The 2nd ICVHE
The 2nd International Conference on Vocational Higher Education (ICVHE) 2017
"The Importance on Advancing Vocational Education to
Meet Contemporary Labor Demands"
Volume 2018



## **Conference Paper**

# An Analysis of Internal Communication Factors in Sinar Mas Land

Mohammad Ridha<sup>1</sup>, Erwin Harinurdin<sup>2</sup>, and Andrea Ambiayu Hanan<sup>1</sup>

<sup>1</sup>Office and Secretary Administration Study Program, Vocational Education Program, Universitas Indonesia

<sup>2</sup>Finance and Banking Administration Study Program, Vocational Education Program, Universitas Indonesia

#### **Abstract**

This research focuses on the analysis of internal communication factors in Sinar Mas Land. Internal communication plays an important role to support the achievement of their vision and mission. This research was conducted in Sinar Mas Land, a leading property company in Indonesia that is engaged in commercial and residential buildings, hotel, retail, industrial estates, resort and property leasing. Based on their vision and mission, Sinar Land is expected to expand its business outside Indonesia, especially in Southeast Asia. They are also trusted by stakeholders to develop and to be the leader of the brand in the domestic market through the ongoing innovation. The purpose of this study is to evaluate the process of internal communication that exists in the company and to perceive the role and function itself. Internal communications in Sinar Mas Land is managed by the Head of Internal Communication which are the Department of Employee Relations and the Department of Industrial Relations which are parts of the Division of Human Capital. The research model consists of three dimensions of internal communication, namely: vertical communication, horizontal communication and media communication. Quantitative method with descriptive analysis has been used in this research to oversee the perception of employees of Sinar Mas Land in Human Capital division at their Head Office. The research method was using random sampling. Data were gathered through questionnaires on May 4, 2016. The population consisted of 63 employees, with a sample of 24 employees using a convenience sampling technique.

Keywords: internal communication, Sinar Mas Land, Indonesia, property company

Corresponding Author: Mohammad Ridha

Received: 8 June 2018 Accepted: 17 July 2018 Published: 8 August 2018

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Selection and Peer-review under the responsibility of the 2nd ICVHE Conference Committee.

# 1. Introduction

# 1.1. Background

A large number of the population in Indonesia, which reached 237.6 million inhabitants (www.bps.go.id, accessed on 20 April 2016) would further encourage their housing needs, shopping centers, and office buildings. The rise development in Indonesia

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resulted in large-scale property business in Indonesia is getting tougher to compete, so that developers competing to make development business more innovation.

Similarly, Sinar Mas Land engaged in the property who wants to become a leading property developer in Indonesia, trusted by customers, communities and other stakeholders. In order to achieve these objectives, communication plays a very important role in the organization Without good communication, work will be crisscrossing so that organizational goals are unlikely to be achieved.

Communication within an organization usually occurs in two forms, namely communication that occurs within the company (internal communication) and the communication that occurs outside the company (external communication). In communication activities that occur within the company can be conveyed verbally and non-verbally. Thus the internal communication process requires proper treatment so that the message can be delivered to the intended recipient.

The authors conducted research at the Employee Relations and Industrial Relations under the Human Capital division in Sinar Mas Land. Job description in the Employee Relations and Industrial Relations is managing the relationship between management and employees to encourage the creation of a conducive working environment for both parties. In this section, communication is of course indispensable to maintain the relationship between management and employees who contribute to a satisfactory productivity.Based on this background, the authors are interested in the topic of 'An Analysis of Internal Communication Factors in Sinar Mas Land'.

# 2. Theory Framework

#### 2.1. Definition of communication

According to AW. Widjaja, communication is generally defined as a relationship or activities related to relationship problems, or interpreted also as exchanged opinions. Communication can also be defined and the relationship between human contact between both individuals and groups. ([8]: 1)

Meanwhile, in the book, Wiryanto mentioned several communication definitions of science communication experts. Following are the several definitions presented by the experts, among others:

1. Sarah Trenholm and Arthur Jensen (1996) defines communication as a process in which the source transmits the message to the recipient through a variety of channels.

- 2. Everett M. Rogers and Lawrence Kincaid (1981) states that communication is a process in which two or more persons to form or exchange information between each other, which in turn occurred deep mutual understanding.
- 3. Harold D. Lasswell, as cited by Sendjaja (1999) a good way to describe the communication is to answer the following questions: 'who says what In which channel to whom with what effect?'.
- 4. Shannon and Weaver (1949), that communication is a form of human interaction that mutually affect one another, intentionally or unintentionally, and not limited to the form of verbal communication, it remains also in terms of facial expressions, paint, art and technology. (Wiryanto, 2004: 6–7)

#### 2.2. Definition of internal communications

Internal communication is defined by Lawrence D. Brennan in his book Uchjana Onong Effendy, "the exchange of ideas among administrators and employees in a company or department that led to the establishment of a company or department is complete with a structure that is typical (organization) and the exchange of ideas horizontally and vertically within the company or department that led to the work in progress (operation and management." ([2]: 9)

# 2.3. Internal communication dimensions

Internal communication is supported by two communications, the vertical communication and horizontal communication. For more details, described as follows:

#### 1. Vertical Communication

Vertical communication, that is, communication from top to bottom (downward communication) and from bottom to top (upward communication), is communication from leaders to subordinates and subordinates to the leadership on a reciprocal basis (two-way traffic communication).

#### 2. Horizontal Communication

Horizontal communication is communication between staff members with staff members, employees of fellow employees, and so on. In contrast to the vertical communication that is more formal, horizontal communication often takes place informally. ([2]: 122)



# 2.4. Type of internal communications

Internal communication covers a variety of ways which can be classified into two types, personal communication and group communication, namely:1. Personal Communications Services (personal communication)Personal communication is communication between two people can take place in three ways:1. face to face communication;2. mediated communication;3. group communication.

Group communication is communication between a person and a group of people in face to face situations. These groups can be small, it can be also great, but how many people are included for small groups and in what amounts which included a large group is not determined by exact calculation, to be determined based on the characteristics and properties of the communicant in relation to communication process. ([2]: 125)

# 2.5. Types of communication media

Communication media as a tool to convey messages, news, news, or information can be distinguished:

# 2.5.1. Communication media by personality

- 1. Communication Media auditory (audio) is a messaging tool that can be captured through the auditory channels such as the radio, tape recorder, and a phone.
- 2. Communication Media of vision (visual) is a means of delivering a message through line of sight, for example letters, posters and banners.
- Communication Media point of view heard (audio-visual) is a means of delivering a message through a channel hearing and vision for example fax, television and film.

# 2.5.2. Communication media based on target

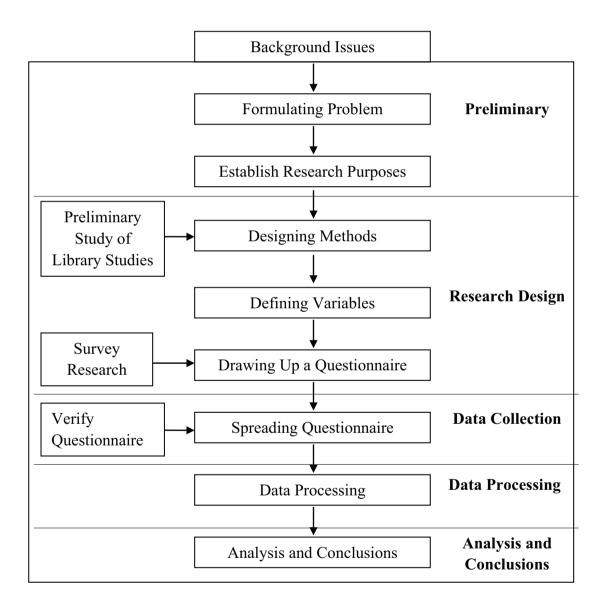
- 1. The common communication media is the delivery of messages aimed at a single target groups, for example, fax, telegraph, brochures.
- 2. Mass communication media is a tool of delivering messages that are only used in mass communication such as the radio, television, movies, newspapers and magazines. ([5]: 76).



# 3. Research Methodology

# 3.1. Designing research methods

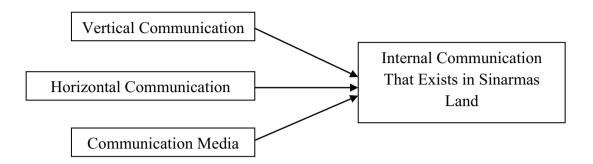
This stage aims to design a model that is used in conducting research and define the variables used.



# 3.2. Research methods

The research model that is used to adjust the internal communication contained in the company





Explanation of the model are as follows:

In this model, internal communication in Sinar Mas Land is determined by threedimensional pieces by the employee to assess how far internal communication that exists in companies and is already in line with the role and function. The definition of each dimension is as follows:

#### 3.2.1. Vertical Communication

Vertical communication is communication between superiors to subordinates or subordinates to superiors reciprocity that exists in the Sinar Mas Land, such as the treatment superiors to subordinates in the communication on the employment relationship, how pleasant the relationship between superiors to subordinates and subordinates can express their aspirations to superiors.

#### 3.2.2. Horizontal Communication

Horizontal communication is a communication in the form of a flat where an exchange of messages in sideways, do the parties have a position or a similar position. As communication between fellow employees Sinar Mas Land, both in terms of the relationship of proximity and familiarity among employees.

#### 3.2.3. Media Communication

Media is a form of communication and channels that can be used in a process of presentation of information in the company. The communication media used to communicate internally in Sinar Mas Land, some of which are:

1. Wall magazineHuman Capital division provides a bulletin board on display near the pantry at Plaza Sinar Mas Land 2nd floor. In order to display the essential



information concerning the company. Wall magazine including one-way communication, in which employees who read cannot reply to the message contained in the bulletin board.

#### 2. Email Blast

Email blast itself is a sense of mass emails being sent simultaneously to all the contacts in the email sender. The use of email blast in the Sinar Mas Land aims to inform a story that is beneficial to the employee, may be about Sinar Mas Land or circumstances surrounding a subsidiary of Sinar Mas Land. This communication medium including two-way communication, where the recipient can reply to the message received so reciprocity occurred.

#### 3. SMLink

SMLink is a website that functions to expand the employee obtain useful information presented by Sinar Mas Land. SMLink is only intended and can be accessed by internal employees of Sinar Mas Land. This media is a one way communication media, that only the management/supervisor to convey a message to the employee and they cannot reply message via SMLink.

#### 4. Suggestion Box

Suggestion box is a media for employee put the letter to his superiors. The contents of the letter are suggestions, criticisms, questions and others.

# 3.3. Research variables

After the internal communication model that exists is set, subsequently reduced to the study variables were used. These variables are attributes or items of any dimension. Element or attribute that is to be measured in this study by asking questions about these attributes to the respondent. Here are these attributes:

# 3.4. Data collection research

The authors used data on the number of employee perception Sinar Mas Land is located on the division of Human Capital. Number of employees Sinar Mas Land Human Capital division located in Head Office Sinar Mas Land amounted to 63 employees. Sample research conducted approaching 38% of the population so that got 24 employees as respondents in this study. Research tools used in this study is a list of questions (questionnaire) were given to the respondents. The questionnaire was distributed on



TABLE 1: Attributes of model research.

Dimensions	No.	Attributes	
Vertical Communication	1	Leaders being open while communicating	
	2	Employees can express their aspirations	
	3	Leaders accept the opposite opinion of the employees	
	4	Leaders support employees in jobs	
Horizontal communication	5	Linkages between fellow employees	
	6	Relations pleasant fellow employees	
	7	There is openness among fellow employees to accept and express opinions	
Media Communication		Walls magazine	
	8	Wall magazine placement at strategic area to read	
	9	Wall magazine content useful article	
	10	Wall magazine displayed attractively	
	11	Wall magazine information always update	
	Email Blast		
	12	Employees are always open email blast	
	13	Dissemination of information through email blasts allows employees to read	
	14	Submission via email blast is easy to understand	
	15	The transmission of information via e-mail blast is always on time	
		SMLink	
	16	Employees often open SMLink	
	17	Employees often read articles that are presented in SMLink	
	18	Feature articles useful for employees	
	19	SMLink accessible	
	20	Views SMLink attractive and easy to read	
		Suggestion box	
	21	The need for a box containing suggestions and aspirations of employees without using the identity of the employee who wrote	

Wednesday, May 4th, 2016 in Sinar Mas Land Head Office that located in BSD City, obtained the following results:

No.	Department	Respondents
1	Employee Relations and Industrial Relations	3
2	Organization Development	2
3	Human Capital Data Management and Reporting	2
4	Human Capital Information System	8
5	Human Capital Project	2
6	Performance Management	3
7	Budgeting	1
8	Payroll	3
Total		24

TABLE 2: Department and number of respondents.

# 3.5. Data processing

Stages of processing data in this study consists of two parts, namely:

## 3.5.1. Preparation of raw data

The valid questionnaires obtained from the primary data in the form of grades or numbers scale is 1 s.d. 5, the meaning of these figures is as follows:

Number1	Number 2	Number 3	Number 4	Number 5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

The data that form the numbers are tabulated in the form of a matrix of individual variables that are  $n \times p$ , where n is the number of respondents and p is the number of variables.

# 3.5.2. Calculation of factor analysis

The matrix of raw data is then processed by using factor analysis that processed by Minitab software for Windows Release 2.0. The factor analysis process consists of six successive stages as follows:

a. The formation of the raw data as an input factor analysis process

The raw data of the numbers tabulated in the form of a matrix of individual-sized variable  $n \times p$ , where n is the number of respondents and p is the number of variables. In this study, the value of n is 24 respondents drawn is 24 respondents



and the value of p is 21 for the studied variables consisted of 21 variables. From the raw data matrix is then converted into a data correlation matrix  $p \times p$ , where p is a variable. The correlation matrix is the correlation matrix R types, which means the correlation is a correlation between the study variables.

#### b. Validity

At this stage, the submission of the correlation matrix, testing the adequacy of the overall sampling and testing the adequacy of sampling each variable. Factor analysis was performed on variables that have a high correlation value, to the absolute value of the price correlation must be > 0.4. At Minitab, the size of sampling adequacy of each variable is displayed on the diagonal anti-image correlation matrix or Measure of sampling adequacy (MSA). If the size of the MSA for the variable is small, then these variables need to be considered for elimination.

#### c. Reliability

This is the stage to declare the consistency of a series of measurements or series of measuring instruments. The level of reliability shown by a number called the coefficient of reliability. High reliability shown by rxx value approaching 1. The agreement is generally considered sufficient reliability satisfactory if  $\geq$  0.700. At Minitab reliability testing instrument by using Alpha Cronbach for this research instrument in the form of questionnaires and a graduated scale. If the value of alpha > 0.5 means sufficient reliability (sufficient reliability) while if alpha > 0.80 means the entire test items reliably and consistently have a strong reliability. The reliability results of this study are as follows:

#### d. Factor extraction

The next step in the analysis is factor extraction. This activity aims to bring out the factors which are groupings of research variables. These variables also called manifest variables. Factors also called latent variables. In this study, the extraction factor aims to see whether grouping variables manifest it in accordance with the initial model. This study uses a factor extraction method called principal component analysis. The analysis is beginning to change the set of variables into a set of variables (components) that are smaller which is a linear combination of the initial variables, but explains the large variance initial set.

#### e. Factor rotation

TABLE 3: Result of validity and reliability.

Variable	Questions	Calculate r	Value p <	Information	Alpha Conbrach	Reliability
Vertical communication	X1	0.784	0.05	Valid	0.784	reliable
Communication	X2	0.851	0	Valid		
	X3	0.878	0	Valid		
	X <sub>4</sub>	0.593	0	Valid		
Horizontal communication	X <sub>5</sub>	0.605	0.002	Valid	0.508	reliable
	Х6	0.837	0	Valid		
	X7	0.691	0	Valid		
Media communication	X8	0.166	0.439	not valid	0.738	reliable
	Х9	0.45	0.027	Valid		
	X10	0.165	0.442	not valid		
	X11	0.214	0.316	not valid		
	X12	0.421	0.04	Valid		
	X13	0.314	0.136	not valid		
	X14	0.475	0.019	Valid		
	X15	0.405	0.05	Valid		
	X16	0.706	0	Valid		
	X17	0.646	0.01	Valid		
	X18	0.532	0.008	Valid		
	X19	0.743	0	Valid		
	X20	0.66	0	Valid		
	X21	0.69	0	Valid		

The next step is a rotation factor. This step aims to explain the extraction factor making it easier to interpret, because in general the results of the initial extraction is still a bit difficult to interpret. In this study, the type of rotation used is Orthogonal Varimax. The reason is because the function Orthogonal Varimax aims to reduce the number of variables without considering how big a factor is extracted.

#### f. Factor Analysis

#### f. Factor Identifying

The next stage is the identification of factor analysis used factor loading, namely the values in the matrix of factors that have been rotated. This value reflects the value of the correlation or manifest the closeness variable factors (latent variables). Large numbers of factor loading reflects the close relationship and small



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Factor Analysis: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17
Principal Component Factor Analysis of the Correlation Matrix
Unrotated Factor Loadings and Communalities
Variable Factor1 Factor2 Factor3 Factor4 Factor5 Communality
1 0.428 0.708 0.272 -0.247 0.057 0.823
2 0.641 0.370 0.366 -0.284 0.224 0.812
3 0.718 0.267 0.143 -0.079 0.450 0.816
4 0.420 0.232 -0.365 0.232 0.633 0.818
5 0.540 -0.528 -0.431 -0.150 0.129 0.795
6 0.682 0.294 -0.334 -0.317 -0.258 0.830
7 0.581 0.396 0.231 0.266 -0.349 0.741
8 0.361 -0.388 -0.085 0.104 -0.009 0.299
9 0.679 0.471 -0.253 0.018 0.079 0.753
10 0.581 0.537 -0.024 0.240 -0.325 0.790
11 0.544 0.215 -0.253 0.524 -0.204 0.723
12 0.671 -0.472 -0.391 -0.095 -0.099 0.844
13 0.469 -0.514 0.356 -0.346 -0.122 0.746
14 0.404 -0.737 0.167 0.321 0.230 0.891
15 0.652 -0.308 0.588 0.067 0.040 0.872
16 0.560 -0.491 0.268 0.368 -0.097 0.771
17 0.611 -0.412 -0.207 -0.389 -0.229 0.790
Variance 5.5524 3.5276 1.6154 1.2624 1.1564 13.1142
% Var 0.327 0.208 0.095 0.074 0.068 0.771
Factor Score Coefficients
Variable Factor1 Factor2 Factor3 Factor4 Factor5
1 -0.054 0.083 -0.317 -0.016 0.069
2 -0.037 -0.026 -0.377 -0.141 0.003
3 -0.053 -0.072 -0.287 -0.153 -0.269
4 -0.050 -0.019 -0.037 -0.103 -0.616
5 0.294 0.038 0.051 -0.106 -0.167
6 0.297 0.236 -0.060 0.118 0.126
7 -0.111 -0.100 0.020 0.350 0.185
8 0.074 -0.102 0.083 0.033 -0.047
9 0.074 0.096 -0.064 0.112 -0.176
10 -0.037 0.011 0.059 0.368 0.096
11 -0.048 -0.079 0.246 0.397 -0.119
```

numbers of factor loading reflects the opposite. The early models were prepared by the latent variables: vertical communication, horizontal communication and media communication can be explained that the number of manifest variables are as follows:

TABLE 4: Summary of early identification.

Latent Variable	Factor	Manifest Variable
Horizontal Communication	1	1, 2, 3, 4
Vertical Communication	2	5, 6, 7
Media Communication	3	8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21

Latent variables were extracted and grouped into five factors to obtain the following results:

TABLE 5: Extracted latent variables.

Latent Variable	Factor	% of variance	Manifest Variable
Component 1	1	32.7	5, 6,16, 21
Component 2	2	20.8	9, 18,19, 20
Component 3	3	9.5	1, 2, 3
Component 4	4	7.4	7, 14, 15
Component 5	5	6.8	4, 12, 17

Grouping of manifest variables mentioned earlier are obtained five factors or components that are named as follows:

TABLE 6: Grouping of manifest variables.

Factor	Manifest Variable	Factor Name
1	5, 6, 16, 21	Website and suggestion boxes
2	9, 18, 19, 20	Content, display and access to communication media
3	1, 2, 3	Employees' aspirations
4	7, 14, 15	Information from electronic mail
5	4, 12, 17	The frequency of accessing information

# 4. Conclusions and Recommendations

# 4.1. Conclusions

Based on the discussion that has been described in the task of this research, the authors define the following conclusion:



- 1. Selection of research's attribute quite right, that seen from the results of a study of horizontal communication, vertical communication and media communication with reliability above 0.6, which means reliable.
- 2. The authors were processing three-dimensional initial estimated that affected internal communication in Sinar Mas Land. Three-dimensional after passing through the process of analyzing the factors it produces 21 manifest variables that can be grouped into five factors.
- 3. The author identifies that: a. website and suggestion boxes; b. content, display and access to communication media; c. employees aspirations; d. information from electronic mail; and e. the frequency of accessing information; are all factors which new and consists of variables manifest closer to each other.

## 4.2. Recommendations

To create a more effective internal communication at Sinar Mas Land, then the authors have some suggestions are:1. Hold the awards ceremony/award to employees as an appreciation from superiors to subordinates that worked excellent.2. Provide a suggestion box to make the container aspirations as well as opinions for employees to anonymously write the paper and put into the box.3. The board moved to place it in a place that is accessible to read, decorated to be appealing visually, always replace the information contained routine.4. Articles on SMLink (company website) needs to be made more visually appealing and has an interesting title.5. Provide information about maintaining health tips, tips deal with things emergency such as fire, earthquakes, and other interesting tips to employees of both imprinted on wall magazine and in SMLink.6. Create attractive email blast, so the employees was interested to read the information from the company.

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