

CHAPTER I

INTRODUCTION

A. Background

The Covid-19 pandemic has brought about many changes that are very influential in many aspects such as the work environment. The way everyone works is changing because of this crisis, which is accompanied by many uncertainties. This crisis poses new challenges to organizations in terms of managing work in order to remain productive. Therefore, the organization must provide a new strategic strategy while adjusting to the current situation. Furthermore, employee engagement is recognized as important for organizational effectiveness and a factor in achieving innovation and competitiveness.

According to Ruck et al (2017), employee engagement has been one of the focal constructs in organizational behavior, management and organizational communication, and public relations literature. The crisis's changes and consequences have had a profound impact on the workplace, particularly on how people interact with their employment and organizations in uncertain times. This is where organizations and leaders get a challenge in terms of employee engagement. In this instance, a variety of techniques must be implemented in order to keep employees engaged in the firm. One of the most crucial considerations is how internal communication is implemented within the company.

According to Welch (2007), effective internal communication is crucial for successful organizations as it affects the ability to engage employees and achieve objectives. Poor internal communication is a major concern for organizations since it results in workplace inefficiency. Strategic internal communication can help employees reduce misunderstanding in the organization. The implementation of strategic internal communication is strongly influenced by the role of leadership in the organization.

The leadership style is very influential on how active employees are in their work. The potential for employee's engagement will support good employee's competence in the organization and company. According to Lee et al (2020), when leaders act and communicate in an inclusive, fair and equal manner to all employees, regardless of their identities, positions, and experiences, and are open to diverse viewpoints in a crisis, employees are likely to perceive their company's communication environment as transparent or strategic. These characteristics are characteristics of diversity-oriented leadership.

Luu et al (2019) mentioned that commitment and engagement is the outcomes of diversity-oriented leadership. This leadership behavior has a significant role in organizational effectiveness, especially during a crisis. According to Lee et al (2020), diversity-oriented leadership are key motivators for employees to voluntary and successfully exchange task-related knowledge at work, which may help organization's abilities to

develop and implement new and creative solutions for dealing with crisis. Diversity-oriented leadership is helpful for satisfying employee's needs during an uncertain period and encouraging them to engage in their job.

The bond between leadership style and strategic internal communication becomes a point of view in building harmonious human resources. We can also look at the culture that exists in an organization to see how human resources are well organized. Certainly, the strategy chosen will have positive and negative impacts both internally and externally. However, it is best to maximize the positive influence and minimize the negative influence.

Badan Penyelenggara Jaminan Sosial Ketenagakerjaan, or BPJS Ketenagakerjaan, is the largest social security agency for workers in Indonesia that focuses on social security services. BPJS Ketenagakerjaan has many branches spread across all regions in Indonesia that handle social security program services in each region. Moreover, this company has to deal with diversity along with their performance which has to provide services to many different customers in each region with different backgrounds. The author is interested in researching BPJS Ketenagakerjaan, because based on interviews conducted with human resource stylists at BPJS Ketenagakerjaan Surakarta, it can be concluded that this company focuses on social security services throughout Indonesia and manages employees who come from various regions and different backgrounds. This is where diversity-oriented leadership is implemented.

The Covid-19 crisis has had a profound influence on how internal communication runs between employees, especially when working from different places. Therefore, this study was made to identify whether diversity-oriented leadership on employee's engagement can be mediated by strategic internal communication variables by submitting a research title **“The influence of diversity-oriented leadership on employee’s engagement through strategic internal communication during the covid-19 outbreak as an intervention variable”**.

B. Formulation of the problem

The formulation of the problem in this study is as follows:

1. Does diversity-oriented leadership have a significant positive influence on employee’s engagement at BPJS Ketenagakerjaan Surakarta?
2. Does diversity-oriented leadership have a significant positive influence on strategic internal communication during a crisis at BPJS Ketenagakerjaan Surakarta?
3. Does strategic internal communication during crisis have a significant positive influence on employee’s engagement at BPJS Ketenagakerjaan Surakarta?
4. Does diversity-oriented leadership have a significant positive influence on employee’s engagement through strategic internal

communication during crisis as an intervention variable at BPJS Ketenagakerjaan Surakarta?

C. Research purposes

The purpose of this study are as follows:

1. To analyze the influence of diversity-oriented leadership on employee's engagement
2. To analyze the influence of diversity-oriented leadership on strategic internal communication during a crisis
3. To analyze the influence of strategic internal communication during a crisis on employee's engagement
4. To analyze the influence of diversity-oriented leadership on employee's engagement through strategic internal communication during a crisis as an intervention variable

D. Benefits of Research

By achieving these goals, it is hoped that this research will provide the following benefits:

1. Theoretically, this study is to add empirical evidence for researchers on the influence of diversity-oriented leadership on employee's engagement through strategic internal communication during the covid-19 outbreak as an intervention variable.

2. Practically, this research can provide the researcher with experience when carrying out research carried out in the field of human resources.
3. Academically, this research can provide benefits for readers about what affects diversity-oriented leadership, strategic internal communication, employee's engagement during crisis.