

CORRELATION OF WORKER WELFARE AND INDUSTRIAL RELATIONS

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Abstract

The smooth running of business in activities in the workplace occurs when there is a harmonious relationship between employers and workers based on working relationships in an industrial environment. Workers should feel well-being as part of the membership of a business enterprise. This study aims to determine the correlation between worker welfare and industrial relations. Observations were made in a company with a workforce of more than 1000 people in East Java Province. The number of samples taken was 100 people with purposive sampling technique. The collected data is then processed through the SPSS program with statistical correlation techniques. The results obtained are that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong. The better and the welfare felt by the workers, the better and harmonious industrial relations will be created on both sides.

Keywords: *worker welfare, industrial relations, human resources.*

1. INTRODUCTION

The development of the business world is influenced by human resources as workers in the company to implement operational and production activities. The company recruits, maintains and retains its employees in order to run and advance the business based on common interests (Wahyudi et al., 2006). All these activities lead to reciprocal relationships. It leads to benefits for all parties, namely workers, management, society and government (Gunawan, 2015).

The welfare of workers is a very important thing that must be considered by a company. Welfare in terms of financial and non-financial. The feasibility of the wage system has been listed in Ministerial Regulation Number 1 of 1999 Article 1 Paragraph 1, Law Number 13 of 2003, Government Regulation of 1981, Ministerial Regulation Number 01 of 1999 and most recently Permenaker Number 1 of 2017. Legal protection for workers is the fulfillment of rights the basis that is inherent and protected by the constitution as regulated in Article 27 paragraph (2) of the Constitution of the Republic of Indonesia. Protection of workers is intended to guarantee workers' rights and guarantee equal opportunities and treatment (Irsan, 2016). The existence of legal protection is needed because workers may be in a weak position (Husni & Zainal, 2012). Protection of workers is intended to ensure the fulfillment of workers' rights as well as guarantees on opportunity, equality, and treatment without any act of discrimination to strive for the achievement of prosperous conditions for workers (Budiono, 2011).

Welfare can be fulfilled if workers earn a decent income for sure to meet the basic demands of living for themselves and their families, increase work productivity and have the ability to be economically and have purchasing power (Issalillah, 2020). The wage system must be able to reflect justice by providing rewards that are in accordance with their service contributions and encouraging improvements in welfare and their families (Andayani, 2019).

Insufficient attention to employee welfare leads to disharmonious relationships between employers and employees ((Khasanah, 2018); (Sinambela, 2021)). Whereas a harmonious relationship is needed by each party to realize common interests. It is like the scope of industrial relations. The system of relations that occurs between interrelated parties to achieve the expected goals in the production process is called industrial relations (Syamsuddin, 2004). Activities that occur in the workplace will run smoothly if each party is successful in maintaining working relations in the industrial sphere. It is important to maintain working relationships in the industrial sphere in managing workers who have different characters, abilities and motivations in working in the company ((Putra et al., 2020); (Didit Darmawan et al., 2020)).

The goal to be achieved in industrial relations is to create a just and prosperous society with the principles of partnership and balance, based on kinship and mutual cooperation and deliberation to reach consensus. The principle of kinship and mutual cooperation as well as the principle of deliberation and consensus are philosophically the basis for mental attitudes and social attitudes in industrial relations.

This study intends to observe the correlation between employee welfare and industrial relations. The sensitivity of the topic raised in this study causes it to be unable to mention the object of research in detail, but the observations were made in a company with more than 1000 employees in East Java Province.

2. IMPLEMENTATION METHOD

This research approach is a correlational research approach to examine the relationship between variables. Primary data collection was obtained from observations of workers' activities at work and the distribution of research questionnaires to each respondent, in this case employees. The number of samples taken was 100 people with purposive sampling technique.

The variable of worker welfare is the remuneration provided by the company to employees along with conditions that are safe and prosperous, protected from various threats and difficulties felt by workers. The form can be material or non-material provided based on company policy. This variable can be viewed from three things, namely about economic welfare; welfare based on facilities; and welfare based on service.

Industrial relations are relations between actors in the process of producing goods or services that are interrelated, interact and have an interest. The measurement element is viewed from three things, namely the company's compliance in implementing the laws and regulations; availability of safe and adequate work facilities and facilities; and control and mechanism of production organization.

Each measurement element is translated in the form of items in the questionnaire to the respondents using a Likert scale to capture the opinions of the respondents. The collected data is then processed through the SPSS program with statistical correlation techniques.

3. RESULTS AND DISCUSSION

After distributing the questionnaires, 100 respondents were obtained. There were 46 men and 54 women. This is considered quite balanced regarding the gender proposition. The minimum work experience selected purposively is having worked for more than five years. There are 74 respondents with 5 – 10 years of service. The rest are more than 10 years old. This is based on the assessment and monitoring of workers on the industrial relations that have existed between them and the employer.

The normality test was carried out using the One-Sample Kolmogorov-Smirnov Test design. Based on the output of SPSS, the results show that the research variables have a significance > 0.05, namely the welfare of workers and industrial relations are both equal to 0.6 so it is stated that

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the distribution of data from these two variables is normal. Correlation analysis in order to determine the significant relationship between variables. The results are in the following table.

Table 1. Product Moment Correlation Results

		Worker Welfare	Industrial relations
Worker Welfare	Pearson Correlation	1	.504*
	Sig. (2-tailed)		.004
	N	100	100
Industrial relations	Pearson Correlation	.504*	1
	Sig. (2-tailed)	.004	
	N	100	100

The significance level of the correlation between variables is 0.004 which means there is a strong significant correlation between workers' welfare and industrial relations because the significance is less than 5%. Based on the results of the analysis found that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong. The better and the welfare felt by the workers, the better and harmonious industrial relations will be created on both sides.

Welfare is given to workers in the form of various benefits and employee welfare programs whose delivery should not be based on the worker's performance but based on their membership as part of the organization, as well as to carry out their lives normally and work better (D Darmawan, 2021). Workers' welfare in the context of industrial relations is provided based on applicable regulations and the company's ability to meet the physical and mental needs of workers and their families as human beings who have dignity (Sinambela et al., 2020). According to (Didit & Nikmah, 2020), the welfare provided is in the form of financial and non-financial compensation in the form of facilities and services that can be enjoyed by workers so as to create morale and a loyal attitude of workers.

The existence of welfare felt by workers will form good industrial relations and vice versa. In the sense that this understanding will encourage the creation of worker welfare because a good relationship will make them feel comfortable at work, feel valued, and feel cared for by their superiors. However, workers must empower themselves and realize that behind the demands of welfare, they must also make a meaningful contribution to the progress of the company (Andayani et al., 2010). This is a mutually beneficial form of relationship and that's how it should be.

4. CONCLUSION

Based on the results of the analysis, it is proven that there is a significant correlation of worker welfare and industrial relations. The form of correlation is positive or unidirectional and quite strong.

The welfare program provided by the company to its employees should be useful, so that it can encourage the achievement of effective company goals. Employee welfare programs should be in accordance with the provisions set by the company and do not violate government regulations.

Employers and workers must maintain a harmonious relationship, efforts to resolve problems in the form of kinship must be maintained in order to avoid acts of violence in solving a problem, thereby increasing the welfare of workers.

In order to maintain good industrial relations, trade unions and management should cooperate with each other to maintain continuous communication so that already good relations can be improved and strive to improve those that are not yet good. Each party must be aware of each other's duties

and obligations based on good faith and consider them as business partners so that industrial relations can continue to be fostered optimally which will have an impact on the progress of the company that will be enjoyed together

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