that, there is also high integrity from service providers for services provided to consumers so that companies can provide the best service, the ability of service providers to be able to establish close relationships with consumers so that these companies can provide services that suit the needs of various consumers. kinds (Herbig, Millewciz, Golden, 1994).

To achieve the company's vision and mission, every employee must know their respective roles. Each employee is placed in a different field according to their abilities. That way, the goals of an organization or company will be easier to achieve. However, in carrying out their duties, ability is not the only thing that matters here. Discipline and awareness are other aspects that affect employee performance. Work Discipline is a person's awareness and willingness to comply with all applicable regulations and norms. Awareness is the attitude of a person

voluntarily obeying all rules and being aware of his duties and responsibilities so that he will obey/do all his duties properly, not under coercion (Hasibuan, 2016: 193).

2. METHOD

This research is a type of quantitative research. Pengumpulan data dilakukan dengan menyebarkan 150 kuesioner kepada karyawan Biznet. The data collection technique used in this study was a questionnaire. In this study using a Likert scale and a closed questionnaire, namely respondents can choose the answers that have been provided. The reason for using the Likert scale measurement is to make it easier for respondents to answer the questionnaire agreeing or disagreeing, it is also easy to use and easy for respondents to understand. Data processing in this study uses smartPLS SEM (Partial Least Square – Structural Equation Modeling) Software.

3. RESULTS AND DISCUSSIONS

The results of the first hypothesis in this study prove that perceived corporate reputation has a positive and significant effect on job satisfaction. This illustrates that financially good companies will also provide good salaries for employees so that employees will feel satisfied with their jobs. Management as well as good service greatly affect the company's reputation so that there are opportunities for employees to advance and get promotions in the company.

The results of the second hypothesis in this study prove that perceived corporate reputation has a positive and significant effect on affective commitment. This illustrates that companies with management and responsibility towards society and the environment will make employees feel their company is better than other companies. So, the better the company's reputation felt by employees, the more it will affect the affective commitment of Biznet employees.

The results of the third hypothesis in this study prove that job satisfaction has a positive and significant effect on affective commitment. This illustrates that employee success at work is influenced by employees who can immediately complete work tasks/daily responsibilities. With this, employees feel a strong sense of belonging to the company and make employees feel satisfied with their work.

The results of the fourth hypothesis in this study prove that perceived corporate reputation has a positive and significant effect on AICR. This illustrates that the greater the

company's perceived reputation, the greater the employee's awareness of the impact on Biznet's company reputation. Companies with a good reputation have good service and this affects employees in knowing how they affect their company's reputation.

The results of the fifth hypothesis in this study prove that pride has a positive and significant effect on job satisfaction. This illustrates that the greater the employee's pride, the greater the satisfaction with his work. Employees who are proud to be part of the company and feel happy when associated with their company can do a good job.

The results of the sixth hypothesis in this study prove that pride has a positive effect on pride. This illustrates that the more proud employees are of working at Biznet, the higher the employee's affective commitment. Employees will be very happy to spend the rest of their careers at Biznet company. Also, employees will put extra effort beyond what is expected to make the company more successful.

The results of the seventh hypothesis in this study prove that Pride has a positive effect on AICR. This illustrates that the prouder employees are of working at Biznet's company, the more aware of the impact it has on the company's reputation. Proud employees feel like corporate ambassadors and are responsible for Biznet's corporate reputation.

The results of the eighth hypothesis in this study prove that job satisfaction does not have a positive effect on AICR. This illustrates that employees who are satisfied with their jobs do not affect awareness of the impact on the company's reputation.

The results of the ninth hypothesis in this study prove that affective commitment has a positive effect on AICR. This illustrates that the greater the committed employee, the more influential the awareness of the impact on the company's reputation. Employees will feel that the company has a lot of personal meaning and has similar values to the company. With this, employees personally know how to influence their company's reputation.

Table 1. Direct Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Affective Commitment -> AICR	0.224	0.226	0.100	2.243	0.025
Job Satisfaction ->	0.057	0.048	0.101	0.565	0.572

AICR					
Job Satisfaction -> Affective Commitment	0.427	0.429	0.062	6.836	0.000
Perceived Corporate Reputation -> AICR	0.318	0.328	0.108	2.943	0.003
Perceived Corporate Reputation -> Affective Commitment	0.242	0.237	0.090	2.671	0.008
Perceived Corporate Reputation -> Job Satisfaction	0.400	0.408	0.085	4.713	0.000
Pride -> AICR	0.248	0.247	0.104	2.393	0.017
Pride -> Affective Commitment	0.326	0.329	0.074	4.410	0.000
Pride -> Job Satisfaction	0.390	0.383	0.086	4.523	0.000

Table 2. Indirect Effect

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Perceived Corporate Reputation -> Job Satisfaction -> AICR	0.023	0.018	0.042	0.541	0.588
Pride -> Affective Commitment ->	0.073	0.075	0.040	1.850	0.064

AICR					
Pride -> Job Satisfaction -> Affective Commitment -> AICR	0.037	0.037	0.020	1.864	0.062
Perceived Corporate Reputation -> Affective Commitment -> AICR	0.054	0.051	0.029	1.880	0.060
Pride -> Job Satisfaction -> AICR	0.022	0.019	0.040	0.554	0.579
Perceived Corporate Reputation -> Job Satisfaction -> Affective Commitment -> AICR	0.038	0.040	0.022	1.707	0.088

Source: Primary Processed Data, 2022

From table 2 above, it can be seen that from the relationship that has an indirect effect, all hypotheses are rejected because the T-Statistics value < 1.96 and P-Values > 0.05 . This illustrates that the dependent variable has a direct influence on the independent variable.

4. CONCLUSION

Based on the research that has been done, the results of the data used can be concluded as follows:

Perceived Corporate Reputation has a positive and significant effect on Job Satisfaction. Perceived Corporate Reputation has a positive effect on Affective Commitment. Job Satisfaction has a positive effect on Affective Commitment. Perceived Corporate Reputation has a positive effect on Awareness of Impact on Corporate Reputation. Pride has a positive effect on Job Satisfaction. Pride has a positive effect on Affective Commitment. Pride has a positive effect on Awareness of Impact on Corporate Reputation. Job Satisfaction has a negative effect on Awareness of Impact on Corporate Reputation. Affective Commitment has a positive effect on Awareness of Impact on Corporate Reputation. The relationship that has an indirect effect, all hypotheses are rejected because the T-Statistics value < 1.96 and P-Values > 0.05 .

REFERENCES

- Keller, K. L., & Aaker, D. A. (1998). The impact of corporate marketing on a company's brand extensions. *Corporate Reputation Review*, 1(4), 356-378.
- Fombrun, C., & Van Riel, C. (1997). The reputational landscape. *Corporate reputation review*, 1-16.
- Yew, L. T. (2008). Job satisfaction and affective commitment: A study of employees in the tourism industry in Sarawak, Malaysia. *World Review of Entrepreneurship, Management and Sustainable Development*, 4(1), 85-101.
- Helm, S. (2013). A matter of reputation and pride: Associations between perceived external reputation, pride in membership, job satisfaction and turnover intentions. *British journal of management*, 24(4), 542-556.
- Varma, A., Lamboglia, R., & Mancini, D. (2021). What motivates the accountants' awareness of their impact on corporate reputation?. *International Journal of Management and Decision Making*, 20(1), 88-111.
- Alniacik, U., Cigerim, E., Akcin, K., & Bayram, O. (2011). Independent and joint effects of perceived corporate reputation, affective commitment and job satisfaction on turnover intentions. *Procedia-Social and Behavioral Sciences*, 24, 1177-1189.
- Babić-Hodović, V., & Arslanagić-Kalajdžić, M. (2019). Perceived corporate reputation and pride as drivers of frontline employees' reputation impact awareness: mediating role of job satisfaction. *Market-Tržište*, 31(2), 171-185.
- Katzenbach, J. (2003). Pride: a strategic asset. *Strategy & Leadership*

- Fisher, C. D., & Ashkanasy, N. M. (2000). The emerging role of emotions in work life: An introduction. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 21(2), 123-129.
- Eccles, J. S., & Wigfield, A. (2002). Motivational beliefs, values, and goals. *Annual review of psychology*, 53(1), 109-132.
- Elfenbein, H. A. (2007). 7 Emotion in organizations: a review and theoretical integration. *Academy of management annals*, 1(1), 315-386.
- Ardianto, E. (2004). *Public Relations Suatu Pendekatan Praktis*. Bandung: Pustaka Bani Quraisy.
- Rosady, R. (1998). *Manajemen Public Relations dan media komunikasi*. Jakarta: PT Raja Grafindo Persada.
- C.R.Reilly (1991) *Organizational Behavior*. *Annual Review of Psychology*, pp. 427- 458
- Jewell, L. N. & Siegall, M. (1998). *Psikologi industri/organisasi modern: Psikologi terapan untuk memecahkan berbagai masalah di tempat kerja, perusahaan, industri dan organisasi*(edisi 2). Jakarta:Arcan
- Gross, H. P., Ingerfurth, S., & Willems, J. (2021). Employees as reputation advocates: Dimensions of employee job satisfaction explaining employees' recommendation intention. *Journal of Business Research*, 134, 405-413.
- Jitpaiboon, T., Park, J. A., & Truong, D. (2006). The effects of employee autonomy, top management support, and pride on performance of hotel employees. *Research Business Review*, 6(3), 71-76
- Chan, S. C., & Mak, W. M. (2014). Transformational leadership, pride in being a follower of the leader and organizational commitment. *Leadership & Organization Development Journal*.
- Kuppelwieser, V. G., Grefrath, R., & Dziuk, A. (2011). A classification of brand pride using trust and commitment. *International Journal of Business and Social Science*, 2(3).
- Yang, J., Pu, B., & Guan, Z. (2019). Entrepreneurial leadership and turnover intention in startups: Mediating roles of employees' job embeddedness, job satisfaction and affective commitment. *Sustainability*, 11(4), 1101
- Helm, S., Garnefeld, I., & Tolsdorf, J. (2009). Perceived corporate reputation and consumer satisfaction—an experimental exploration of causal relationships. *Australasian Marketing Journal*, 17(2), 69-74.)

- Esenyel, V., & Emeagwali, O. (2019). The relationship between perceived corporate reputation and employee's positive word of mouth behavior: The mediation effect of trust to managers. *Management Science Letters*, 9(5), 673-686.
- Soriano, T. Y., & Castaño, M. C. N. (2020). Understanding CSR Consequences on Employees' Awareness of Corporate Reputation and Organizational Commitment in Local Airlines in the Philippines. *Asian Journal of Research in Business and Management*, 2(4), 78-89.
- Mas-Machuca, M., Berbegal-Mirabent, J., & Alegre, I. (2016). Work-life balance and its relationship with organizational pride and job satisfaction. *Journal of managerial psychology*.
- Nishanthi, H. M. (2020). Affective Commitment: The Role of Work-life Balance and Organizational Pride (with special reference to XYZ Glove Manufacturing Company in Sri Lanka).
- Sánchez-Torné, I., Pérez-Suárez, M., Morán-Álvarez, J. C., & Pérez-López, J. Á. (2021). INTERNAL CORPORATE REPUTATION IN THE ICT SECTOR: A CASE STUDY. *Economics & Sociology*, 14(4), 31-46.
- Rifai, H. A. (2005). A test of the relationships among perceptions of justice, job satisfaction, affective commitment and organizational citizenship behavior. *Gadjah Mada International Journal of Business*, 7(2), 131-154.
- Helm, S. (2011). Employees' awareness of their impact on corporate reputation. *Journal of Business Research*, 64(7), 657-663.
- Hakam, M., Sudarno, S., & Hoyyi, A. (2015). Analisis jalur terhadap faktor-faktor yang mempengaruhi indeks prestasi kumulatif (IPK) mahasiswa statistika UNDIP. *Jurnal Gaussian*, 4(1), 61-70.
- Sarwono, J. 2012. Path Analysis dengan SPSS: Teori, Aplikasi, Prosedur Analisis untuk Riset Skripsi, Tesis, dan Disertasi. Alex Media Komputido. Jakarta
- Haryono, S. (2016). Metode SEM untuk penelitian manajemen dengan AMOS LISREL PLS (Vol.53, Issue 9). <https://doi.org/10.1017/CBO9781107415324.004>