Generating Strategic Initiative to Improve Employee Engagement at PT Semar Sentinel Indonesia in the Post-Pandemic Era

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ABSTRACT: The COVID-19 pandemic has impacted the economy, leading to reduced reliance on consulting services by businesses aiming to save costs. Consulting firms, including those in the construction sector, experienced significant challenges, resulting in bankruptcies and financial difficulties. The pandemic's isolation policies affected remote workers, including consultants, causing work-related stress and decreasing productivity and work engagement. This research aims to investigate the factors contributing to high turnover at PT Semar Sentinel, with a specific focus on employee engagement. The study conducted primary data collection through semi-structured interviews with five employees from the company and the questions addressed factors that required improvement. The collected data was analyzed using NVivo 14 Software, employing deductive coding and content analysis techniques. The analysis revealed seven major variables: Psychological Availability, Brand, Leadership, Performance/Opportunity, The Work, The Basics, and Company Practices. Within these variables, specific factors affecting employee engagement were identified. The study found that variables such as People Management and Emotional Energy had low performance but high importance, indicating areas requiring improvement.


1. INTRODUCTION
Due to the COVID-19 pandemic's impact on the economy, several businesses have reduced their reliance on consulting services in an effort to save money. Consulting firms were significantly impacted by this, for instance those in the construction sector who were primarily reliant on funding from local government budgets. According to a survey done in Indonesia, 27% of small construction consultant firms declared bankruptcy as a result of capital and investment problems that plagued 80% of them (INKINDO, 2020). Even more significant consulting organizations, like the recognized Big Four (PwC, Deloitte, EY, and KPMG), had brief financial problems. Moreover, the pandemic also presented numerous challenges to workers around the world during the isolation policy or Working from Home (WFH), especially in terms of mental health. Many individuals experience distress due to the high number of casualties, and even the isolation measures themselves have resulted in fatalities due to domestic violence (United Nations, 2020). Research on employee attitudes during the work-from-home (WFH) period in Indonesia during the pandemic reveals that an increase in work-related stress can lead to a 25% decrease in productive behavior. Similarly, in terms of work engagement, the mental health of an employee can enhance work engagement by up to 16% (Suhariadi et al., 2023). Furthermore, this phenomenon also occurs among consultant workers. A study found that consultants face a lack of collaboration due to the COVID-19 pandemic, such as lack of physical contact, decreased casual conversations, visual contact, meeting fatigue, and less contact in extra-organizational professional networks. This has led to an increase in stress levels, burnout and decrease in job engagement (International Labour Organization, 2020; Kamning, 2021).

Over the past three years, PT Semar Sentinel Indonesia's employees have been working remotely using online platforms. This consulting company was established in 2019 and faced the challenges posed by the COVID-19 pandemic just a year later. Despite the global economic disruption caused by the pandemic, PT Semar Sentinel successfully navigated through the crisis. Initially operating with a workforce of fewer than 10 employees, the company rented a co-working space office before eventually implementing a work-from-home policy.

Established in 2019, this consulting company faced the challenges brought about by the COVID-19 pandemic a year later. However, despite the global economic disruption caused by the pandemic, PT Semar Sentinel successfully navigated through the crisis. Over the last three years, employees of PT Semar Sentinel Indonesia have been working remotely through an online platform. In response
to the increasing demand for consulting services, the firm has successfully attracted major companies to engage in their services. While operating with a small team of full-time employees, the company has also leveraged the use of interns to assist with client work. However, as seen from the employee data in Table 1, as the company's workload has intensified, they have encountered challenges in retaining employees.

Table 1. PT Semar Sentinel Indonesia Turnover Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Employee (Full-time and Interns)</th>
<th>Resign Employee</th>
<th>%</th>
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<tbody>
<tr>
<td>2021</td>
<td>10</td>
<td>6</td>
<td>60.00%</td>
</tr>
<tr>
<td>2022</td>
<td>25</td>
<td>19</td>
<td>76.00%</td>
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Therefore, this research aims to: (1) investigate the factors that contribute to the high turnover rate at PT Semar Sentinel, specifically focusing on employee engagement, (2) present a summary and a progression of suggestions to enhance future employee involvement, which will improve PT Semar Sentinel Indonesia's performance.

2. LITERATURE REVIEW

Employee Engagement Definitions

Employee engagement is a dynamic and extensively debated topic that has attracted significant attention among researchers. Numerous studies have shown a positive correlation between employee engagement and various business outcomes. Research has indicated that engaged employees are more likely to exhibit higher levels of retention, productivity, and contribute to increased profitability (Harter & Schmidt, 2002) or enhance shareholder value (Macey et al., 2009).

Employee engagement has evolved with different perspectives, starting with Kahn's concept of individuals connecting with their work roles physically, cognitively, and emotionally, creating positive psychological conditions at work (Kahn, 1990). Schaufeli introduced a model that distinguishes burnout and engagement as separate constructs, defining engagement as a positive work-related state characterized by vigor, dedication, and absorption (Schaufeli et al., 2002). Macey and Schneider argue that employee engagement is a multidimensional construct influenced by individual and organizational factors, including traits, states, behaviors, and workplace conditions. This perspective emphasizes the interconnectedness of employee engagement with various aspects of work and leadership (Macey & Schneider, 2008).

Employee Engagement Models

Kahn’s Employee Engagement

Kahn's (1990) model of employee engagement highlights the significance of physical, cognitive, and emotional commitment to work. Psychological presence is vital for enhanced effectiveness, fostered through appreciation, support, and challenge. The model identifies three key elements: meaningfulness (perceiving work as important and aligned with personal values), security (experiencing physical and mental well-being, including peer support and resource access), and availability (employees' willingness and ability to fully engage in tasks with required skills, information, and motivation). These elements contribute to employee well-being, performance, and productivity (Kahn, 1990).

The perception of having the required physical, emotional, and psychological resources to actively engage in a given moment is known as psychological availability (Kahn, 1990). It encompasses people's capacity to devote their physical, mental, and emotional energies to their work obligations. This theory is supported by research indicating a direct relationship between psychological availability and work engagement (Rabikut et al., 2021). With the fulfillment of psychological conditions, employees feel comfortable expressing themselves and being their authentic selves in their roles at the workplace (Chaudhary, 2019). Individuals are capable of maintaining unwavering attention to their tasks through psychological availability, even in the presence of potential disruptions within their social systems (May et al., 2004).
AON Hewitt, a prominent consulting firm specializing in human resources and talent management, developed an employee engagement model to assess and improve employee engagement in organizations. According to Aon Hewitt, employee engagement encompasses psychological and behavioral outcomes within the work environment that contribute to business performance (AON Hewitt, 2013; Merry, 2013). The AHEE model identifies several drivers of engagement, including Leadership, Company Brand, Performance, The Work, The Basics, and Company Practices. These drivers influence the employee engagement scale, which is divided into three stages: say, stay, and strive. Say refers to endorsing and praising the organization to others, stay signifies a strong desire to remain with the company, and strive entails exerting extra effort and working towards the organization's objectives (Merry, 2013; Pardede & Bangun, 2021).

Employee Turnover
Employee turnover refers to the separation of employees from an organization, excluding accession, transfer, or internal moves (Hom & Griffeth, 1995). Turnover can be classified into voluntary turnover, where employees leave the company by their own choice (Ito & Brotheridge, 2005), and involuntary turnover, which occurs when the company terminates an employee's employment (Aksu, 2008). Measuring the turnover rate is crucial as it is costly and relates to human resource management. The financial cost of losing an employee varies depending on the job or level, often reaching 150% of their annual salary, with higher costs for more complex positions (Tracey & Hinkin, 2006). In addition to material costs, the costs of absenteeism can include expenses directly related to absenteeism itself, the time cost of dealing with absenteeism, the cost of substitute employees, and the cost of reduced quantity and quality of work (Cascio & Boudreau, 2011). Therefore, it is important to calculate the employee turnover rate. Calculating turnover rate involves dividing the number of separated employees by the average number of employees in the company (Aksu, 2008).

\[
\text{Employee Turnover Rate: } \frac{\text{Number of separated employees}}{\text{Average Number of employees}}
\]

Conceptual Framework
In preparation for the conceptual framework, the author conducted a thorough literature review to synthesize relevant variables for theoretical references. According to Snyder (2019), research synthesis involves combining specific characteristics from literature to make generalizations. This process considers pertinent ideas, critically evaluates existing research, reconciles inconsistencies, and identifies key areas for future study. The author operationalized various theories and models of employee engagement, including those created by academics and practitioners. Eight models were selected, namely the models published by Kahn, Saks, Robinson,
Zinger, Deloitte, Gallup and AON Hewitt. The author analyzed the predecessor variables of Employee Engagement along with their technical variables (Deloitte, 2015; Gallup, 2023; Kahn, 1990; Merry, 2013; Robinson et al., 2004; Saks, 2019; Zinger, 2009).

Table 2. Employee Engagement Variables Synthesis

<table>
<thead>
<tr>
<th>Model</th>
<th>Employee Engagement Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gallup</td>
<td>Basic needs, Management support, Teamwork, and Growth.</td>
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Through a comparison of the definitions of each technical variable, the researcher found that among all the selected models, the AON Hewitt Employee Engagement Model (AHEE) encompassed almost all the technical variables present in other models. However, there is one predecessor variable of engagement that is not specifically included in the AHEE model, namely Psychological Availability under William A. Kahn's theory. The concept of Psychological Availability, which includes Psychological Meaningfulness, Psychological Safety, and Psychological Availability, has been found to have an impact on employee engagement, especially during the pandemic. Research indicates a positive relationship between home-work interaction and Psychological Availability, where individuals have control and dedication towards their energies (Daulay & Mustika, 2021; Muchsinati & William, 2021). Hence, in order to identify the driving factors of employee engagement that need improvement at PT Semar Sentinel Indonesia, the researcher incorporates the element of psychological availability into the conceptual framework of this study.

Figure 2. Conceptual Framework.

3. METHODOLOGY

The author conducted a primary data collection with semi-structured interview as the method. The interviewees for this study comprised five employees from PT Semar Sentinel Indonesia, consisting of two full-time employees and three internship employees.
The interview questions were designed to address the research inquiry regarding the factors of employee engagement that need improvement at PT Semar Sentinel Indonesia. To achieve the desired research outcomes, the questions were carefully formulated and categorized into two dimensions: satisfactory and importance. This approach aims to ensure that the study effectively captures the necessary insights to address the research objectives. Furthermore, the primary data collected was analyzed using NVivo 14 Software. Deductive coding and content analysis were conducted to analyze the data in NVivo 14, where the data was categorized into different categories and codes to identify patterns.

4. FINDINGS AND DISCUSSIONS

The researcher conducted Word Frequency Queries analysis in NVIVO to examine the frequency of words or concepts mentioned in the interview data. Based on the analysis of word frequency queries, the most dominant word is "Energy" with a count of 45 words, followed by "Leadership" with 42 words, "Physical" with 34 words, "Environment" with 31 words, "People" with 29 words, and "Empowerment" with 26 words.

**Employee Engagement Variables**

Furthermore, the coding process was conducted to examine the precursor variables for employee engagement and the challenges faced by employees at PT Semar Sentinel Indonesia. Using NVIVO 14, the identifier was categorized into seven major variables: Psychological Availability, Brand, Leadership, Opportunity, The Work, The Basics, and Company Practices, based on a pre-designed conceptual framework. Moreover, within each category of the major variables, a set of technical variables was established as codes to identify specific employee engagement factors that require improvement.

The analysis results data are then further categorized into performance and importance percentages. These technical variables include emotional energy and individual insecurity (Psychological Availability), Corporate Responsibility (Brand), Performance Management and People Management (Performance/Opportunity), Work Task (The Work), Benefit (The Basics), and Talent and Staffing (Company Practice).
Figure 4. Employee Engagement Drivers Performance Percentages.

Figure 5. Employee Engagement Drivers Importance Percentages.
Psychological Availability

Based on the interview results, 60% of the interviewees expressed satisfaction with Physical Energy in their job, while only 40% felt satisfied with Emotional Energy and Individual Insecurity. For Individual Insecurity, they explained that "it is difficult to adapt in the beginning" but eventually managed to adjust. However, when it comes to Emotional Energy, some interviewees further explained that the weight of responsibility for their position being "too much" or "difficult to manage people" becomes a factor that disturbs their emotions at work. Furthermore, in terms of importance on Figure 5, 100% of the interviewees agree that this variable is highly significant.

Brand

From Figure 4, it can be seen that in the Brand variable, Reputation has the highest number of satisfied interviewees, which is 100%, followed by Employment Value Proposition, which is deemed satisfactory by 80% of the interviewees. However, for Corporate Responsibility, only 40% of the employees feel satisfied with the implementation carried out by PT Semar Sentinel Indonesia. In the interview results, the interviewees responded with either "not aware" or stated that the company "does not have specific programs" for Corporate Responsibility. However, they further added that this issue does not pose a significant concern in their work. Furthermore, in terms of importance, 60% of the interviewees agree that this variable is significant.

Leadership

Based on the above analysis, it can be observed that this variable has garnered 100% agreement among the interviewed employees regarding the excellent implementation carried out by PT Semar Sentinel at the senior and unit leadership levels. Furthermore, Figure 5 indicates that 60% of the interviewees consider these variables to be crucial, particularly in enhancing employee engagement.

Performance/Opportunity

For this variable, based on the data above, it can be observed that 60% of the interviewees feel satisfied with the implementation of Career Opportunity and Learning and Development. Furthermore, 40% express satisfaction with the conducted Performance Management, while only 20% of the employees are satisfied with People Management in this company. However, in terms of importance, 100% of the interviewees agree that this variable is highly significant. This aligns with several conducted studies indicating that employee engagement can increase alongside improved performance in talent management within the company (Khairina & Games, 2022).

The Work

In this variable, 80% of the interviewee’s express satisfaction with the implementation of Collaboration, and 100% are satisfied with the Autonomy provided by PT Semar Sentinel. Furthermore, 60% of the interviewed employees feel reasonably satisfied with Empowerment in this company. However, only 40% responded as satisfied with the implementation of Work Task. Some employees emphasized that they had "too many" tasks and mentioned that "if the capacity is 100%, I am handling 100%". Furthermore, in terms of importance, 100% of the interviewees agree that this variable is highly important. This discovery lends support to several previous research findings, which have revealed that heavy workloads diminish employee performance mediated by a decrease in job satisfaction (Hendrasti et al., 2022). Furthermore, employees with high workloads are susceptible to experiencing burnout and are more prone to having a heightened intention to turnover (Xiaoming et al., 2014).

The Basic

In this variable, there are two variables that are deemed satisfactory by 100% of the interviewees, namely Job Security and Safety. Furthermore, 60% of the interviewees feel that Work-life Balance and Work Environment are being well-implemented in this company. However, only 40% responded as satisfied with the implementation of benefits. Some employees mentioned that the benefit is "still need more room for improvement" and "not comparable with the workload". Furthermore, in terms of importance, 60% of the interviewees agree that this variable is highly important. The interviewed employees mentioned that one of the benefits, including compensation, is related to their workload. This is also consistent with research findings on compensation, which have shown that this factor can enhance employee motivation (Hendrasti et al., 2022).
Company Practices
Based on both the performance and importance tables, it is found that 100% of the interviewees agree that the implementation of Customer Focus, Diversity and Inclusion, and Infrastructure is excellent. In the case of the Communication variable, 80% of the interviewees agree that it is well-executed. However, for the Talent and Staffing variable, only 40% of the interviewed employees feel satisfied. They emphasized “exhausting with frequent hiring and exit process”, “there has been shortage” and “need more manpower”, when explaining their reason. Furthermore, in terms of importance, 100% of the interviewees agree that this variable is highly Important. This result is related to the concept of understaffing, a situation where the demand is higher than the available resources, resulting in negative impacts on workers (Hudson & Shen, 2015).

5. BUSINESS SOLUTION

Based on the analysis result of performance and importance of employee engagement variables, the author utilized performance importance analysis to determine priority variables. This analysis is conducted by comparing the average percentage importance values with performance. In theory, Importance Performance Analysis is performed with the aim of providing suggestions for decisions based on importance-performance calculations (Bacon, 2003; Oh, 2001). These calculations are then divided into four quadrants: the upper right quadrant (quadrant 1) represents attributes that exhibit high importance and high performance, the lower right quadrant (quadrant 2) represents attributes with low importance but high performance, the lower left quadrant (quadrant 3) represents attributes with low performance and importance, while the upper left quadrant (quadrant 4) is the area where attributes should be the main focus as they have high importance but low performance (Bacon, 2003; Oh, 2001).

Therefore, from Figure 6, it can be observed that Performance/Opportunity and Psychological Availability fall into Quadrant 4, indicating that both variables are considered to have low performance but are highly important. Specifically, Figure 4 provides information that People Management and Emotional Energy have the lowest number of satisfied employees. In other words, those variables are the top priority to be improved. Therefore, the following recommendations can be considered as business solutions:

People Management

- Clarifying the Role of Human Resources and its KPIs
  During the interview regarding the People Management or Talent and Staffing variables, the interviewees generally responded that they "did not know who is the HR personnel" who working at PT Semar Sentinel Indonesia were. The existing HR role was still being performed by the Personal Assistant position. Furthermore, some employees suggested that the role of Human Resources in this company should be emphasized further as it is perceived as crucial for enhancing engagement. Clarifying the role of the HR manager would contribute to improving the dissemination of human resources.
within an organization. Establishing a good relationship between line managers and employees will influence the perception and behavior of employees towards HR practices (Knies et al., 2020). Moreover, clarifying this role can be achieved by defining the desired outcomes of HR KPIs for the individual.

- Implementing Workload Analysis
  In the process of resource allocation, whether it involves adding, reducing, or relocating employees, a good workforce planning strategy is needed. Workforce planning entails determining the appropriate timing and quantity of employee recruitment or termination, as well as establishing their work schedules (De Bruecker et al., 2015). One measurement tool to calculate the number of employees needed to perform tasks is by conducting workload analysis. Based on the interview results regarding Work Tasks, the employees of PT Semar Sentinel expressed concern that their workload is too high and does not align with their roles. Therefore, workload measurement can be conducted to determine the ideal number of employees and assist in the decision to hire new employees. To implement the workload analysis, HR personnel should create periodic and incidental work analysis form which consist of task, quantity, average duration in minutes, job description (main, supporting and outside the job description), time period and amount of people involved.

**Emotional Energy**

- Designing a good and engaging on-boarding program
  In the recruitment process of PT Semar Sentinel Indonesia, the company has executed the hiring and onboarding processes effectively. New employees will undergo orientation sessions and training with their mentors. However, based on the interview results, some employees have expressed their lack of clear understanding regarding the company values, organizational structure, and other human resources practices. Therefore, an onboarding program with measurable curriculum and outcomes can provide positive effects for both the organization and employees. Onboarding can have an impact on employee attraction and perception towards the company (Jeske & Olson, 2022).

- Conducting fun employee engagement programs
  1) “Sentinel Social Connect”
     Sentinel Social Connect (SSC) is a monthly gathering event held once a month as an opportunity for people to meet and get to know each other face-to-face. PT Semar Sentinel has implemented a WFH (Work from Home) system for three years, and most of the communication has been done online. Research has shown that remote workers who lack interaction are more susceptible to stress and burnout (Suhariadi et al., 2023). Therefore, an event that brings together all employees and superiors can serve as a means to strengthen emotional connections. The SSC program can also serve as a replacement for in-person weekly meetings and new hire introductions.
  2) Semar Sentinel Sport Week
     This program is a group sports activity that can be done on one day during the weekend, with a frequency of 2-3 months. Engaging in physical activities in the workplace can enhance employees’ mental well-being and reduce stress (Scherrer et al., 2010). This activity can be carried out in public sports venues such as car-free days, fun walking, or running.

**6. CONCLUSION AND RECOMMENDATION**

In conclusion, the research presents the factors of employee engagement that can be improved by PT Semar Sentinel Indonesia in order to develop a strategy that addresses the issue of high employee turnover. This study utilized a methodology of primary data collection through semi-structured interviews to investigate employee engagement factors at PT Semar Sentinel Indonesia. The analysis of the collected data using NVivo 14 Software revealed key insights into the variables related to employee engagement. While employees expressed satisfaction in certain areas, there were identified areas for improvement in Psychological Availability, Brand, Leadership, Performance/Opportunity, The Work, The Basics, and Company Practices. Notably, variables such as People Management and Emotional Energy were found to have low performance but high importance, highlighting the need for improvement. This study also indicates that psychological factors should be considered when analyzing employee engagement.

To address the identified areas for improvement, the following recommendations are proposed:

1. People Management: First, clarify the role of Human Resources (HR) and establish clear Key Performance Indicators (KPIs) for HR personnel. Emphasize the importance of HR within the organization to enhance employee engagement.
Second, conduct a workload analysis to determine the ideal number of employees and align workload with job roles. Use the analysis results to make informed decisions regarding resource allocation, including hiring new employees.

2. Emotional Energy: First, design and implement an engaging onboarding program for new employees to foster a positive emotional connection from the beginning. Organize fun employee engagement programs, such as "Sentinel Social Connect" monthly gatherings and "Semar Sentinel Sport Week" group sports activities, to enhance emotional well-being and reduce stress.

REFERENCES


