

## THE ROLE OF TRADE UNIONS AND INDUSTRIAL RELATIONS ON EMPLOYEE WELFARE (CASE STUDY AT PT. PERKEBUNAN NUSANTARA III RAMBUTAN)

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### *Abstract*

*This study aims to determine the role of trade unions and industrial relations on the welfare of employees at PT. Perkebunan Nusantara III Rambutan, to determine the role of trade unions on the welfare of employees at PT. Perkebunan Nusantara III Rambutan, and to determine the role of industrial relations on the welfare of employees at PT. Nusantara III Rambutan Plantation. The type of research used is quantitative research using SPSS Version 25.00. The population in this study was the production section (harvesters) collected in distributing questionnaires totaling 45 respondents. From the results of the study, it was shown that the Labor Union (X1) and Industrial Relations (X2) had no effect on Employee Welfare. Trade Unions and Industrial Relations Simultaneously affect Employee Welfare.*

**Keywords:** *Labor Union, Industrial Relations, Employee Welfare*

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### INTRODUCTION

Labor union is participation that is carried out directly or through a representative system in the form of a union among workers. Trade unions are also an embodiment of the rights and freedoms of workers to organize and express opinions guaranteed by the 1945 Constitution, other laws and regulations.

According to (Siregar, 2011) Employee Welfare referred to here is a condition that is felt by employees materially enough to meet their needs and feel safe and calm in living their lives. Paying attention to the level of welfare here can be done by providing something that is financial and non-financial in nature and also in the form of services and providing the facilities needed by employees.

Industrial relations have relations to create harmonious, dynamic and fair relations between all elements with an interest, so as to improve workers' welfare. One form of industrial relations in a company is formulating company regulations or collective labor agreements that contain rights and obligations to work as well as the authorities and obligations of entrepreneurs. As compensation for these work services, workers are entitled to wages, benefits and social security, leave, and protection for the safety and welfare of workers or employees.

### LITERATURE REVIEW

According to (Ernita, 2018) Trade unions are open social systems that pursue goals and are often influenced by the external environment. Trade unions are a forum for employees as a vehicle for participation in the company. Labor Union according to Article

1 paragraph 1 of Law No. 21 of 2000 concerning trade unions are organizations formed from, by and for workers/labor both in companies and outside companies, which are free, open, independent, democratic and responsible for fighting for, defending and protecting the rights and interests of workers / laborers and improve the welfare of workers / laborers and their families.

(Siregar, 2011)Industrial relations are relations between all parties who are related to or have an interest in the process of producing goods or services in a company, interested parties (stakeholders) in each company consist of: entrepreneurs or shareholders who are represented by management on a daily basis; workers and trade unions; supply companies; consumer society; employers, users, and the surrounding community. Besides these stakeholders, industrial relations actors have developed by involving industrial relations consultants or lawyers, arbitrators, conciliators, mediators, and lecturers; as well as industrial relations court judges.

(Kahl et al., 2019)In the company's efforts to maintain and increase the motivation or enthusiasm of employees at work, one concrete step that can be taken is to provide compensation that is considered fair and appropriate by employees. Within the compensation there is a welfare program. This welfare program is also known as fringe benefits or benefits and services.(Ernita, 2018)a condition of being safe, prosperous and protected from various threats and difficulties that are felt by someone who has done a job in a place or company.

## **METHOD**

Data collection techniques or methods used in this research are interviews and distributing questionnaires. The data source for this research was obtained directly from the original source (not through intermediaries).

Data Analysis Method: The validity test was carried out to measure the accuracy of the mouth apparatus in carrying out the task to achieve its goals. The reliability test will show the consistency of the respondent's answer questions contained in the questionnaire. This test is carried out after the validity being tested is a valid question. This reliability test uses the Cronbach Alpha test.

The normality test is carried out to test whether in a regression model, an independent variable and a dependent variable or both have a normal or abnormal distribution. In the data normality test, it can be done using the one sample Komogorow Smirnov test, namely with the provision that if the significant value is above 5% or 0.05, the data does not have a normal distribution. The multicollinearity test is used to determine whether in the regression model a high correlation is found between the independent variables. The heteroscedasticity test was carried out to find out whether in the regression model there is an unequal variance from the residual one observation to another.

the data analysis technique used is multiple linear regression method, where the data collected through interviews, then analyzed using the indicators used. The method formula is:

The form of the multiple regression equation is as follows:

$$Y = a + b_1 X_1 + b_2 X_1$$

Information:

Y = Employee Welfare

Constant b1 = Regression coefficient

b2 = Regression coefficient

X1 = Labor Union

X2 = Industrial Relations

X3 = Employee Welfare

The purpose of carrying out a partial significant test of two independent variables on the dependent variable is to measure separately the contribution generated from each independent variable to the independent variable. The purpose of testing the hypothesis on the application of the multiple linear regression method is to find out how far the simultaneous influence of variables X1 and X2 (independent variables) on variable Y (dependent variable). The determinant coefficient (R2) is used to see how much influence the independent variable has on the dependent variable. In other words, the coefficient of determination is used to measure the independent variables studied, namely (X1) Labor Unions (X2) Industrial Relations (Y) Employee Welfare.

## RESULTS AND DISCUSSION

### Content Results and Discussion

#### Validity Test Results

<b>Employee Welfare Variable Y</b>			
<b>Statement</b>	<b>rcount</b>	<b>rtable</b>	<b>validity</b>
1	665	0.361	Valid
2	437	0.361	Valid
3	511	0.361	Valid
4	490	0.361	Valid
<b>Labor Union Variable X1</b>			
<b>Statement</b>	<b>rcount</b>	<b>rtable</b>	<b>validity</b>
1	402	0.361	Valid
2	812	0.361	Valid
3	761	0.361	Valid
<b>Industrial Relations Variable X2</b>			
<b>Statement</b>	<b>rcount</b>	<b>rtable</b>	<b>validity</b>
1	608	0.361	Valid
2	555	0.361	Valid
3	529	0.361	Valid

The table shows that all statement points for each variable are declared valid.

### Reliability Test Results

Variable	Cronbach Alpha	Constant	Reliability
Y Employee Welfare Variable	0.658	0.6	Reliable
Union Variable X1	0.750	0.6	Reliable
Industrial Relations Variable X2	0.646	0.6	Reliable

Based on the reliability test using Cronbach Alpha, all research variables are reliable/reliable because Cronbach Alpha is greater than 0.6, the results of this study indicate that the measurement tools in this study have fulfilled the reliability test (reliable and can be used as a measuring tool).

### One Sample Kolmogorov Smirnov Test One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals	
N		45	
Normal Parameters, b	Means	.0000000	
	std. Deviation	1.46412383	
Most Extreme Differences	absolute	.079	
	Positive	.066	
	Negative	-.079	
Test Statistics		.079	
asympt. Sig. (2-tailed)		.200c,d	
Monte Carlo Sig. (2-tailed)	Sig.	.911e	
	99% Confidence Intervals	LowerBound	.802
		Upperbound	1,000

- Test distribution is Normal.
- Calculated from data.
- Lilliefors Significance Correction.
- This is a lower bound of the true significance.
- Based on 45 sampled tables with a starting seed of 2000000.

From the output in the table it can be seen that the significance value (Monte Carlo Sig.) of all variables is 0.911. If the significance is more than 0.05, then the residual value is normal, so it can be concluded that all variables are normally distributed.

Based on the table it can be seen that there are no symptoms of multicollinearity between the independent variables in the regression model.

## Glejser Test Results

### Multicollinearity Test Table

#### Coefficientsa

Model		Collinearity Statistics	
		tolerance	VIF
1	(Constant)		
	Labor union	0.994	1006
	Industrial relations	0.994	1006

a. Dependent Variable: Employee Welfare

#### Coefficientsa

Model		Q	Sig.
1	(Constant)	1,090	.282
	Labor union	-.480	.634
	Industrial relations	.439	.663

a. Dependent Variable: ABS\_RES

The results of the Glejser test showed a significant value for the Labor Union (X1) variable of 0.634 and Industrial Relations (X2) of 0.663 where both were greater than so that it could be concluded that there were no symptoms of heteroscedasticity in this research model.

#### Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients
		B	std. Error	Betas
1	(Constant)	10,587	2.102	
	Labor union	-.009	.112	-.012
	Industrial relations	.112	.129	.133

The description of the multiple linear regression equation above is as follows:

- The constant value (b0) of 10,587 indicates the magnitude of the Y variable if the X1 Labor Union and X2 Industrial Relations are equal to zero.

- b. The regression coefficient value of the X1 Labor Union (b1) is 0.009 indicating the large role of the X1 variable on Y Employee Welfare assuming that the X2 variable is constant.
- c. The regression coefficient value of variable X2 (b2) is 112 indicating the magnitude of the role of variable X2 on variable Y assuming that variable X1 is constant.

**Coefficient of Determination**

**Summary modelb**

Model	R	Square	Adjusted Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.132a	.017	.029	1.49858	.0174	.37	2	4	.690

a. Predictors: (Constant), Industrial Relations, Unions

b. Dependent Variable: Employee Welfare

Based on the table, it can be seen that the value of the adjusted R square is 0.132 or 13.2%. This shows that the variables X1 and X2 can explain the Y variable by 132%, the remaining % (100% - 86.8%) is explained by other variables outside this research model.

**Partial Test (t)**

**Coefficientsa**

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	std. Error	Betas	Q	
1	(Constant)	10,587	2.102		503	.000
	Labor union	-.009	.112	-.012	-	.936
	Industrial relations	.112	.129	.133	.865	.392

a. Dependent Variable: Employee Welfare

- a. Hypothesis Test of the Effect of Labor Union Variables (X1) on Employee Welfare Variables (Y)

From the table it is obtained that the tcount is -0.081 With  $\alpha = 5\%$ , ttable (5%; nk = 45-2=43) obtained a ttable value of 2.016 From this description it can be seen that tcount (-0.081) < ttable (-2.016), likewise with a significance value of 0.936 > 0.05, it can be concluded that the first hypothesis is rejected, meaning that variable X1 has no effect on variable Y

b. Hypothesis Test of Effect of Industrial Relations Variable (X2) on Employee Welfare Variable (Y)

From the table it is obtained that the tcount is 0.865 With  $\alpha = 5\%$ , ttable (5%; nk = 45-2=43) obtained a ttable value of -2.016 From this description it can be seen that tcount (0.865) < ttable (2.016.), and the significance value is 0.392 > 0.05, it can be concluded that the second hypothesis is rejected, meaning variable X2 has no effect on variable Y.

**Simultaneous Test Results (F)**

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1679	2	.840	.374	.690
	Residual	94,321	42	2,246		
	Total	96,000	44			

a. Dependent Variable: Employee Welfare

b. Predictors: (Constant), Industrial Relations, Unions

From the table, the Fcount value is 374. With  $\alpha = 5\%$ , dk quantifier: k,2 dk denominator: nk-1 (45-2-1= 42(5%;2;42) the Ftable value is 0.338. From this description it can be it is known that Fcount (374) > Ftable (0.338), and a significance value of 0.690 > 0.05, it can be concluded that the hypothesis is accepted, meaning labor union variable X1 and industrial relations variable X2 have a simultaneous effect on variable Y.

**Contents of Discussion Results**

**1. The Influence of Labor Unions on Employee Welfare**

Based on the results of the analysis of hypothesis 1, it can be seen that the labor union variable (X1) has no significant effect on the employee welfare variable (Y). This is evidenced by a smaller value than tcount (-0.081) < ttable (-2.016)

**2. The Effect of Industrial Relations on Employee Welfare**

Based on the results of the analysis of hypothesis 2, it can be seen that the industrial relations variable (X2) has no effect on employee welfare (Y). This is evidenced by the value of tcount (0.865) < ttable (2.016.)

**CLOSING**

**Conclusion**

1. PTPN III Rambutan company is expected to be able to improve the union in the future because this variable affects the welfare of employees
2. The results of this study can be used as a basis for the company PTPN III Kebun Rambutan to improve industrial relations because this variable affects the welfare of employees.

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