

**ANALYZING PRODUCTION ISSUES CAUSES  
THROUGH THE SOCIAL DIMENSION OF  
OPERATIONS MANAGEMENT (A Case Study of  
CV Eka Abadi)**



**UNDERGRADUATE THESIS**

Submitted as one of the requirements to complete the International Undergraduate Degree Program (S1) of Management Department at Faculty of Economics and Business Diponegoro University

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SEMARANG  
2024**

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## DECLARATION OF ORIGINALITY

Undertaking this as an undergraduate thesis, I, Rahmawati Imai, hereby confirm that the work "**Analysing Production Issues Causes Through The Social Dimension Of Operations Management (A Case Study Of CV Eka Abadi)**" is entirely original, utilizing only the materials and resources indicated in the reference list. By signing this document, I confirm that this undergraduate thesis is original and does not contain any writings or works by other writers that I have acknowledged.

The degree and certificate the university awarded me will be invalidated or terminated in accordance with university policies if it is later demonstrated that I plagiarised another individual's writings.

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## **ABSTRACT**

*This thesis investigates the root causes of production inefficiency at CV Eka Abadi, with a specific focus on the social dimension of operations management. The study explores how factors such as employee satisfaction, training and development, business ethics, and occupational health and safety influence production efficiency. By employing a mixed-method research approach, data were collected through questionnaires and semi-structured interviews with production workers and management. The findings reveal significant correlations between these social factors and production outcomes, highlighting the need for improved management practices in these areas to enhance productivity. The research contributes to the existing body of knowledge by emphasizing the importance of the human element in operational efficiency and provides practical recommendations for CV Eka Abadi to address their production challenges. Future research should consider longitudinal studies to capture the dynamic nature of these social factors and their long-term impacts on production efficiency.*

*Keywords: Operations Management, Social Dimension, Employee Satisfaction, Employee Training and Development, Business Ethics, Occupational Health and Safety*

## **ABSTRAK**

Tesis ini menyelidiki akar penyebab inefisiensi produksi di CV Eka Abadi, dengan fokus khusus pada dimensi sosial manajemen operasi. Studi ini mengeksplorasi bagaimana faktor-faktor seperti kepuasan karyawan, pelatihan dan pengembangan, etika bisnis, serta kesehatan dan keselamatan kerja mempengaruhi efisiensi produksi. Dengan menggunakan pendekatan penelitian metode campuran, data dikumpulkan melalui kuesioner dan wawancara semi terstruktur dengan pekerja produksi dan manajemen. Temuan ini mengungkapkan korelasi yang signifikan antara faktor-faktor sosial dan hasil produksi, sehingga menyoroti perlunya perbaikan praktik pengelolaan di bidang-bidang tersebut untuk meningkatkan produktivitas. Penelitian ini berkontribusi pada pengetahuan yang ada dengan menekankan pentingnya elemen manusia dalam efisiensi operasional dan memberikan rekomendasi praktis bagi CV Eka Abadi untuk mengatasi tantangan produksi mereka. Penelitian di masa depan harus mempertimbangkan studi longitudinal untuk menangkap sifat dinamis dari faktor-faktor sosial ini dan dampak jangka panjangnya terhadap efisiensi produksi.

**Kata Kunci:** Manajemen Operasional, Dimensi Sosial, Kepuasan Karyawan, Pelatihan dan Pengembangan Karyawan, Etika Bisnis, Kesehatan dan Keselamatan Kerja

## ACKNOWLEDGEMENTS

One of the requirements to complete the International Undergraduate Degree Programme (S1) of the Management Department at the Faculty of Economics and Business, Diponegoro University, Semarang, is to submit a bachelor's thesis. The thesis is titled Analyzing Production Issues Causes Through The Social Dimension Of Operations Management (A Case Study Of CV Eka Abadi). The author aims for this study to support future research and add to the growth of knowledge.

The author has recognized that this bachelor's thesis could not have been completed without the help, support, and advice of many individuals. Therefore, the author would like to take this opportunity to genuinely express her appreciation to:

1. The Almighty God for the never-ending blessings and grace that have provided me with the perseverance to finalize this bachelor's thesis.
2. Prof. Faisal, S.E., M.Si., Ph.D as the Dean of the Faculty of Economics and Business, Diponegoro University, Semarang.
3. Dr. Harjum Muharam, S.E., M.E. as Head of the Management Department, Faculty of Economics and Business, Diponegoro University.
4. Mirwan Surya Perdhana S.E., M.M., Ph.D. As the thesis supervisor, who has dedicated significant time to assisting, guiding, and giving suggestions that greatly helped the author in composing her bachelor's thesis.
5. Cahyaningratri, S.E, M.Bus. As the former thesis supervisor, who had provided recommendations and suggestions for the foundational concept of this bachelor's thesis.
6. Dr. Andriyani S.E., M.M. Throughout the author's college years, who has consistently served as the author's supportive and assisting guardian lecturer.

7. The author's mother, Endang Piranti, and the author's sibling Satriyo Yusufian, the author is very thankful for the ongoing motivation to help me finish this undergraduate thesis.
8. All of the author's dearest friends, Krissa, Bila, Wina, and Amna who always help and support the author in completing every chapter of this bachelor's thesis.
9. All those who dedicated their time to complete the research questionnaire in support of the author. Your participation is greatly appreciated.
10. All other parties whom I am unable to mention by name. Your support and assistance were indispensable in the completion of this bachelor's thesis, and your encouragement was deeply appreciated.

Semarang, 13 June 2024

Author,

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# CHAPTER I

## INTRODUCTION

### 1.1 Research Background

This research aims to find out the main cause affecting the production inefficiency at CV Eka Abadi, with a particular focus on uncovering underlying social dimension factors of operations management such as employee satisfaction, employee training and development, business ethics, and occupational health and safety. By systematically evaluating these aspects, the research intends to provide actionable insights and recommendations to enhance productivity and operational efficiency within the company.

Operations management is known as the collection of tasks that converts inputs into outputs, which produces value in the form of goods and services (Heizer et al., 2017). To maximize an organization's profit, it is concerned with transforming labor and materials into goods and services as efficiently as possible. A company can increase its competitiveness and avoid wasting time and resources on non-strategic activities by using an efficient operations management technique.

According to Heizer et al. (2017), the management process comprises planning, organizing, staffing, leading, and controlling. These functions represent the fundamental activities that managers undertake to achieve organizational goals effectively and efficiently where planning involves setting objectives, identifying strategies, and outlining the actions needed to accomplish organizational goals. It is the process of deciding in advance what needs to be done, how it will be done, and who will do it. Planning helps managers anticipate future challenges, allocate resources efficiently, and coordinate activities across different departments or

functions. Effective planning lays the foundation for informed decision-making and ensures that organizational efforts are directed toward achieving desired outcomes.

Organizing involves structuring resources and activities to facilitate the implementation of plans. This includes defining roles and responsibilities, establishing reporting relationships, and designing workflows. Through organizing, managers create a framework that clarifies how tasks will be divided, coordinated, and executed within the organization. Organizational structures, such as hierarchical levels, departments, and teams, are established to promote efficiency, coordination, and accountability.

Staffing focuses on acquiring, developing, and retaining qualified individuals to fill organizational roles. It encompasses activities such as recruitment, selection, training, and performance evaluation. Staffing ensures that the organization has the right people with the necessary skills and expertise to achieve its objectives. Effective staffing practices contribute to employee satisfaction, productivity, and overall organizational performance.

Leading involves influencing and motivating individuals to work towards organizational goals. It encompasses setting direction, inspiring others, and facilitating change. Leaders communicate vision, values, and expectations to align employee efforts with organizational objectives. They inspire commitment, foster collaboration, and empower employees to unleash their full potential. Effective leadership cultivates a positive organizational culture, builds trust, and drives performance improvement.

Controlling entails monitoring, evaluating, and regulating organizational activities to ensure they align with plans and objectives. It involves establishing



performance standards, measuring actual performance, and taking corrective action as needed. Through controlling, managers identify deviations from desired outcomes, analyze root causes, and implement adjustments to improve performance. Controlling serves as a feedback mechanism that enables organizations to maintain accountability, optimize resource utilization, and achieve desired results. These functions are interrelated and sequential, with each stage building upon the previous one to facilitate effective decision-making, resource allocation, and goal achievement.

Operations management is a field that was initially developed for solving managerial issues in manufacturing settings (Peinado et al., 2018) This discipline is concerned with the design, planning, control, and improvement of processes and systems used in the creation and delivery of goods and services within an organization. It involves overseeing the transformation of inputs (such as raw materials, labor, and information) into outputs (products or services) efficiently and effectively to meet customer demands while maximizing profitability and competitiveness.

The significance of operations management in organizations lies in its critical function directly impacting various aspects of business performance and success. One of the key roles of operations management is to ensure product and service quality by implementing quality control measures, continuous improvement initiatives, and adherence to quality standards. Meeting or exceeding customer expectations for quality leads to higher customer satisfaction and loyalty, essential for sustaining competitive advantage and long-term success.

The operations management work is primarily defined by the practical challenges of immediacy, in contrast to certain other management tasks. Put

another way, professionals must constantly make judgments and put changes into practice to produce items or provide services daily (Slack et al., 2004). As mentioned earlier, operations management places a strong emphasis on continuous improvement, whereby incremental changes are made to processes, systems, and workflows to enhance efficiency, quality, and performance over time. This culture of continuous improvement requires OM professionals to constantly evaluate current practices, identify areas for optimization, and implement changes to drive operational excellence.

Continuous improvement fosters a culture of problem-solving and innovation within the organization. Employees are encouraged to identify and address issues as they arise rather than waiting for problems to escalate. This proactive approach to problem-solving helps prevent issues from occurring in the first place and enables organizations to respond more effectively when problems do arise.

As improvements are made to processes, organizations document changes and establish standard operating procedures to ensure consistency and sustainability. Standardization helps organizations maintain the gains achieved through continuous improvement initiatives and provides a framework for ongoing monitoring and evaluation.

**However, there is a key aspect of operations management that is often left out, which is the social dimension of human resources.** Because better operations management models may result by adding a recognized aspect of human behavior into the analysis. For instance, a lot of traditional operations models assume that humans are just like machines, that is, that they are practically the same and that the only performance difference in people is random (Conway et

al., 1988; Hillier & Boling, 1967). Yet, individuals vary in abilities, speed, and numerous other aspects (Boudreau et al., 2003).

The social dimension of operations management includes measuring Employee Satisfaction, Employee Training and Development, Business Ethics, and Occupational Health And Safety. According to (Locke & Dunnette, 1976), job satisfaction is defined as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. This appraisal involves a comparison between what one wants from a job and what one actually receives. The degree to which an individual values different aspects of their job (such as pay, autonomy, or work conditions) influences their level of satisfaction or dissatisfaction when expectations are met or unmet.

Another important tool that helps people and organizations achieve their short- and long-term goals and objectives is employee training and development. It offers many more benefits in addition to improving attitudes, abilities, and knowledge. Aside from employee training and development, business ethics in operations management also provides benefits as it comprises moral standards and values applied to the administration of a business's day-to-day operations.

The role of occupational health and safety in operations management encompasses various factors aimed at ensuring the well-being of workers by preventing workplace injuries and diseases. The effectiveness of OHS systems is often linked to the robustness of national legislative frameworks and the level of regulatory oversight. Deficient OHS systems can lead to increased workplace accidents and occupational diseases, which not only impact individual workers but also have broader social and economic consequences.

CV Eka Abadi is currently facing an operations management issue which resulted in delays and failure of numerous productions. The main suspect of this issue is in human resources in which there could be some inefficiency in the production process. Moreover, because there are only a few workers at CV Eka Abadi, the inefficiency is very visible on the outputs that the workers produce. The current output of every worker per day is below or perhaps far below the expected outputs targeted by the management. However, there are some days when workers meet their expected outputs.

These inefficiencies may lead to higher operational costs. When workers are not performing at optimal efficiency, more hours are required to complete tasks. This results in increased wage expenses without a corresponding increase in output. Additionally, inefficiencies can lead to higher utility costs and equipment wear, as machinery runs longer than necessary to compensate for slow or subpar labor performance. Over time, these additional costs can erode profit margins, making it difficult for the business to invest in growth opportunities or maintain competitive pricing.

Inefficient labor also reduces the output and productivity of a business. Tasks take longer to complete, and the quality of work may suffer, leading to rework and delays. This reduced productivity can cause bottlenecks in the production process, slowing down the entire operation. For example, if assembly line workers are not performing efficiently, the entire line may be slowed, delaying the production schedule and reducing the number of finished products available for sale. This can lead to missed deadlines and an inability to meet market demand. Therefore, it is important to find out the cause of this irregularity in production efficiency.

**Figure 1. 1****Annual Labor Productivity Statistic**

According to Indonesia labour productivity growth (2018), in December 2023, Indonesia's labor productivity decreased by 1.63 percent year over year, after growing by 2.0 percent the year before. This statistic shows the phenomenon of low labor productivity which is in line with the production issue at CV Eka Abadi.

To find out the root cause of this issue, this study is going to delve into the human resources aspect specifically on the social dimension of operations management. The social dimension will include discussions on Employee Satisfaction, Employee Training and Development, Business Ethics, and Occupational Health and Safety. This research is going to explore the probability of the social dimension as the cause of the issue.

The primary research question is “**What is the main cause affecting the production inefficiency at CV Eka Abadi?**”. The following are the formulated research questions to better analyze the problem and to achieve the objectives of answering the main research question:

**“How social factors such as employee satisfaction, employee training and development, business ethics, and occupational health and safety have a positive and significant effect on production efficiency?”**

Before continuing to the next discussion, the author has conducted a previous study based on the operations management issues that CV Eka Abadi is currently facing. It has been found that based on several previous research journals, there is a lack of further validation within the studies. Most of the studies only gathered data using literature analysis and surveys in which it is essential to also consider confirming with other groups within the company. In this case, when looking from the management point of view, using the mixed method research methodology would be the most suitable to conduct this research study.

Employing a mixed-methods strategy seeks to provide answers to study topics that are beyond the scope of "qualitative" or "quantitative" methods (Sekaran & Bougie, 2016). There will be multiple data collection methods used in this study. Among them is collecting the primary data which will be derived from questionnaires that will be given to the relevant sources at CV Eka Abadi including the production workers.

The validity and reliability of the questionnaire result will be confirmed with the secondary data which will be done through conducting interviews with the relevant sources ensuring all personal biases are eliminated and the relevant sources are knowledgeable in their fields. The interviews with the relevant sources at CV Eka Abadi will be conducted in a semi-structured form where the interviewer prepares the questions in advance and has the flexibility to change their order, omit unnecessary questions, or come up with new ones. This interview format offers a great deal of versatility because it may be modified based on the

respondent's responses and demeanor. Two-way conversation is encouraged in semi-structured interviews, which lets themes and ideas come to them naturally.

## **1.2 Research Purpose**

Based on the formulated research questions that have been reported, the objectives of the research include:

1. To explore the possibilities of the social dimension being the main cause of the irregular production efficiency.
2. To examine whether employee satisfaction has a positive and significant effect on production efficiency.
3. To examine whether employee training and development have a positive and significant effect on production efficiency.
4. To examine whether business ethics play a significant role in production efficiency.
5. To examine whether occupational health and safety have a positive and significant effect on production efficiency.

## **1.3 Research benefits**

### **A. Theoretical Benefits**

The findings of this study are expected to present the additional knowledge of possible production efficiency drivers for CV Eka Abadi.

### **B. Practical Benefits**

The findings of this study are expected to provide detailed analysis of possible solutions to solve the production issues of CV Eka Abadi.

## **1.4 Writing Structure**

This thesis will consist of the following chapters to provide clearer assessment:

### **CHAPTER I INTRODUCTION**

This chapter explains the background of the problem, how research questions are formulated, the goals of the study, the research's applicability, and the research systematics. Chapter I explains the background of the research and how the social dimension aspect.

### **CHAPTER II LITERATURE REVIEW**

Chapter II contains theoretical reviews that are relevant to the issues discussed. These theories include operations management theory. This chapter also describes employee satisfaction, employee training and development, business ethics and occupational health and safety.

### **CHAPTER III RESEARCH METHOD**

Chapter three contains the data collection methods, the samples used, the types and sources of data.

### **CHAPTER IV RESEARCH RESULTS AND DISCUSSIONS**

This chapter describes the analysis of the data which has been collected, the investigation results, the analysis of the findings and the refutations of the research findings.

### **CHAPTER V CONCLUSIONS AND SUGGESTIONS**

This final section of the research report presents recommendations relevant to the research topic and draws conclusions from the discussion.



## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Theoretical Basis**

##### **2.1.1 Definition**

Operations management involves a series of activities to generate value through producing goods and services by converting inputs into outputs. As proposed by Heizer & Render (2014), this definition describes operational management as managing systems or processes that produce goods or services by transforming input into output. Various inputs, such as capital, labor, and information, are utilized to create goods or services through one or more transformation processes, such as storage, transportation, or repair. Generally, operational management is defined as the process of working to achieve pre-established goals effectively and efficiently by utilizing people through planning, organizing, leading, and controlling, while leveraging available resources (Jumadi, 2003).

Operations management encompasses overseeing the systems or procedures responsible for producing goods and/or delivering services (Stevenson, 2009:4). It's a constantly evolving field characterized by the emergence of new practices within a complex environment.

Operations management or in a broad sense named production management. Management of operations related to the production of goods and services. Production of goods or services that are abundant is under the coordination and supervision of managers Operations (Rusdiana, 2014).

According to the study conducted by Bellgran and Säfsten (2009), the author describes operations management as encompassing the planning, organization, coordination, and control of all resources essential for the production of a company's goods and services. This includes the management of personnel, equipment, technology, information, and other necessary resources involved in the production process.

According to Saputra et al. (2023), operational management is a complex activity that not only involves achieving operational goals but also encompasses technical activities to ensure efficient and effective production processes for various types of companies. For companies operating in the operational sector, it is crucial not only to strive for substantial profits but also to sustain themselves. To achieve this, companies need to produce products that meet consumer needs.

In conclusion, operations management is crucial for ensuring the smooth functioning of systems and processes involved in creating goods or delivering services. It entails careful planning, coordination, and control of resources to achieve efficient production and meet the expectations of both quality and customer satisfaction.

However, the landscape of operations management is ever-changing, characterized by the continual emergence of new methods and technologies. This dynamism requires operations managers to remain agile, adaptable, and innovative to stay ahead in the competitive business environment and effectively address the evolving needs and challenges of the market.

The fundamental role of operations management within a company lies in its transformative function, which involves converting inputs such as raw materials into finished goods and services (Domingues and Machado, 2017;

Fiorentino, 2018). This transformational role renders operations management a critical component of the organization, directly influencing numerous decisions and activities related to product design and delivery issues (Peinado et al., 2018). The design and oversight of operations significantly impact the efficient utilization of material resources in manufacturing goods or delivering services to customers. Therefore, it is essential to ensure adequate inventory levels to meet customer demand while ensuring alignment between produced items and customer preferences (Wilson, 2018). Rodionova and Shashnikova (2008) and Kumar and Sures (2009) posit this as the primary function of operations management. The first one is planning which involves selecting a business location and arranging production timetables. The location of a business directly impacts its potential success, whether it's a new enterprise establishing its first factory or store, or an established business expanding into a new area. Factors to evaluate include proximity to markets, access to raw materials, availability of labor, and transportation infrastructure. Then, comes scheduling in which operations entail establishing start and finish times for every stage of the production process. This encompasses organizing and monitoring the utilization of labor, machinery, and materials to ensure seamless production flow. Scheduling guarantees the timely completion of tasks, whether it involves manufacturing automobiles, or books, or providing services like dry cleaning garments. The third is organizing and this refers to the actions undertaken to establish a framework of tasks and hierarchy within an organization. Operations managers create a structure defining roles and information flow within the operations subsystem. They identify the necessary activities to attain objectives and delegate authority and responsibility for their execution. The fourth one is purchasing whereby for a company to operate

effectively, it requires raw materials for manufacturing goods or providing services, as well as machinery, office supplies, and other necessary items. Acquiring these raw materials, machinery, and supplies constitutes the purchasing aspect of the production process, which aims to secure the best possible deals for the company. Those responsible for procurement must make decisions regarding what to purchase, from whom, and at what price. fifth is controlling which refers to the activities that ensure that actual performance aligns with planned performance. To ensure the execution of plans within the operations subsystem, the operations manager must implement control measures by evaluating actual outputs and comparing them to planned operations management. Essential functions within this process include controlling costs, maintaining quality standards, and adhering to schedules. Then quality control entails evaluating the quality of manufactured goods. This includes monitoring factors such as the grade or freshness of products, their durability or usability, craftsmanship or design, safety compliance, and adherence to federal or industry standards, among other considerations. Quality control systems can range from testing a sample of the production batch to inspecting each individual product upon completion. Lastly, inventory control in which nearly all manufacturers and numerous service providers, like dry cleaners, require inventories of materials essential for their production processes or service delivery. Manufacturers and retail businesses, such as supermarkets, also maintain stockpiles of finished goods for sale, although inventory incurs significant costs. The more inventory a business holds, the less capital remains available for other operational endeavors. When determining optimal inventory levels, inventory controllers must account for various factors. For instance, if the price of a raw material is anticipated to increase, a company

might choose to stockpile it to mitigate future expenses. Additionally, suppliers often offer discounts for bulk orders, prompting some businesses to weigh these discounts against the expenses associated with maintaining large inventories.

To maintain and better the operations management system, three strategies offer operations managers an opportunity to attain a competitive edge (Heizer and Render, 2011:67-69). The first one is differentiation which involves distinguishing a company's products or services in a manner that customers perceive as adding value. This strategy focuses on providing unique features that are challenging for competitors to replicate. Then, low-cost leadership entails delivering maximum value as defined by customers. Companies achieve this by offering products or services at a lower cost, resulting in more competitive pricing compared to rivals. The third is response which encompasses various aspects of timely product development and delivery. This strategy emphasizes flexible, reliable, and quick responses to gain a competitive advantage. Flexibility involves adapting to changes in the market, reliability entails establishing trust with customers, and quick response involves delivering products or services promptly.

### **2.1.2 Productivity**

Productivity is the result of using resources effectively to produce specified outputs, such as goods or services (Stainer & Stainer, 1995). It is a key measure of efficiency and is often quantified by the ratio of output to input. However, achieving high productivity involves more than just maximizing output; it also entails optimizing processes, minimizing waste, and continuously improving operations. By leveraging resources efficiently and implementing innovative strategies, businesses can enhance their productivity levels and maintain a competitive edge in today's dynamic markets. According to Nugroho

(2021), Productivity involves comparing the achieved results (output) to the total resources used (input), so it can be formulated as  $\text{productivity} = \text{output} \div \text{input}$ . Then according to Gomes (in Nugroho 2021), his research results show that productivity is greatly influenced by factors such as knowledge, skills, abilities, attitudes, and behavior of workers in the organization. This suggests that productivity is closely related to the physical and mental conditions of workers.

According to Aguayo (1990), The goal of the new philosophy, which was first presented by Dr. W. Edwards Deming as Total Quality Management, is to provide people with the information, abilities, and dignity needed to make a positive contribution to the organization. This way of thinking emphasises on constantly making little changes to a system as a way to raise worker motivation, productivity, and quality. Although Dr. Deming's work was largely concerned with enhancing organisational performance as a whole rather than just labour productivity, his theories undoubtedly had an impact on the efficacy and efficiency of labour.

Production is the utilization of various resources owned by a company to produce goods and services. Each input/resource of the company will be converted into goods/services through process technology. The type of industry used varies from one industry to another. For example, in the production process of making "ulos" fabric, the required inputs include yarn, looms, equipment, supporting tools, and labor. By utilizing all available inputs, the raw material in the form of yarn is transformed into "ulos" fabric. Meanwhile, in the repair service industry, inputs such as components to be repaired, repair equipment, and labor are required (Julyanthry, 2020).

Dr. Deming stressed how crucial it is to see organisations as linked systems rather than as separate components. He thought that concentrating only on specific productivity measures might result in less-than-ideal results. Rather, in order to increase overall production, he argued for optimizing every aspect of the system, including the materials, labor, machinery, and procedures. He also thought that raising the bar on quality results in higher output. Organizations can minimize waste, inefficiencies, and rework by decreasing faults and errors in their processes or goods. This will ultimately increase production levels.

In the process of improvement, Dr. Deming emphasized how crucial it is to include staff members. He thought that employees at every level of the company have insightful ideas and useful insights that could be used to increase efficiency. Through enabling workers to participate in problem-solving and decision-making, companies may leverage their combined knowledge and experience to enhance productivity.

According to Dr. Deming, organisational culture and productivity initiatives are greatly influenced by the leadership inside the organization. He thought that to promote a culture of ongoing learning and innovation, senior management should offer resources, support, and clear direction for improvement initiatives (Aguayo, 1990).

Stainer & Stainer (1995) stated that Productivity is a function of input and output. There are numerous ways to measure it, but the four most commonly used categories are partial measurements, which are ratios of one input, such as labor, materials, or capital, to the output. Then the total factor, also known as added-value productivity, is calculated by deducting purchased items, materials, and services from sales. The third is total productivity measurements are

calculated as the sum of all input and all output. Lastly, any other metric, including management by goals met and revenues per employee.

Given that productivity plays a crucial role in driving economic growth and elevating living standards for both companies and nations, the British Treasury Department (Shankar and Aroulmoji, 2020) has identified five key drivers that contribute to enhancing productivity at both levels. These drivers are Investment, Innovation, Enterprise, Competition, and Skills. Investment productivity often correlates with investments, and many companies prioritize increasing investments in automation to streamline production processes, thereby achieving higher outputs with limited resources and anticipating overall growth. However, investments necessitate resources, capital, and equity, and their benefits typically manifest over the long term. Innovation, while sometimes simple, is immensely impactful. It encompasses the introduction of new ideas, methods, best practices, and revolutionary thinking. Innovation can occur at any stage of product development and extends beyond technical aspects to encompass the creation of new business models, management practices, and marketing strategies. The third is enterprises that foster an environment conducive to business innovation and adaptation to necessary changes for competing effectively in a global marketplace. Fourth is competition which catalyzes innovation and growth. Without competition, there is little impetus for companies to innovate and improve performance. Competitive dynamics incentivize companies to evolve and enhance their offerings. Lastly, a skilled workforce is essential for fostering innovation and attracting healthy investments. Enterprises must possess a workforce equipped with the necessary skills to meet customer requirements within specified timeframes and resource constraints, while also delivering higher value compared



to competitors. Productivity within an industry is enhanced when a diverse range of experiences combines with the skills required for executing highly innovative tasks.

Several skill factors that can improve the Company's operational management performance, namely Leadership skills, to lead and inspire operational teams, and manage human resources effectively. Analytical skills, the ability to analyze operational data, identify trends, and make decisions based on information that can aid in strategic planning. Skills in using technology, can utilize information technology, and operational management systems. Project management skills, ability to plan, organize, and manage operational projects effectively. Skills in communication, the ability to communicate clearly and effectively with various parties, both internal and external companies, facilitate good coordination and promote Cooperation between parts of the organization. Skills in risk management, the ability to identify, evaluate, and manage operational risks, help reduce potential losses and optimize existing opportunities.

Like the research conducted by Windra (2020), factors that can affect the achievement of operational performance in one of CV Tunggal Jaya's companies, namely the availability of raw materials, engine readiness, and operator skills.

### **2.1.3 Social Factors**

#### **2.1.3.1 Employee Satisfaction**

According to Locke & Dunnette (1976), job satisfaction is the one that is most commonly applied in scientific research, which interprets it as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences”. Consistency and emotional stability are suggested by job satisfaction (Aniței et al., 2013) and a favorable outlook

on their employment, coworkers, and working environment (Wyrwa & Kaźmierczyk, 2020).

According to Sypniewska et al. (2023), human resource management (HRM) recognizes employees as a critical asset for organizations, emphasizing the importance of understanding their preferences, needs, and perspectives. Employee satisfaction plays a significant role in fostering motivation, retaining talent, and achieving organizational goals. Moreover, employee satisfaction is integral to overall well-being and sustainable development in the workplace. Human resources contribute valuable talent and expertise to an organization, which is cultivated and enhanced throughout their careers. In the long term, investing in employee development and recognizing their contributions can lead to increased satisfaction among employees and, consequently, stronger organizational commitment.

Factors affecting employee satisfaction, such as workplace well-being, employee development, employee retention, and job engagement. According to Locke & Dunnette (1976), workplace well-being refers to a positive emotional state arising from job satisfaction or experiences at work. the study by Browne (2021) asserts that employees experience a sense of well-being when they find their job fulfilling and when emotions like joy and happiness are predominant.

Effective employee development programs yield advantages for both employees and the organization. Hence, it's crucial to incorporate training initiatives that encourage employee self-fulfillment, foster team

cohesion, and cultivate a supportive work environment that enhances employee well-being (Sypniewska et al. 2023).

Employee retention encompasses the strategies and actions undertaken by organizations to encourage employees to stay with the company for a prolonged period. This involves fostering a supportive environment and providing incentives that inspire loyalty and commitment. By addressing factors such as job satisfaction, career development, compensation, work-life balance, organizational culture, and leadership, organizations can reduce turnover rates, retain valuable talent, ensure operational continuity, and cultivate a positive workplace culture conducive to sustained success (De Sousa, et al. 2018).

Employee engagement is a facet of organizational management typically associated with human resources. It encompasses emotional and cognitive elements, involving enthusiasm, passion, satisfaction, confidence, empowerment, and positive attitudes. Employee engagement pertains to an individual's desired demeanor, fostering connections to their work and colleagues (Turner, 2020).

Employee satisfaction can be measured through the measure of Quality of Work Life Scale verified by Anbarasan and Mehta (2009) was taken into consideration about banks, insurance, pharmaceuticals, and finance organizations. With a reliability value of 0.902, it consists of five factors: an unfavourable work environment, job awareness and commitment, perceived job motivators, employee satisfaction and retention, and perceived organizational culture. These factors explain 41

statements on a five-point Likert scale (ranging from 1 ¼ strongly agree to 5 ¼ strongly disagree).

Another measure is the Job Satisfaction Survey proposed by Spector (1985) concerning both public and private human service organizations was adhered to. Nine factors were included in the study, which described 36 statements on a five-point Likert scale (from 1 ¼ strongly satisfied to 5 ¼ strongly dissatisfied), with a reliability value of 0.895. The factors included pay satisfaction, coworkers satisfaction, promotion satisfaction, operating procedures satisfaction, fringe benefits satisfaction, supervision satisfaction, contingent rewards satisfaction, nature of work satisfaction, and communication satisfaction. Schneider et al. (2003) examined six aspects of job satisfaction measures, namely security, compensation, empowerment, job fulfillment, workgroup, and work facilitation. These facets collectively contribute to the overall job satisfaction of employees by addressing both intrinsic and extrinsic aspects of their work environment and experiences.

In this study, employee satisfaction measurement at CV Eka Abadi will be based on the Quality of Work Life Scale, which was verified by Anbarasan and Mehta (2009). By encompassing the dimensions that were mentioned above, the Quality of Work Life Scale developed by Anbarasan and Mehta addresses both intrinsic and extrinsic factors that influence employees' work experiences and overall satisfaction. The scale developed by Anbarasan and Mehta offers a holistic approach to evaluating and improving workplace conditions to enhance employee well-being and productivity.

### **2.1.3.2 Employee Training and Development**

Efforts invested in training and developing employees illustrate that organizations are leveraging not just high-potential individuals, but also those willing to dedicate themselves to taking on greater responsibilities. As per Feldman (referenced by Jehanzeb & Bashir, 2013), this entails emotional alignment, wherein both the organization and individuals collaborate to foster long-term commitment through career progression and training prospects.

An essential aspect of pinpointing the training and development requirements of employees is ensuring that all needs align with organizational objectives. Wognum and Torrington et al. (referenced by Nassazi, 2013) delineate three categories for identifying these needs. First is addressing performance-related issues at the individual level. Second is fostering ongoing enhancement of operational methods irrespective of individual performance concerns, and revitalizing the organization through innovations and strategic shifts.

Employee training and development stands out as a key driver utilized to support both individuals and organizations in reaching their short-term and long-term goals and objectives. Beyond just enhancing knowledge, skills, and attitudes, it brings forth numerous other advantages. Nassazi (2013) outlines several common benefits of employee training and development, including boosting employees' morale, confidence, and motivation, reducing production costs as individuals become more efficient and minimizing waste, fostering a sense of security, subsequently lowering turnover and absenteeism

facilitating employees' participation in the change process by equipping them with the necessary competencies to adapt to new and demanding situations, creating opportunities for recognition, higher compensation, and advancement and assisting the organization in enhancing the availability and quality of its workforce.

Moreover, Jehanzeb and Bashir (2013) outline various benefits that employee training and development initiatives offer to both individuals and organizations. For Individuals, training and development programs equip individuals with the soft, functional, and technical skills essential for job performance. Moreover, they contribute to higher levels of job satisfaction as individuals perceive these programs as investments in their own future. Individuals also feel a sense of purpose in their roles within the organization, fostering increased loyalty and dedication to achieving organizational goals. Such programs encourage individuals to actively seek out opportunities for acquiring innovative skills, experiencing diverse roles and responsibilities, and pursuing personal and professional development, thereby bolstering their confidence, self-esteem, and job satisfaction. Lastly, training and development initiatives enhance overall individual performance.

For organizations, training and development programs aid organizations in maintaining competitiveness in the marketplace. As per Wanger (cited by Jehanzeb and Bashir, 2013), the American Society for Training and Development (now known as the Association for Talent Development) discovered a correlation between investment in employee

training and development programs and higher revenues in the stock market.

Tanwar & Prasad (2017) developed a list of instruments based on conclusions obtained from the deductive approach (literature review).

The study gathered the list as shown below:

**Table 2. 1**  
**List of Instruments**

Dimension	Deductive approach
Functional	In my organization, skill development is an ongoing activity (Hillebrandt and Ivens, 2013) My company offers opportunities for learning through working on various projects (Srivastava, 2010) My company makes significant investments in the education and training of its staff members (Knox and Freeman, 2006) My company provides opportunities for teamwork (Lievens et al., 2005)

The statement by Hillebrandt and Ivens (2013) indicates that an organization continuously focuses on enhancing the skills of its employees. There is a commitment to regular and systematic skill improvement, which could include workshops, training sessions, seminars, and other learning activities. The ongoing nature suggests that skill development is not a one-time event but a continuous process integrated into the organizational culture.

According to Srivastava (2010), learning in an organization is integrated into daily work activities. Employees can develop new skills and knowledge by participating in different projects. This experiential learning approach allows employees to apply theoretical knowledge in

practical situations, leading to a deeper understanding and more effective skill acquisition.

Based on the research conducted by Knox and Freeman (2006), an organization allocates substantial resources, both financial and otherwise, to the education and training of its employees. Such investments can include funding for external courses, certifications, professional development programs, and other educational opportunities. It reflects a strategic commitment to developing a skilled workforce.

According to Lievens et al. (2005), a good organization emphasizes collaborative work environments. Opportunities for teamwork can enhance communication skills, foster a sense of community, and enable employees to learn from each other. Teamwork also often leads to more innovative solutions and a more cohesive work environment.

Overall, these practices indicate that an organization values and prioritizes the development of its employees, creating a supportive environment that fosters both personal and professional growth. Therefore, the author will comprise the Employee Training and Development questionnaire items based on these four instruments.

### **2.1.3.3 Business Ethics**

Business ethics in operations management includes moral principles and values that are exercised in the management of a company's operational activities. According to Sonny Keraf in Ali (2020) in business ethics applies the principles that business actors should obey, namely the principle of autonomy is the ability to make decisions and act on knowledge of what is good to do, and take moral responsibility for



decisions made. Then honesty principles, in which effort will not last long if it is not based on integrity, because honesty is the key to a company's success. Next is the principle of justice, that all those involved in the economy should be treated by their rights. The principle of mutual benefit, in this way, all parties strive to conduct business mutually profitably and competitively. Lastly, Moral Integrity Principles provide a foundation for business, and businesses need to maintain their company's reputation for doing business and remain the best company that can be trusted.

The concept of ethical structures was established by Morris et al. (2002) and is based on core principles. According to the author, an organization cannot operate ethically if its essential ideals are not implemented. The development and realization of formal ethical frameworks depend on the existence of informal ethical systems. If management is not concerned about ethical issues or if there is no real ethical communication between management and staff, formal ethical institutions cannot develop. The study underscores the importance of integrating core ethical principles into both formal and informal systems within an organization. The effectiveness of formal ethical frameworks, such as policies and codes of conduct, relies significantly on the presence of supportive informal ethical systems, including a strong ethical culture and proactive ethical communication from management. Without management's active concern for ethics and a culture that promotes ethical behavior, formal structures alone cannot ensure an organization operates ethically. Therefore, a holistic approach that combines both

formal and informal systems is essential for fostering an ethical organizational environment.

The research conducted by Thommen (2003) distinguishes between two categories of measures related to the implementation of business ethics: institutional and structural measures. Thommen (2003) defined institutional measures as tools and measures that help implement the enterprise credibility strategy, including human resource measures, enterprise culture, SA8000, and codes of ethics. He generally distinguishes between preventive and supportive institutional interventions. The first set of measures sets the tone for behaviour for all parties involved in the enterprise: on the one hand, it encourages appropriate behaviour and, on the other, it penalises inappropriate behaviour. It goes without saying that the goal of preventive measures is to stop untrustworthy behaviour. The believable behaviour is assisted and supported by the second set of measures, known as the support measures. This set of actions allows the business to operate as credibly as possible to the greatest extent possible and establishes the best possible conditions for doing so.

The official and informal metrics of corporate ethics implementation are examined in Belak's (2009) approach. In Belak's (2009) framework, informal measures are defined by key components of the informal culture and include things like stories, rituals, heroes and role models, informal norms, and language. On the other hand, core values, enterprise culture, and climate are components of both structures and serve as the model's foundation. Formal measures of implementing

business ethics include things like an ethics committee, an ethics audit, job descriptions, a statement of enterprise core values, a compliance manual, a code of conduct, a mission statement, anonymous hotlines, training in ethics, evaluation of ethical behavior, and sanctions for ethics abuse.

To cultivate an ethical organizational environment, a holistic approach that combines both formal and informal systems is essential. Formal measures provide the necessary structure and guidelines, while informal systems cultivate a culture of ethical behavior and open communication. This dual approach ensures that ethical principles are not only codified but also lived and reinforced daily within the organization.

Management's role is pivotal in this process. Leaders must actively promote and model ethical behavior, engage in transparent communication, and support both preventive and supportive measures to create a credible and trustworthy enterprise. By aligning formal structures with a strong informal culture, organizations can effectively foster ethical behavior, prevent misconduct, and enhance overall credibility, leading to sustainable ethical practices and long-term success.

Based on these studies, the author has concluded integrating the concept of ethical structures by Morris et al. (2002) into the questionnaire items for Business Ethics as it emphasizes how crucial it is to include fundamental ethical principles into an organization's formal and informal systems, and it offers a comprehensive approach that integrates both formal and informal systems, which is crucial for creating an ethical work environment.

#### **2.1.3.4 Occupational Health and Safety**

Over the past three decades, the significance of occupational health and safety has grown significantly. The creation of the Occupational Safety and Health Administration (OSHA) in 1970 underscores the fundamental need for workplace safety for all workers. An effective occupational health and safety initiative involves collaboration among management, staff, administrators, and healthcare experts, fostering an ongoing, dynamic approach that cultivates a safety-oriented workplace culture (Suparna and Jaiswal, 2021).

The objective of the occupational health and safety program is to ensure a secure and healthy work environment. Additionally, it safeguards the well-being of the broader community, who might encounter occupational hazards or be impacted by the working environment (Correll, 2020).

Occupational health and safety involve a multidisciplinary team comprising doctors, specialized nurses in occupational health, and psychologists. Their primary goal is to promote and preserve the health and productivity of workers. This field is dedicated to safeguarding employees from potential risks and hazards in the workplace, providing assistance ranging from injury prevention to care. Various programs have been devised under occupational health and safety to minimize injuries among workers. The overarching aim is to enhance the workplace environment for employees, colleagues, and other stakeholders. Occupational safety and health address a range of environmental hazards, encompassing chemical, physical, and biological factors, among others,

whose exposures can lead to occupational diseases (Suparna and Jaiswal, 2021).

Based on the study conducted by Davies et al. (1990), the author made significant contributions to the understanding of occupational health and safety (OHS) within organizations. The research focuses on various aspects that contribute to creating a safe and healthy working environment. The study emphasized the importance of preventive measures in OHS. These include regular risk assessments, safety audits, and the implementation of safety protocols to mitigate potential hazards before they cause harm. In addition to prevention, protective measures such as providing personal protective equipment (PPE), ensuring safe machinery operation, and maintaining a safe physical work environment are crucial.

This research study will combine the OHS framework made by Davies et al. (2009) as it provides a comprehensive framework for occupational health and safety that emphasizes preventive and protective measures, employee involvement, management commitment, continuous improvement, and adherence to legal and ethical standards.

#### 2.1.4 Previous Research

**Table 2. 2**  
**Previous Research**

<b>Author</b>	<b>Method</b>	<b>Variable Instruments</b>	<b>Purpose</b>	<b>Findings</b>
Nur Hidayati (2020),	Descriptive Qualitative	1. Quality Control System 2. Process	This research aims to find out how the operational management	The research results show that operational management in general is a management effort to maximize the use of

Author	Method	Variable Instruments	Purpose	Findings
		Efficiency Metrics	function of repair containers at the PT depot.	various production factors such as human resources (HR).
Bastari Adam (2020)	Qualitative descriptive analysis methods	<ol style="list-style-type: none"> <li>1. Case study at SMPN 13 Depok, West Java.</li> <li>2. Data collection of various literatur, articles, journals, and websites.</li> </ol>	This study aims to find out the management of strategies and operations in The improvement of the quality of education at SMP 13 Depok.	To achieve the goal, a mature strategy must be developed, so operations in the field will be more coordinated with existing strategies beforehand.
M. Haidar Ali (2020)	Qualitative methods and interviews	<ol style="list-style-type: none"> <li>1. Data collection</li> <li>2. Data reduction</li> <li>3. data display</li> <li>4. conclusion drawing.</li> </ol>	The aim to confirm the theory The 5P of Henri Mirtberg are: Plan, Ploy, Pattern, Position, Perspective of strategy as After the pandemic went on and also the ethics of the business applied in It's a demerit.	make a contribution or contribution in the field of business management, especially business ethics in the midst of demarcation and business strategy after the pandemic is complete.
Sulthan Shaummil Faiq (2021)	content analysis method	variables in the form of notes, transcripts, books, magazines, journals, articles.	to find out the operational management of multinational corporations	There are several important elements, namely inventory control, distribution strategies, supply chain integration and strategic partnering, outsourcing strategies, and smart pricing.
Nengsih dan Dina (2021)	qualitative methods with descriptive approaches	<ol style="list-style-type: none"> <li>2.1.4 Data collect ion, data</li> <li>2.1.4 Reduct ion, and presen tation of data.</li> <li>2.1.4 Drawi ng</li> </ol>	To find out how risk management is carried out and the strategy for handling operational risks.	The study derives the strategy for handling operational risks by carrying out a risk management process with risk identification activities, then measuring, monitoring, and controlling risks.

Author	Method	Variable Instruments	Purpose	Findings
		conclusions		
Irfan Syafrudin (2022).	Qualitative descriptive analysis methods	<ol style="list-style-type: none"> <li>1. Product quality</li> <li>2. Production process</li> <li>3. Service</li> </ol>	The purpose of this study was to identify and analyze operations management strategies and effectiveness at coffee shops in Pekanbaru.	The results of this study indicate that of the four dimensions of operational strategy, the best is the competency dimension.
Mariani (2022).	Qualitative with literature study approach	Operational Management: <ol style="list-style-type: none"> <li>1. Efficiency</li> <li>2. Quality</li> </ol>	The research aims to describe operational management theory in the production process in a company	The research results show that operational management is a key process in managing and utilizing company resources to meet service and production needs.
Nur' Azhma Wati (2022).	Descriptive	<ol style="list-style-type: none"> <li>1. HR:               <ol style="list-style-type: none"> <li>a. Employee</li> <li>b. Prospective congregation</li> </ol> </li> <li>2. Products offered</li> <li>3. Facility</li> <li>4. Information Services</li> </ol>	This research aims to analyze service operations management at PT. Silver Silk Tour & Travel Pekanbaru.	The research results show that overall the management of service operations is good and satisfies the congregation, and is effective by the SOP that has been designed.
Nurul Aurel, Umar Hamdan Nasution, Al Firah (2023).	Qualitative	Production Management: <ol style="list-style-type: none"> <li>1. Employee Survey</li> <li>2. Production Performance</li> </ol> Failure Product: <ol style="list-style-type: none"> <li>1. Product quality</li> <li>2. Production Process Performance</li> </ol>	This research aims to find out and analyze the role, constraints and solutions of production management in minimizing failed products at PT. Sumatera Hakarindo Medan.	The research results show that production process errors are not only from the operator's side, but due to quality control that is not thorough in checking materials.

Author	Method	Variable Instruments	Purpose	Findings
		e		
Pramesti dkk (2023)	a qualitative	Research with secondary data can be found in <ol style="list-style-type: none"> <li>1. articles</li> <li>2. jurnal previously existing ones,</li> <li>3. publikasi government</li> <li>4. digital books or e-books</li> </ol>	aim at the study of Implementation of Operational Management in the Digital Age and Development of E-Commerce	Based on the above data, it can be concluded that in the current era of globalization, operations management continues to be an interesting topic and research for industry academics and professionals both manufacturing and industrialization.

According to Nur Hidayati (2020), operational management in general is a management effort to maximize the use of various production factors such as human resources (HR). The study reveals that operational efficiency is significantly impacted by the existing repair workflow, availability of skilled labor, and the condition of the repair equipment. Inefficiencies in these areas lead to delays and increased operational costs.

Based on the research conducted by Bastari Adam (2020), the significant impact of strategic and operational management on educational quality is highlighted by adopting the recommended strategies and practices, the school can achieve sustained improvements in teaching effectiveness, student engagement, and overall educational outcomes. The study also underscores the importance of a holistic approach that integrates strategic vision with efficient operational practices to drive continuous improvement in education quality.



Business ethics and strategic management play a critical role in enabling MSMEs to navigate the unprecedented challenges of the COVID-19 pandemic (Ali, 2020). Based on the research conducted by Ali (2020), the study aims to confirm the theory The 5P of Henri Mintzberg are: Plan, Ploy, Pattern, Position, Perspective of strategy as After the pandemic went on. And also about the ethics of the business applied in It's a demerit. By adhering to ethical principles and adopting flexible, innovative management strategies, MSMEs can not only survive but also thrive in the face of adversity. The insights and recommendations provided in this study offer a valuable roadmap for MSMEs seeking to build resilience and achieve long-term success in a post-pandemic world.

According to Faiq (2021), it has been demonstrated that Unilever Indonesia's success is largely attributed to its efficient operational management practices, strategic focus on quality and sustainability, and commitment to employee and customer satisfaction. By continuing to innovate and enhance these areas, Unilever Indonesia can maintain its competitive edge and achieve long-term growth and success in the dynamic global market. The study provides valuable insights and actionable recommendations that can guide other multinational companies in optimizing their operational management practices. Investing in employee training and development is a key focus area. Unilever Indonesia offers comprehensive training programs to enhance the skills and knowledge of its workforce, ensuring they are equipped to handle advanced technologies and processes. Moreover, the company promotes a positive work environment and engages employees through various initiatives, fostering a sense of ownership and commitment to organizational goals.

The research by Nengsih and Dina (2021) examines several facets of risk management and makes suggestions to improve the operational effectiveness and resilience of the bank. One of the suggestions comes from the human resource aspect of operations management which is conducting Regular training programs for employees on risk management practices and ethical conduct are vital. The study underscores the importance of fostering a risk-aware culture within the organization. The study also recommends ensuring staff competency, meaning ensuring that staff have the necessary skills and knowledge to perform their duties effectively helps in minimizing operational risks. Continuous professional development is encouraged.

The study by Irfan Syarifudin (2022) looks at many facets of operations management and pinpoints important elements that make these companies successful and productive. The results of this study indicate that of the four dimensions of operational strategy, the best is the competency dimension which delves into employee management. This study reveals that it is important to Invest in comprehensive training programs for staff to ensure that they are skilled in both technical aspects and customer service. Continuous professional development helps in maintaining a motivated and competent workforce. Moreover, Ensuring job satisfaction through fair compensation, positive work environment, and opportunities for career growth contributes to lower turnover rates and better service quality.

The study conducted by Mariani (2022) explores the different tactics and methods that businesses use to maximise production effectiveness, guarantee quality, and satisfy consumer demands. The research results show that operational

management is a key process in managing and utilizing company resources to meet service and production needs. This is achieved through a series of activities such as planning, organizing, directing and controlling the production process, including creating work SOPs and evaluating production results. By implementing these principles, companies can improve efficiency, product quality, and overall customer satisfaction.

According to Nur (2022), In order to improve the company's service delivery and operational efficiency, the study analyses important operational methods, assesses their efficacy, and offers recommendations. The aim of this research is to analyze service operations management at PT. Silver Silk Tour & Travel Pekanbaru. The research results show that overall the management of service operations is good satisfies the congregation, and is effective in accordance with the SOP that has been designed.

Insightful analysis of how efficient production management techniques can lower the frequency of failed products in a manufacturing setting. This can be found in the research study by Aurel et al. (2023) where the study highlights important tactics and procedures that help to reduce product failures and centres on PT. Sumatra Hakarindo, a Medan-based manufacturing company. The research results show that overall the management of service operations is good and satisfies the congregation, and is effective in accordance with the SOP that has been designed. One of the factors is to have comprehensive training programs, conducting regular training programs for production staff to ensure that they are well-versed in SOPs and quality standards. Skilled and knowledgeable employees are less likely to make errors that result in failed products. Encouraging

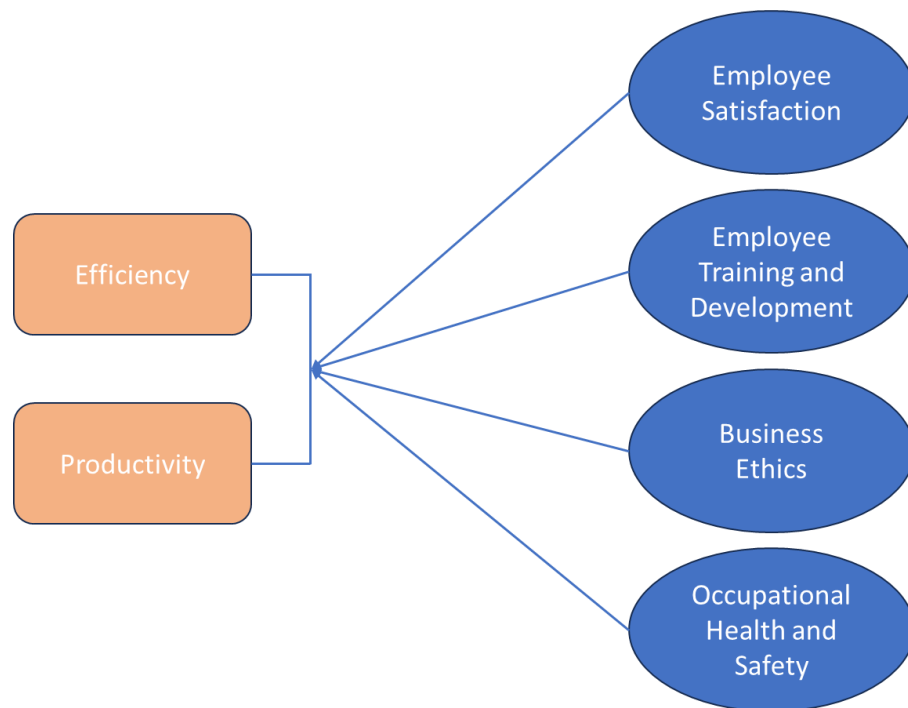
continuous learning and skill development also helps employees stay updated with the latest production techniques and quality management practices.

Based on the research conducted by Pramesti et al. (2023), a perceptive examination of how e-commerce and the digital age have impacted operational management methods. The study looks at how digital technologies affect business operations and provides tips on how companies may run more efficiently in a market that is becoming more and more digital.

These research studies focus on various aspects of operational management, including **the social dimension, efficiency, productivity, employee satisfaction, employee training and development, business ethics, and occupational health and safety**. Most of the research examines the operational management and the importance of the human resource aspect and the continuous improvement with either a qualitative or descriptive research method. However, as this research would only focus on the social dimension of operations management within a small company, it is important to consider the broad factors that may be affecting the issues. This can be done using a mixed method research methodology.

Based on several previous research journals, it has been found that there is a lack of further validation within the studies. Most of the studies only gathered data using literature analysis and surveys in which it is essential to also consider confirming to other groups within the company. In this case, when looking from the management point of view, using the mixed method research methodology would be the most suitable to conduct this research study

### 2.1.5 Research Framework



**Figure 2. 1**  
**Research Framework**

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Method**

This research study uses the mixed-methods research method where based on Sweetman et al., (2010), mixed-methods research is defined as the gathering, analysis, and integration of quantitative and qualitative data in a single research or in a program of inquiry. Its basic qualities include collecting both quantitative (closed-ended) and qualitative (open-ended) data.

The justification for employing mixed methods is that every study methodology carries some degree of bias or vulnerability. Therefore, employing a combination of data collection techniques helps to mitigate these shortcomings and improve the validity and reliability of research findings (Grant et al., 2023). According to Bryman (2006), mixed approaches are employed largely to “expand” or “complement” research. Complementarity aims to elaborate, enhance, illustrate, and clarify results from one method with those from another, whereas expansion aims to increase the depth and scope of investigation through the use of diverse research methods.

According to Sekaran & Bougie (2016), Research topics that cannot be resolved by "qualitative" or "quantitative" methodologies alone are the focus of mixed methods research. The goal of mixed methods research is to gather, examine, and combine quantitative and qualitative data in a single study or set of related studies. Golicic & Davis (2012) suggested four distinct mixed method approach types that are integrated into a timing- and weighting-based mixed method decision framework: 1) Development: one study should be used to guide a

later investigation. 2) Initiation: using a preliminary study to start the main study; 3) Complementarity: using two or more studies simultaneously to examine different aspects of a phenomena; and 4) Interpretation: using a second study concurrently to corroborate or explain the primary study's findings. Stated differently, researchers can choose from multiple phases that follow a sequential order of Development and Initiation, and a concurrent order of Complementarity and Interpretation.

In this research study, the main goal is to survey the production employees' opinions on CV Eka Abadi's efforts regarding the social dimension applications namely Employee Satisfaction, Employee Training and Development, Business Ethics, and Occupational Health and Safety and gain more information on the employees' opinions through conducting interviews. **Therefore, the author decided to employ the explanatory sequential design to process and analyze the topic of this study.**

While concurrent mixed methods gather and analyze both the quantitative and qualitative data at roughly the same time, sequential mixed methods data is analyzed in a specific order that aims to explain or build upon the findings of one approach with the other approach (Creswell, 2013). In the sequential explanatory design, the quantitative phase is normally prioritized. According to Wipulanusat et al. (2020), After gathering and analyzing the quantitative data, researchers employ qualitative techniques to acquire a deeper understanding and interpretation of the quantitative findings from the initial part of the study. The study's main methodology would be the analysis of quantitative data. This strategy was justified by the fact that the quantitative data and the statistical analysis that followed offered a broad grasp of the topics being studied. In the qualitative

phase, the statistical results were further clarified and explained by delving further into the perspectives of the participants.

The table below explains the sequential explanatory study design process for this study in visual form:

**Table 3. 1**

**Visual Form of The Sequential Explanatory Study Design Process**

<b>Phase</b>	<b>Procedure</b>	<b>Output</b>
Quantitative Data Collection	<ul style="list-style-type: none"> <li>• Questionnaire distributed in three sessions</li> <li>• Measured by Five-point Likert Scale</li> </ul>	<ul style="list-style-type: none"> <li>• Quantitative data</li> </ul>
Quantitative Data Analysis	<ul style="list-style-type: none"> <li>• Comparing the results from each session using a five-point Likert scale interpretation</li> </ul>	<ul style="list-style-type: none"> <li>• Descriptive Statistics</li> </ul>
Connecting Quantitative and Qualitative Phase for Qualitative Sample	<ul style="list-style-type: none"> <li>• Selecting a participant to gain detailed information</li> <li>• Developing interview questions</li> </ul>	<ul style="list-style-type: none"> <li>• Semi-structured interview material</li> </ul>
Qualitative Data Collection	<ul style="list-style-type: none"> <li>• Interview with the participant and the board of management</li> </ul>	<ul style="list-style-type: none"> <li>• Qualitative data (interview transcript)</li> </ul>
Qualitative Data Analysis	<ul style="list-style-type: none"> <li>• Coding and thematic analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Codes and themes</li> </ul>
Integration of Quantitative and Qualitative Results	<ul style="list-style-type: none"> <li>• Interpretation and explanation of the quantitative and qualitative results</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion</li> <li>• Implication</li> <li>• Future Research</li> </ul>



### 3.2 Participants

The term "population" refers to the whole set of individuals, occasions, or subjects that the researcher wants to look into. The set of individuals, occasions, or subjects of interest for which the researcher wishes to conclude (Sekaran & Bougie, 2016). According to Sekaran & Bougie (2016), a sample is a portion of the population. It comprises some members who have been chosen from it. Put otherwise, the sample consists of some but not all of the population's components. The sampling process will involve selecting one to two employees from each production line. This selection process will be conducted in hopes that the result will show a real and fair answer from the employees. Simply put, a sample is a subset or subgroup of the population. The researcher should be able to make inferences about the population of interest by examining the sample (Sekaran & Bougie, 2016).

This research is conducted at CV Eka Abadi, where the company comprises one owner, one supervisor, and 11 production workers. The questionnaire is targeted at the 11 production workers and comprises questions based on employee satisfaction, employee training and development, business ethics, and occupational health and safety frameworks mentioned in the previous chapter

After collecting the questionnaire results, the author conducted semi-structured interviews with one of the key production workers to confirm the questionnaire results. Then, after the interview was done, the author conducted different interviews with the owner and the supervisor to further confirm the validity of the results.

### 3.3 Instrument

Before undertaking a thorough examination of the topic under investigation, the author formulated a questionnaire based on the social factors mentioned in Chapter II. The questionnaire includes five questions for each category, namely Employee Satisfaction, Employee Training and Development, and Occupational Health and Safety. The questionnaire consisted of 20 questions divided into four sections. The first section (questions 1-5) refers to the study by Anbarasan and Mehta (2009), and the second section (questions 6-10) is based on the list of instruments gathered by Tanwar & Prasad (2017), the third section (questions 11-15) refers to the study conducted by Morris et al. (2002), and lastly, the fourth section (questions 16-20) is based on the study by Davies et al. (2009).

This questionnaire will be shared with the employees at CV Eka Abadi which will be filled out and then analyzed. Below is the formulated questionnaire:

**Table 3. 2**  
**Questionnaire Sample**

Section	Questions
Employee Satisfaction	<p>Q1.How satisfied are you with the physical working conditions (e.g., workspace, lighting, noise levels)?</p> <p>Q2.How satisfied are you with the support you receive from your immediate supervisor/manager?</p> <p>Q3.Do you feel that your workload is manageable?</p>

Section	Questions
Employee Training and Development	<p>Q4. Do you feel that your compensation is fair relative to your job responsibilities and performance?</p> <p>Q5. How likely are you to recommend this company as a great place to work?</p> <p>Q6. Are you given sufficient opportunities to practice new skills in your work?</p> <p>Q7. How satisfied are you with the training and development opportunities provided by the company?</p> <p>Q8. Do you feel that the training programs offered are relevant to your job role and career goals?</p>
Business Ethics	<p>Q9. How satisfied are you with the knowledge and teaching ability of the trainers?</p> <p>Q10. Do you feel more confident in your job performance after attending training sessions?</p> <p>Q11. Do you feel that the company promotes ethical behavior at all levels?</p> <p>Q12. How would you rate the overall ethical culture of the organization?</p> <p>Q13. How confident are you that senior leadership is committed to ethical business practices?</p> <p>Q14. Have you ever felt pressured to compromise your ethical standards at work?</p>
Occupational Health and Safety	<p>Q15. Do you believe that all employees are treated fairly and with respect, regardless of their position?</p>

Section	Questions
	<p>Q16. How satisfied are you with the health and safety training provided by the company?</p> <p>Q17. Have you participated in emergency drills (e.g., fire drills, evacuation exercises) at work?</p> <p>Q18. Do you have access to the necessary personal protective equipment (PPE) for your job?</p> <p>Q19. How would you rate the safety of your physical work environment (e.g., cleanliness, ergonomics, maintenance)?</p> <p>Q20. How satisfied are you with the health and wellness initiatives provided by the company (e.g. work accident and health insurance)?</p>

### 3.4 Process

#### 3.4.1 Quantitative

The investigation is done through sharing questionnaires with the participants online. Since most of the workers are not fluent in English, the questionnaire is made in Indonesian language. Therefore, the workers can understand fully what the questionnaires ask. To check the production workers survey on the company, the author provides 20 questions to fill in the online questionnaire that will be sent via messenger. The questionnaires will be sent out twice, the first time will be at break time and the second time will be after the workers got out of work. This

method is conducted to ensure that the results will be as true as they can be according to the workers' own opinions.

The survey instrument was developed based on inferences drawn from the inductive (qualitative interviews) approaches. The instrument consisted of 20 questions. Each of the items is evaluated on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). The five-point Likert scale is used to measure the correspondent's opinions and percentage towards the phenomenon. Table IV shows the statements on a five-point Likert scale. After the questionnaires are filled in, the results are then analyzed to further find out about the probability of the social aspects being the culprit of the production issues at CV Eka Abadi.

**Table 3. 3**  
**Likert Scale**

Score	Answer
1	Strongly Disagree
2	Disagree
3	Neither Agree nor Disagree
4	Agree
5	Strongly Agree

*Source* : (Sekaran & Bougie, 2016)

### 3.4.2 Qualitative

After the questionnaire results are gathered, the author holds several interviews with the management team of CV Eka Abadi to further confirm the outcome. The interview itself is conducted in an open-ended format to have flexible and more detailed answers.

The people who are being interviewed are the owner, the supervisor, and the key person on the production team. The interview starts with an introduction, and explanation, then followed with questions

similar to the questionnaires to confirm the validity. After conducting the interviews, the author then concludes the results to determine whether the social aspects of operational management affect the production issues at CV Eka Abadi.

### 3.5 Analysis

#### 3.5.1 Quantitative

The questionnaire data is first analyzed by calculating the mean and standard deviation. The calculations are then grouped into three sections to compare the answers of each session. To interpret the results and calculation, the author uses the five-point Likert scale interpretation model created by Pimentel (2019) shown below.

**Table 3. 4**

#### **Five-Point Likert Scale Interpretation Model**

Likert Scale	Interval	Difference	Description
1	1-20	19	Strongly disagree
2	21-40	19	Disagree
3	41-60	19	Neither agree nor disagree
4	61-80	19	Agree
5	81-100	19	Strongly agree

*Source: (Pimentel, 2019)*

The interval difference of 0.80 is calculated by subtracting the highest scale number, 5, and the lowest scale number which is 1. Then the author got 4 as the range. To calculate the interval, the author divides 5 by 4 which equals 0.80. Table 5 displays a five-point Likert scale in which the intervals were computed using the majority of similar discrepancies except for one bigger difference that differs by 0.1 from the others. The description section in Table V shows the

interpretation for each interval sorted from the lowest to the highest, categorizing the lowest as strongly disagree to the highest as strongly agree.

### **3.5.2 Qualitative**

In this study, the qualitative data which is the interview result is analyzed according to the thematic analysis. According to Boyatzis (1998), thematic analysis is a method that bridges quantitative and qualitative research approaches. It allows researchers who adopt an interpretive approach to describe social "facts" and assists positivist social scientists in understanding the unique characteristics of their observations. This dual applicability means that data from hypothesis testing in positivist research can inform interpretive studies and vice versa. Essentially, thematic analysis involves identifying, analyzing, and reporting patterns (themes) within data. It emphasizes the interpretation of the data to uncover deeper meanings rather than just quantifying words or phrases. Boyatzis highlights that the thematic analysis process researchers choose will depend on their research questions and the type of data they are examining, with a focus on the interpretation of findings being the primary goal

According to Braun and Clarke (2006), thematic analysis is a method for identifying, analyzing, and reporting patterns (themes) within data. They provide a detailed step-by-step guide consisting of six phases; (1) familiarising with the data, (2) generating initial codes, (3) searching for themes, (4) reviewing the themes, (5) defining and naming themes, and (6) producing the report. Braun and Clarke (2006) also distinguish between semantic and latent themes. Semantic themes focus on the explicit content of the data, while latent themes delve into the underlying ideas, assumptions, and conceptualizations that shape the explicit content.

This study uses the thematic analysis framework based on the research by Braun and Clark to have a detailed and rich description of the data, moving beyond quantifying words or phrases to focus on identifying and describing ideas and themes within the dataset.



## **CHAPTER IV**

### **RESULTS AND DISCUSSION**

The research titled “Analyzing Production Issues Causes Through The Social Dimension Of Operations Management: A Case Study of CV Eka Abadi” attained data from the questionnaires which were distributed through an online form to the production employees at CV Eka Abadi. CV Eka Abadi is a company that works in the furniture industry and was founded in July 1997. This company is located in Semarang, Central Java. The distribution of investigation was done at the production site to find out the significance of the social dimension being the main cause of the production issues phenomenon at the company. To confirm the validity of the questionnaire results, this study uses a qualitative data analysis through conducting interviews.

#### **4.1 Quantitative Analysis Results**

##### **4.1.1 Data Collection Result**

The questionnaires for this research were conducted on 11 employees at CV Eka Abadi. Because this research studies a small company, the questionnaires were distributed three times to attain adequate validity. All of the employees successfully filled out the questionnaires three times which produced a 100% response rate.

##### **4.1.2 Participants' Profile**

The entire workforce in the production department of the company, CV Eka Abadi, consists solely of men. This homogenous gender composition indicates that no female employees are working within this specific department. The age range of these employees is quite broad, starting from as young as 21

years old and extending up to 57 years old, with the oldest employee being 57. This wide age range suggests a mix of relatively young and more experienced workers within the department.

Data Characteristics of the Participants' profile by age is shown in Table 4.1 below:

**Table 4. 1**  
**Participants' Description**

<b>Age</b>	<b>Position</b>
21	Assembler
23	Assembler
24	Assembler
25	Finisher
26	Manufacturing
32	Manufacturing
45	Manufacturing
48	Manufacturing
53	Assembler
55	Upholster
57	Upholster
<b>Total</b>	<b>11 employees</b>

*Source: Questionnaire Data, 2024*

Table 4.1 provides a detailed breakdown of the age distribution of employees in the production department at CV Eka Abadi, based on questionnaire data collected in 2024. The table indicates that the entire workforce in this department is composed solely of men, with ages ranging from 21 to 57 years. Each age listed in the table is represented by a single employee, reflecting a diverse but evenly distributed age range among the participants.

The table outlines the age and job distribution of 11 employees in a manufacturing environment based on data from a 2024 survey. It shows a wide age range among the workforce, with younger employees (21-26 years old) mostly working as Assemblers, and one in a Finisher position. Middle-aged employees

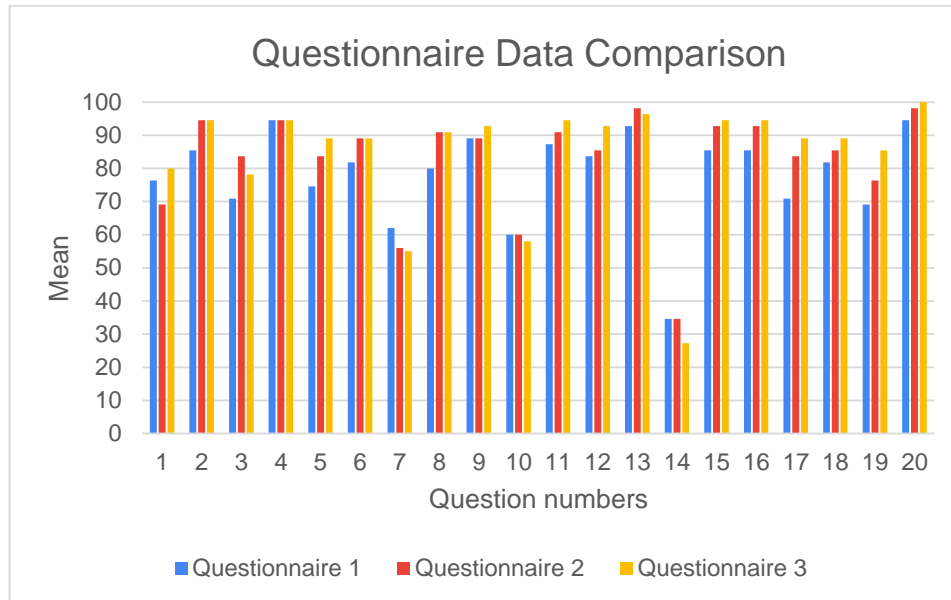
(32-48 years old) are mainly in Manufacturing roles, indicating an accumulation of experience in this area. In addition, older employees (53-57 years old) are found in both Assembler and Upholster positions. This distribution suggests that different age groups are associated with specific roles, indicating a diverse age range across the workforce, which could influence training programs, succession planning, and addressing age-related dynamics within the organization.

Overall, the data reveals that the production department at CV Eka Abadi maintains a diverse age range within its male workforce. The even spread of ages across the department underscores a balanced representation of different age groups, which can contribute to a rich mix of perspectives and experiences within the team. This balanced age distribution is essential for fostering an inclusive work environment that values youthful innovation and seasoned expertise.

### 4.1.3 Questionnaire Results Comparison

Figure 4. 1

#### Questionnaire Data Comparison



Source: *Questionnaire Data, 2024*

The figure presents a comparison of the questionnaire results that survey a detailed analysis of employee satisfaction and perceptions across various dimensions of their work experience at CV Eka Abadi. Each statement (Q1 to Q20) measures a specific aspect of the work environment, support, and ethics within the company, along with the employees' responses summarized by the mean and standard deviation. The degree of significance of each response is also indicated.

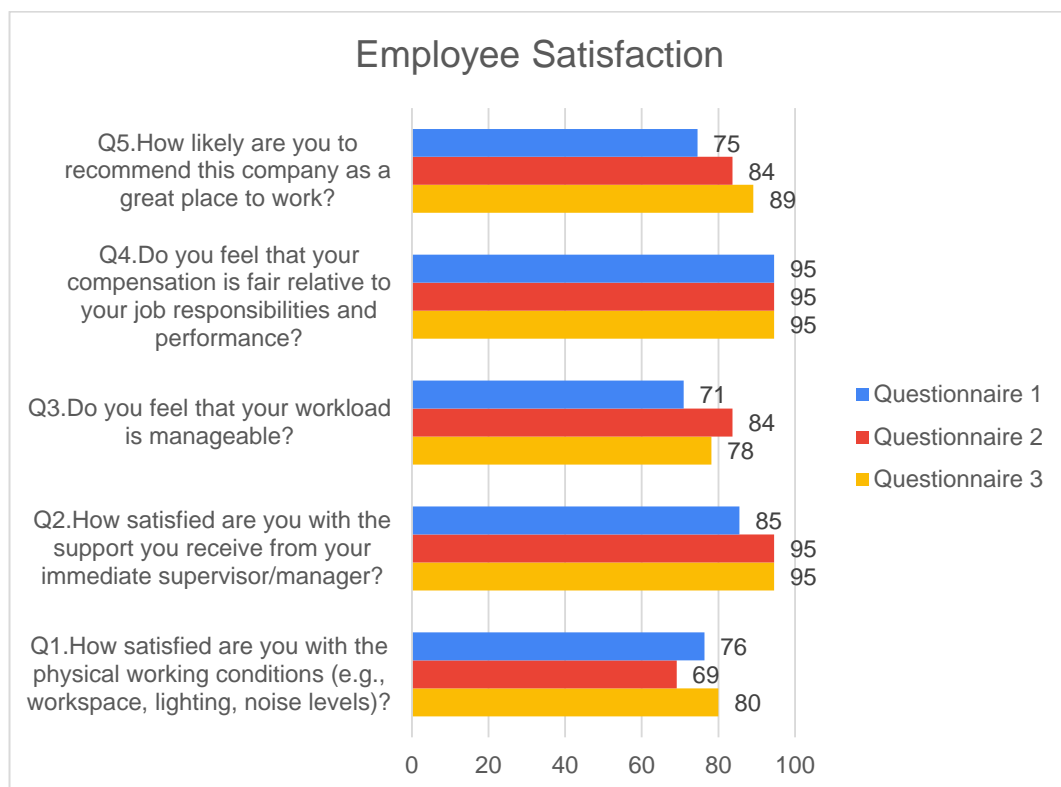
Overall, the figure reveals that employees at CV Eka Abadi generally feel positively about their physical working conditions, support from supervisors, compensation, training, and ethical culture within the company. There are high levels of satisfaction with the company's health and safety measures, although perceptions of workload manageability and physical work environment safety

show more variation. The company receives particularly high marks for its commitment to ethical practices, fair treatment of employees, and health and wellness initiatives, indicating strong employee confidence in these areas.

#### 4.1.3.1 Result on Employee Satisfaction Section

Figure 4. 2

#### Employee Satisfaction results



Source: *Questionnaire Data, 2024*

The "Employee Satisfaction" figure offers a thorough analysis of the average responses to five important topics from three separate surveys. The average for these results is 80 which indicates that overall, the employees feel positively toward employee satisfaction. Among the five indicators, **Q4 which discusses employee satisfaction with compensation, shows not only the highest numbers but also a consistent amount which is 95. Therefore, it is important to note this indicator for further discussion to find out what are the reasons**

**behind this.** Following Q4, indicator Q2 placed the second highest with an average of 91.6. This highly positive perception may have resulted from the positive acts of support that the superiors give.

Indicators Q1, Q3, and Q5 show a relatively lower average value compared to Q2 and Q4. The average mean for indicators Q1, Q3, and Q5 are 75, 78, and 83, respectively. These amounts of values show that the employees agree with the statements, but because the values are not in the strongly agreed range, there might be some inadequacy in the facilities that the company provides. But overall, despite the possibility of inadequacy, the perception towards these statements shows a very high positive perception. In summary, the chart demonstrates that while there is **high satisfaction with compensation fairness across all groups**, other areas such as physical working conditions, supervisory support, workload manageability, and company advocacy show varying levels of satisfaction.

Although the levels of satisfaction in areas such as physical working conditions, supervisory support, workload manageability, and company advocacy show varying levels of satisfaction. Overall the scores are shown to be quite high, this high score proves that CV Eka Abadi has done a pretty good job of planning, organizing, and actuating. In line with previous research conducted by Nur Hidayati et al. (2020), it is explained that planning, organizing, and implementing operations management are crucial factors that impact overall productivity and process efficiency within a company. Supporting this argument, a study by Faiq et al. (2021) emphasizes the essential role of managing human resources as a driver for efficiency. When human resources are managed well by providing a good

environment, clear instructions, and support, production is likely to be more effective and efficient.

#### 4.1.3.2 Result on Employee Training and Development

Figure 4. 3

#### Employee Training and Development Results



Source: *Questionnaire Data, 2024*

The "Employee Training and Development" figure presents a comparison of mean scores for five specific questions related to training and development across three questionnaires, completed by the same participants at different times. These questions assess employees' confidence in their job performance post-training, satisfaction with trainers' knowledge, relevance of training programs, satisfaction with training opportunities, and opportunities to practice new skills.

Starting with confidence in job performance after attending training sessions (Q10), The average mean of the data is 59, suggesting that employees have mixed feelings about whether the training has boosted their confidence, and **since the average mean score is within the “neither agree nor disagree” interval, there may be factors affecting the employees’ confidence.** In terms of satisfaction with the knowledge and teaching ability of trainers (Q9), there is a consistently high level of satisfaction across all three questionnaires. This high satisfaction highlights the effectiveness and quality of the trainers, consistently appreciated by employees. The relevance of training programs to job roles and career goals (Q8) also shows a positive trend which indicates that the training programs are relevant and aligned with the employees' roles and career aspirations over time.

However, when evaluating satisfaction with the training and development opportunities provided by the company (Q7), there is more variability. The mean average score of this indicator is 58 which is relatively low compared to the other indicators. **The low score may indicate that the training has not been efficient or there may be some inadequate frequency to how many times the training has been conducted.** This indicator has to be studied further as it is the lowest-scored indicator out of all topics. Lastly, the opportunities to practice new skills in work (Q6) show high and relatively stable satisfaction levels. The initial score was 82 in Questionnaire 1, increasing to 89 in both Questionnaire 2 and Questionnaire 3. This trend indicates that employees generally feel they have sufficient opportunities to apply new skills learned from training, and this perception has remained strong over time.



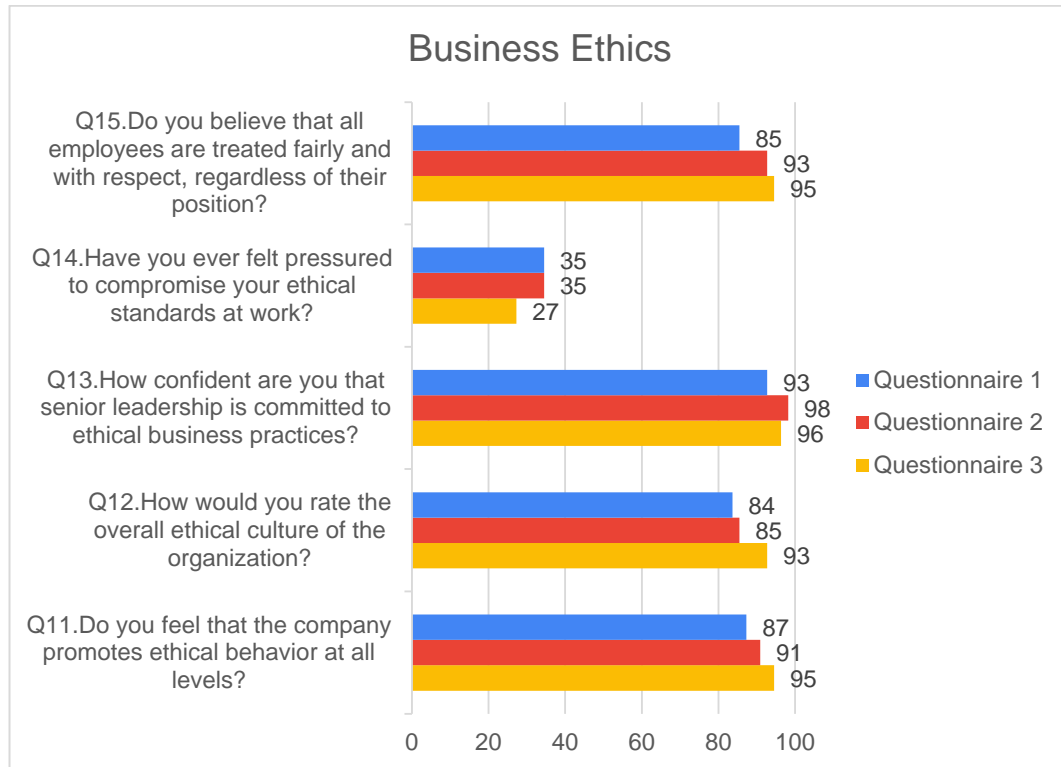
In summary, the chart indicates overall positive trends in employee satisfaction with training and development, particularly in the relevance of training programs and opportunities to practice new skills. Confidence in job performance post-training and satisfaction with trainers remains consistently high. **However, satisfaction with the company's overall training and development opportunities shows some variability, suggesting areas for further improvement to maintain and enhance employee satisfaction over time.**

Based on the result, it can be concluded that internal factors such as trainers' knowledge and comprehensive training are essential as they highly affect the workers' satisfaction and comprehension eventually resulting in efficiency. This is supported by the previous research study conducted by Adam (2020) which stated that increasing the hard skills of the human factors in an organization impacts the end product and the overall production process. This is aligned with the study by Jehanzeb and Bashir (2013) which discusses the numerous advantages that employee training and development programs provide to individuals and organizations. These programs provide individuals with essential soft, functional, and technical skills required for effective job performance.

### 4.1.3.3 Result on Business Ethics

Figure 4. 4

#### Business Ethics Result



Source: *Questionnaire Data, 2024*

The "Business Ethics" figure illustrates the mean scores for five key questions related to ethical perceptions within the organization, as assessed through three different questionnaires filled out by the same participants at different times. These questions examine perceptions of fair treatment of employees, pressure to compromise ethical standards, confidence in senior leadership's commitment to ethics, the overall ethical culture, and promotion of ethical behavior by the company.

Starting with the belief that all employees are treated fairly and with respect (Q15), there is a noticeably high mean scores which indicate a positive perception toward the statement and it also shows the confidence among

employees that the organization treats all its employees fairly, regardless of their position.

Regarding the question of whether employees have ever felt pressured to compromise their ethical standards at work (Q14), lower scores indicate better outcomes (less pressure). This suggests that fewer employees feel pressured to compromise their ethical standards, reflecting good conduct in the ethical environment of the organization. Confidence in senior leadership's commitment to ethical business practices (Q13) is consistently high across all three questionnaires. This steady score indicates trust in the ethical commitment of senior leadership. The overall rating of the ethical culture of the organization (Q12) also shows a positive score. This high score suggests that employees perceive a consistency of the organization's ethical culture. Lastly, the perception of whether the company promotes ethical behavior at all levels (Q11) is highly positive. This indicates a great belief among employees that the company effectively promotes ethical behavior throughout the organization.

In summary, the figure indicates a generally positive trend in employees' perceptions of business ethics within the organization. There is a high positivity on the belief in fair treatment, reduced pressure to compromise ethics, stronger confidence in senior leadership's commitment to ethical practices, a well overall ethical culture, and a greater promotion of ethical behavior at all levels. These suggest that **the organization's efforts to enhance its ethical standards and culture have been effective and well-received by employees.**

The positive results of the company's ethical standards are aligned with the study by Sonny Keraf in Ali (2020) which discusses the principle of justice that all those involved in the economy should be treated according to their rights

and the principle of mutual benefit, in this way, all parties strive to conduct business mutually profitably and competitively.

#### 4.1.3.4 Result on Occupational Health and Safety

**Figure 4. 5**

#### **Occupational Health and Safety Result**



*Source: Questionnaire Data, 2024*

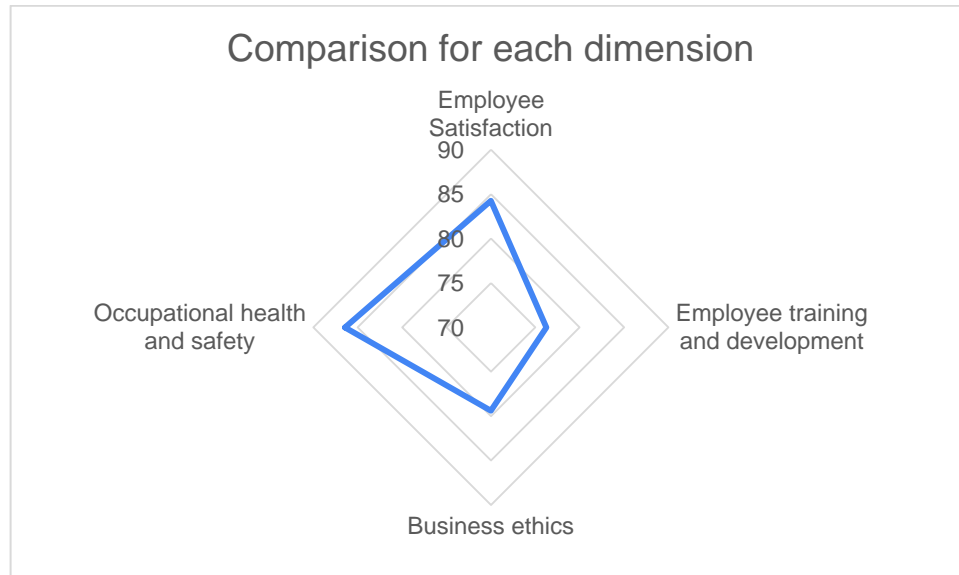
The "Occupational Health and Safety" figure displays the average responses to five major questions on the organization's health and safety initiatives, as determined by three separate questionnaires that the same individuals completed at various points in time. These questions examine the health and safety training, emergency drills, access to personal protective equipment, safety of the physical work environment, and the health and wellness initiatives by the company.

In the figure, the mean average of indicators Q17, Q18, and Q19 score similarly at 81, 85, and 76, respectively. This shows that employee's perception of the company's initiatives in providing emergency drills, personal protective equipment, and a safe physical work environment is proven to be positive. Aside from that, among the five indicators, Q20 which discusses the health and wellness initiatives by the company scored the highest out of all, which is at 98. **The high scoring of this indicator may be connected to indicator Q4 of employee satisfaction which discusses compensation.** Following Q20, indicator Q16 placed the second highest with a mean average of 91 which implies the employees are satisfied with the safety training that the company has provided.

Overall, the perception across all categories indicates the strong commitment of the company's occupational health and safety initiatives toward its employees. **The high scores suggest that employees have high positive perceptions of their workplace's safety initiatives, access to PPE, emergency preparedness, and training programs.** These perceptions may be attributed to the company's continuous efforts to address and enhance various aspects of workplace safety and employee well-being. The initiatives from CV Eka Abadi are aligned with the study conducted by Davies et al. (1990) which focuses on various aspects that contribute to creating a safe and healthy working environment. It was highlighted in the study that preventive measures in occupational health and safety (OHS) are of great importance.

#### 4.1.4 Quantitative Analysis Results Discussion

**Figure 4. 6**  
**Dimensions Comparison**



*Source: Questionnaire Data, 2024*

The radar figure provides a snapshot comparison of employee perceptions across four critical dimensions: Employee Satisfaction, Employee Training and Development, Business Ethics, and Occupational Health and Safety. The score for each dimension is based on averaging the scores from three questionnaires, which range from 74 to 88.

Employee Satisfaction scores are the highest among the four dimensions, with a notable peak at 88. This suggests that employees are generally very satisfied with their overall work experience. The high score indicates positive feedback on aspects such as job role, work environment, management, and possibly compensation or benefits, highlighting strong overall contentment among employees. Locke & Dunnette (1976) emphasized that workplace well-being

refers to a positive emotional state arising from job satisfaction or experiences at work.

Business Ethics is rated at 80. This score reflects employees' confidence in the company's adherence to ethical standards and practices. It indicates a favorable perception of the company's integrity, fairness, and transparency in its operations. The score, while slightly lower than that for Employee Satisfaction and Training and Development, still shows a solid endorsement of the company's ethical conduct. Morris et al. (2002) emphasized the success of formal ethical structures, like policies and codes of conduct, largely hinges on the existence of supportive informal ethical systems, such as a robust ethical culture and proactive ethical communication from leadership.

The score for Occupational Health and Safety is 78, the lowest among the four dimensions but still relatively high. This indicates that employees generally view the company's safety protocols, health measures, and overall workplace safety positively. The score suggests that while there is a high level of satisfaction, there might be room for further improvement in this area compared to others. It is emphasized that an effective occupational health and safety initiative involves collaboration among management, staff, administrators, and healthcare experts, fostering an ongoing, dynamic approach that cultivates a safety-oriented workplace culture (Suparna and Jaiswal, 2021).

The score for Employee Training and Development stands at 76. This score, while lower than that of Employee Satisfaction, indicates that employees still have a positive perception of the opportunities for professional growth and skill enhancement. The relatively good score reflects satisfaction with the training programs and development initiatives provided by the company, suggesting that

employees feel supported in their career advancement efforts. However, since it is the lowest-scored dimension among the four, it can be said that there are areas that need to be improved further to sustain and eventually raise employee satisfaction. Jehanzeb and Bashir (2013) outline the numerous benefits of employee training and development programs. These initiatives equip individuals with essential skills, contribute to higher job satisfaction, foster a sense of purpose, and enhance overall performance.

Overall, the radar figure reveals strong positive perceptions across all evaluated dimensions, with scores ranging from 78 to 88. Employee Satisfaction leads with the highest score, indicating high overall contentment among employees. Employee Training and Development and Business Ethics follow closely, showing solid positive feedback on professional growth opportunities and the company's ethical practices. Occupational Health and Safety, while scoring the lowest among the four, still reflects a favorable perception but highlights an area where there might be potential for further enhancements. This analysis suggests that while employees are generally satisfied, continuous efforts in improving safety and possibly further enhancing training and development could further boost overall satisfaction.

#### **4.2 Connecting Quantitative and Qualitative Phases**

To further confirm the validity of the quantitative results, the author will begin to analyze the output with a qualitative approach. To start, the author has picked some statements to develop the semi-structured interview. The semi-structured interview will be conducted with the key production person at CV Eka Abadi.



The material for the semi-structured interview will be taken from the questionnaire with results showing the highest and the lowest. This is to find out why the participants rated the statements as the highest and the lowest scores. The author has selected some questionnaire statements and results as shown below:

**Table 4. 2**

**Semi-Structured Interview Material**

No	Statement	Average Mean	Degree
Q4	Do you feel that your compensation is fair relative to your job responsibilities and performance?	95	Strongly Agree
Q7	How satisfied are you with the training and development opportunities provided by the company?	58	Neither Agrees nor disagrees
Q10	Do you feel more confident in your job performance after attending training sessions?	59	Neither Agrees nor disagrees
Q20	How satisfied are you with the health and wellness initiatives provided by the company (e.g., work accident and health insurance)?	98	Strongly Agree

Based on the table above, the author would like to find out the cause of the employees' highly positive perception of compensation and the health and wellness initiative provided by the company. Aside from that, the training and development opportunities in statements Q7 and Q10 indicate areas that need to be improved further to sustain and eventually raise employee satisfaction.

After gathering the semi-structured interview materials, the author then formulated the semi-structured interview as shown below:

**Table 4. 3**

**Semi-Structured Interview Questions**

No	Questions
1	Why do you feel the compensation is fair relative to your job

No	Questions
	responsibilities and performance?
2	According to the questionnaire data, it has been shown that most employees are very satisfied with the company's health and wellness initiatives. May I ask your opinion on this?
3	May I ask why most of the production employees' perception of the training and development initiatives is pretty low compared to the perception of the other dimension?
4	In what areas do you think the company needs to improve in terms of the training and development that it provides?
5	What other initiatives or programs cater to the employees' needs very well, and what needs improvement?

The results obtained from this semi-structured interview will be analyzed along with other qualitative data acquired during the investigation. The interview results will be compared and contrasted with information from the transcripts as part of this research. The author hopes to gain a comprehensive understanding of the research issue by combining these various qualitative data points and seeing trends, themes, and insights that come from the experiences and viewpoints of the participants.

### **4.3 Qualitative Analysis Results**

#### **4.3.1 Qualitative Data Collection**

In this qualitative study, the author has involved key stakeholders from CV Eka Abadi, such as the key production person, the owner, and the supervisor. These individuals were carefully selected due to their critical roles and extensive knowledge of the company's operations and processes.

Three distinct individuals comprise the sample for this qualitative data collection; the gender breakdown is one male (33.3%) and two females (66.7%). It is anticipated that this broad group will offer a range of viewpoints and views, resulting in a deeper, more complex comprehension of the research issue. Because of each participant's distinct position within the organization, a wide range of experiences and points of view are covered in the data, improving the overall quality and depth of the analysis.

In the data collection, the author conducted separate interviews with the key production person, owner, and supervisor at CV Eka Abadi. This is done to make sure that each individual provides the information based on the individual's knowledge. After conducting the interview, the author transcribed the conversation and then broke it down into each dimension to develop the themes. This is done to find the similarities among the answers from each individual.

#### **4.3.2. Qualitative Data Analysis**

For clarity and convenience of analysis, the author has organized the data collected into a table VII that summarizes the themes, and sample quotations relating to how the social dimensions affect productivity at CV Eka Abadi. This table is presented below:

**Table 4. 4**

#### **Themes And Sample Quotations For The Social Dimension Of Operations**

##### **Management**

Dimension	Theme	Frequency	Sample quotes
Employee Satisfaction	Comprehensive Compensation	3	“workers are provided with insurance, incentives, and other benefits”(Key production Person)

Dimension	Theme	Frequency	Sample quotes
			<p>“the company provides the employees with health insurance, working accident protection, pension security, and death protection”(owner)</p> <p>“the company provides compensation in the form of wages or salaries, overtime incentives, and employment insurance (BPJS)”(supervisor)</p>
	Employee Welfare and Support	3	<p>“Overall, I think the company has done very well on employee welfare, from the compensation to the support that the management gives”(Key production person)</p> <p>“the management is always punctual regarding salary and other benefits”(owner)</p> <p>“The company provides both material and non-material support, the material support comes in wages whereas the nonmaterial includes job guidance”(supervisor)</p>
	Conductive Working Environment	2	<p>“there is adequate lighting, healthy air circulation, cleanliness including clean water, and two bathrooms are provided for the employees. Additionally, there are water taps in every production area for sanitary purposes”(owner)</p> <p>“CV Eka Abadi facilitates the work environment with fairly complete facilities, such as standard hygiene facilities and good production area arrangement”(supervisor)</p>
Employee Training and Development	Training and Development Initiatives	3	<p>“the company needs to provide more training, especially to the newcomers since the only training that the employees get is only when they are assigned to a new job assignment”(Key</p>

Dimension	Theme	Frequency	Sample quotes
			<p>production person)  “for inexperienced employees, we provide training with the help of senior and skilled workers. for the finishing training, we bring in trainers from our partner paint companies. The training opportunities are provided as needed according to the job requirements”(owner)  “the company provides initial production regarding the scope of work, work safety, and machine operations. This training opportunity starts on the first day the employees enter work and continues for the next seven days”(supervisor)</p>
	Improvement in Training	1	<p>“in my opinion, since the production relies heavily on the hard skills of the employees, the training period has to be extended to provide a more comprehensive learning”(key production person)</p>
	Self-learning Requirement	1	<p>“After the training period ends, the employees are required to self-learn. In my observation, some employees are not adaptive therefore causing some inefficiency”(key production person)</p>
Business Ethics	Politeness and Mutual Respect	3	<p>“the management treats the employees with respect and positive attitude, same goes for the employees, we treat each other with respect and maintain politeness”(key production person)  “in general, our company emphasizes politeness and mutual respect”(owner)  “We (the management)</p>

Dimension	Theme	Frequency	Sample quotes
			implement good communication to the employees and try to set good examples”(supervisor)
	Hierarchy	1	“work is performed according to hierarchy and each employee’s responsibilities”(owner)
Occupational Health and Safety	Health and Safety Facilities	3	“the company provides us with access to healthcare”(key production person) “work insurance is provided so if there is an employee who is sick or has a work accident, the employee can directly utilize the insurance”(owner) “the company conducts regular safety training for operating the machines and tools. The company also provides health insurance for the employees”(supervisor)
	Emergency Situation Training	3	“the employees are taught how to operate the fire extinguisher for handling accidents since most of the products and materials in the production site are highly flammable”(key production person) “We provide training on using the fire extinguisher and this training is conducted with the fire department”(owner) “Yes, initial handling in case of a fire and work safety, such as fire extinguisher training.”(supervisor)
	Personal Protective Equipment	3	“the company provides masks, gloves, and other protective equipment for the employees”(key production person) “For safety, we provide gloves, glasses, and welding eye protection.”(owner)

Dimension	Theme	Frequency	Sample quotes
			“personal protective equipment are provided and ready at all times”(supervisor)
	Provision of healthcare products	2	“the company provides vitamins, medicines, and supplements for the employees”(owner) “We provide healthcare products such as medicine and vitamins”(supervisor)

The table presents a comprehensive examination of various themes across four key social dimensions of operations management: Employee Satisfaction, Employee Training and Development, Business Ethics, and Occupational Health and Safety (OHS). Each theme is supported by the frequency of mentions and sample quotes from various stakeholders within the company, including key production personnel, the owner, and a supervisor. The qualitative findings provide valuable insights into how these themes are perceived and implemented in the workplace.

the table illustrates the company's comprehensive approach to managing the social dimensions of operations. Employee satisfaction is achieved through comprehensive compensation, welfare and support, and a conducive working environment. Training and development initiatives, although needing some improvements, are vital for employee skill enhancement and efficiency. A culture of respect and a clear hierarchy underpin the company's ethical practices, fostering a positive and organized work environment. Finally, a strong focus on occupational health and safety ensures a secure and healthy workplace, reducing accidents and maintaining consistent productivity. These integrated practices collectively have a great influence on the company's overall performance and operational efficiency, highlighting the critical role of social dimensions in effective operations management.



**Table 4. 5**  
**Joint Display Matrix**

Dimension	Quantitative findings		Qualitative findings		Summary
	Score	Degree	Themes	Sample quotes	
Employee Satisfaction	84	Strongly agree	Comprehensive compensation	“workers are provided with insurance, incentives, and other benefits”(Key production Person)	Comprehensive compensation positively influences employee satisfaction
			Employee welfare and support	“Overall, I think the company has done very well on employee welfare, from the compensation to the support that the management gives”(Key production person)	Employee welfare and support positively influences employee satisfaction
			Conductive working environment	“there is adequate lighting, healthy air circulation, cleanliness including clean water, and two bathrooms are provided for the employees. Additionally, there are water taps in every production area for sanitary purposes”(owner)	Conductive working environment positively influences employee satisfaction
Employee Training and Development	76	Agree	Training and development initiatives	“the company needs to provide more training, especially to the newcomers since the only training that the employees get is only when they are assigned to a new job assignment”(Key production person)	Training and development initiatives influence employee training and development
			Improvement training	“in my opinion, since the production relies heavily on the hard	Improvement training influences

Dimension	Quantitative findings		Qualitative findings		Summary
	Score	Degree	Themes	Sample quotes	
				skills of the employees, the training period has to be extended to provide a more comprehensive learning”(key production person)	employee training and development
			Self-learning requirement	“After the training period ends, the employees are required to self-learn. In my observation, some employees are not adaptive therefore causing some inefficiency”(key production person)	Self-learning requirement influences employee training and development
Business Ethics	79	Agree	Politeness and mutual respect	“in general, our company emphasizes politeness and mutual respect”(owner)	Politeness and mutual respect positively influence business ethics
			Hierarchy	“work is performed according to hierarchy and each employee’s responsibilities”(owner)	Hierarchy positively influences business ethics
Occupational Health and Safety (OHS)	86	Strongly agree	Health and safety facilities	“the company provides us with access to healthcare”(key production person)	Health and safety facilities positively influence OHS
			Emergency situation training	“We provide training on using the fire extinguisher and this training is conducted with the fire department”(owner)	Emergency situation training positively influences OHS
			Personal protective equipment	“For safety, we provide gloves, glasses, and welding eye protection.”(owner)	Personal protective equipment positively influences OHS
			Provision of	“We provide healthcare	Provision of

Dimension	Quantitative findings		Qualitative findings		Summary
	Score	Degree	Themes	Sample quotes	
			healthcare products	products such as medicine and vitamins”(supervisor)	healthcare products positively influences OHS

### 4.3.3 Qualitative Analysis Results Discussion

#### 4.3.3.1 Employee Satisfaction

In this dimension, it has been shown in Table VIII that this dimension is rated very high at 84. The high satisfaction among employees is attributed to several key factors, namely comprehensive compensation, robust employee welfare and support, and a conducive working environment. Each of these elements plays a crucial role in fostering a positive work atmosphere, which, in turn, ensures a motivated and engaged workforce.

Firstly, comprehensive compensation is a significant driver of employee satisfaction. The quotes from various company representatives underscore the importance of providing a well-rounded benefits package. For example, a key production person mentioned that “workers are provided with insurance, incentives, and other benefits,” while the owner highlighted that “the company provides the employees with health insurance, working accident protection, pension security, and death protection.” Additionally, a supervisor noted that “the company provides compensation in the form of wages or salaries, overtime incentives, and employment insurance (BPJS).” These benefits are crucial as they offer financial security and peace of mind to employees, making them feel valued

and reducing financial stress. This, in turn, leads to higher job satisfaction and loyalty to the company.

Beyond financial compensation, employee welfare and support significantly contribute to overall satisfaction. Employees appreciate not only the monetary aspects but also the support they receive from management. As a key production person observed, “Overall, I think the company has done very well on employee welfare, from the compensation to the support that the management gives.” This sentiment is echoed by the owner’s remark about the management’s punctuality regarding salary and other benefits, which ensures financial stability and trust in the company. The supervisor’s comment that “the company provides both material and non-material support, the material support comes in wages whereas the nonmaterial includes job guidance” highlights the holistic approach the company takes towards employee welfare. Providing guidance and support fosters a nurturing work environment where employees feel supported in their professional growth and day-to-day activities.

Furthermore, a conducive working environment is pivotal in enhancing employee satisfaction. Adequate facilities such as proper lighting, healthy air circulation, and cleanliness are essential for creating a comfortable and safe workplace. The owner’s statement that “there is adequate lighting, healthy air circulation, cleanliness including clean water, and two bathrooms are provided for the employees. Additionally, there are water taps in every production area for sanitary purposes” emphasizes the company’s commitment to maintaining high standards of workplace conditions. This is corroborated by a supervisor who noted

that “CV Eka Abadi facilitates the work environment with fairly complete facilities, such as standard hygiene facilities and good production area arrangement.” Such an environment not only ensures the physical well-being of employees but also boosts morale by showing that the company cares about their comfort and health.

Collectively, these aspects—comprehensive compensation, robust employee welfare and support, and a conducive working environment—significantly enhance employee satisfaction. When employees feel financially secure, supported by management, and work in a clean, safe, and comfortable environment, they are more likely to be motivated and engaged. This motivation translates into higher productivity, better performance, and a stronger commitment to the company’s goals. In essence, by investing in these areas, the company not only improves the well-being of its employees but also drives its own success through a more satisfied and effective workforce.

#### **4.3.3.2 Employee Training and Development**

The effectiveness of training and development received a slightly lower score of 76, indicating a general agreement on its impact. The need for more training, especially for newcomers, is a significant theme highlighted in the company's approach to employee training and development. While the initial training provided by the company covers essential skills necessary for job performance, there is a clear emphasis on the need for extended training periods to develop comprehensive hard skills. This need is evident from quotes such as, “the company needs to provide more training, especially to the newcomers since the

only training that the employees get is only when they are assigned to a new job assignment,” as mentioned by a key production person. This indicates that the current training programs might be adequate for basic orientation but fall short in ensuring that employees gain deeper, more specialized skills that are crucial for optimal performance in their roles.

Extended training periods are essential in industries where technical proficiency and expertise play a critical role in production efficiency. By providing more comprehensive and prolonged training, the company can ensure that employees are not only familiar with their tasks but also proficient and confident in executing them. This can lead to fewer errors, higher quality outputs, and improved overall efficiency. Employees who undergo thorough training are better prepared to handle complex tasks and are more adaptable to changes and challenges in their work environment.

Furthermore, the requirement for self-learning post-training is noted as a significant challenge. Employees are expected to continue learning independently after the initial training period, which can be difficult for some. A key production person observed, “After the training period ends, the employees are required to self-learn. In my observation, some employees are not adaptive therefore causing some inefficiency.” This suggests that while the company encourages continuous learning, the support and resources provided may not be sufficient for all employees to effectively adapt and excel in their roles.

The challenge of self-learning highlights the need for ongoing support and structured learning opportunities beyond the initial training phase. Continuous

professional development programs, mentorship, and access to learning resources can help bridge this gap. For instance, pairing less experienced employees with seasoned mentors can provide ongoing guidance and support, facilitating better learning and adaptation. Regular workshops, refresher courses, and access to online learning platforms can also support continuous skill development.

Investing in extended and continuous training programs is beneficial not only for individual employee development but also for the company's overall productivity and efficiency. Well-trained employees are more likely to perform their tasks accurately and efficiently, reducing downtime and the need for rework. Additionally, a culture that supports continuous learning and development can enhance employee satisfaction and retention, as employees feel valued and see opportunities for career growth.

In conclusion, while the company's current training initiatives provide a solid foundation, **there is a clear need for extended training periods and enhanced support for self-learning to ensure all employees are adequately skilled and efficient.** Addressing these areas can lead to better-prepared employees, improved productivity, and higher overall efficiency in the company's operations. By continuously investing in the development of their workforce, the company can maintain a competitive edge and achieve long-term success.

#### **4.3.3.3 Business Ethics**

Business ethics is rated at 79, reflecting agreement on the positive influence of ethical practices within the company. The emphasis on politeness and mutual respect within the company is a foundational element of its business

ethics. This focus is reflected in the way management and employees interact with each other, maintaining a culture of mutual respect and positive attitudes. For instance, a key production person noted, “the management treats the employees with respect and positive attitude, same goes for the employees, we treat each other with respect and maintain politeness.” This culture of respect is critical as it fosters an environment where employees feel valued and appreciated, which can significantly boost morale and job satisfaction.

When employees feel respected, they are more likely to be engaged and committed to their work. This engagement translates into better performance and higher productivity. Respectful interactions also reduce workplace conflicts and promote cooperation among team members. When team members communicate respectfully, they are more likely to collaborate effectively, share ideas, and support each other in achieving common goals. This cooperative atmosphere can lead to more innovative solutions and streamlined processes, enhancing overall business efficiency.

Furthermore, a clear hierarchical structure within the company contributes positively to its business ethics. A well-defined hierarchy ensures that each employee understands their role and responsibilities within the organization. An owner emphasized, “work is performed according to hierarchy and each employee’s responsibilities.” This clarity prevents confusion and overlap in duties, which can lead to inefficiencies and mistakes. Employees know who to report to and where to seek guidance, which streamlines decision-making processes and ensures accountability.



A clear hierarchy also supports effective management and supervision. Managers can monitor performance, provide feedback, and address issues promptly. This oversight helps maintain high standards of work and ensures that all employees are aligned with the company's objectives and ethical standards. By having a structured approach to work, the company can maintain consistency in its operations, reduce errors, and improve the quality of its products or services.

Moreover, the combination of mutual respect and a clear hierarchical structure creates a balanced work environment where employees feel both valued and guided. Employees understand that their contributions are recognized and that there is a structured pathway for career advancement. This understanding can motivate employees to perform at their best, knowing that their efforts are appreciated and that there are opportunities for growth within the company.

In summary, the company's emphasis on politeness and mutual respect, along with a clear hierarchical structure, plays a crucial role in fostering a respectful and well-organized work environment. These ethical practices not only enhance employee satisfaction and engagement but also contribute to overall business efficiency by promoting effective communication, collaboration, and accountability. This integrated approach to business ethics supports the company's operational goals and drives its success.

#### **4.3.3.4 Occupational Health and Safety**

Occupational Health and Safety (OHS) is the highest-rated dimension with a score of 86, reflecting a strong consensus on its importance and effective implementation within the company. This high rating underscores the critical role

that comprehensive health and safety measures play in creating a secure and efficient workplace. The company's dedication to OHS is evident through its provision of extensive health and safety facilities, regular emergency situation training, and necessary personal protective equipment (PPE).

The company's commitment to comprehensive health and safety facilities is a cornerstone of its OHS strategy. Employees have access to essential healthcare services, which is vital for their well-being and productivity. A key production person highlighted this by stating, “the company provides us with access to healthcare.” Additionally, the owner mentioned, “work insurance is provided so if there is an employee who is sick or has a work accident, the employee can directly utilize the insurance.” This access to healthcare and insurance coverage ensures that employees can receive timely medical attention, reducing the duration and impact of health-related absences. By maintaining the health of its workforce, the company can sustain consistent production levels and avoid disruptions caused by absenteeism.

Regular emergency situation training further enhances the company's OHS framework. Training employees to handle emergencies, such as fires, is crucial in minimizing risks and ensuring a quick and effective response to incidents. The key production person noted, “the employees are taught how to operate the fire extinguisher for handling accidents since most of the products and materials in the production site are highly flammable.” This training is corroborated by the owner's statement, “We provide training on using the fire extinguisher and this training is conducted with the fire department.” Such

proactive measures equip employees with the skills and confidence to manage emergencies, thereby mitigating potential damage and maintaining a safe working environment.

The provision of personal protective equipment (PPE) is another critical aspect of the company's OHS practices. PPE such as masks, gloves, and protective eyewear are essential for safeguarding employees from occupational hazards. The key production person remarked, “the company provides masks, gloves, and other protective equipment for the employees,” and the owner added, “For safety, we provide gloves, glasses, and welding eye protection.” Ensuring that PPE is readily available and used correctly helps prevent injuries and health issues, further contributing to a safe and productive work environment. The supervisor also affirmed that “personal protective equipment are provided and ready at all times,” indicating that the company prioritizes the ongoing availability and adequacy of these safety measures.

The strong focus on health and safety not only protects employees but also has significant implications for production efficiency. A safe working environment reduces the likelihood of accidents and injuries, which can lead to costly downtime and loss of skilled labor. By preventing such incidents, the company can maintain continuous and smooth operations. Additionally, employees who feel safe at work are more likely to be engaged and motivated, which enhances their overall performance and productivity.

In conclusion, the company's emphasis on OHS, reflected in the high rating of 86, demonstrates its commitment to creating a safe and healthy

workplace. By providing comprehensive health and safety facilities, regular emergency training, and necessary PPE, the company ensures that its employees are well-protected and prepared to handle potential risks. This strong focus on health and safety not only enhances employee well-being but also plays a crucial role in maintaining consistent production efficiency, ultimately contributing to the company's operational success and sustainability.

## **CHAPTER V**

### **CONCLUSION AND IMPLICATION**

#### **5.1 Conclusion**

This thesis provides a comprehensive exploration of the social dimensions of operations management, focusing on employee satisfaction, training and development, business ethics, and occupational health and safety (OHS) within CV Eka Abadi. By systematically evaluating these aspects, the research offers valuable insights and actionable recommendations aimed at enhancing productivity and operational efficiency. High levels of employee satisfaction at CV Eka Abadi are attributed to a combination of comprehensive compensation packages, robust employee welfare programs, and a supportive working environment. Employees have expressed appreciation for the insurance, incentives, and benefits provided by the company. The consistent and punctual payment of salaries, coupled with adequate workplace facilities such as proper lighting and cleanliness, further contribute to a positive and motivating work atmosphere. This high satisfaction level ensures a motivated and engaged workforce, which is crucial for maintaining productivity and achieving organizational goals.

The findings highlight the need for enhanced training programs, especially for new employees. While initial training covers essential skills, there is a clear call for extended training periods to develop comprehensive hard skills. The necessity for self-learning post-training is noted as a challenge, indicating that some employees struggle to adapt without sufficient guidance. These insights

suggest that although the company invests in training, there is significant room for improvement to ensure that all employees are adequately skilled and efficient. Implementing more robust and ongoing training programs will likely bridge this gap and foster a more competent workforce. This would involve not only extending the training period but also providing continuous learning opportunities to keep employees up-to-date with the latest skills and knowledge relevant to their roles. Such initiatives would enhance employee capabilities, reduce inefficiencies, and ultimately contribute to better overall performance.

The emphasis on politeness and mutual respect within the company underscores a strong ethical foundation. Management and employees treating each other with respect fosters a respectful and well-organized work environment. A clear hierarchical structure further positively impacts business ethics by ensuring well-defined responsibilities and adherence to ethical practices. This structured approach not only promotes ethical behavior but also contributes to overall business efficiency by creating an orderly and disciplined workplace. By setting clear expectations and maintaining open communication channels, the company ensures that all employees understand their roles and responsibilities, leading to a more cohesive and productive workforce. The focus on ethical practices and mutual respect also helps in building a positive organizational culture, which can enhance employee loyalty and reduce turnover rates.

OHS emerged as the highest-rated dimension with a score of 86, reflecting strong agreement on its importance and effective implementation. The company's commitment to providing comprehensive health and safety facilities,

regular emergency situation training, and necessary personal protective equipment (PPE) is evident. Employees are well-trained to handle emergencies, such as using fire extinguishers, and have access to healthcare and insurance. This strong focus on health and safety not only protects employees but also has significant implications for production efficiency. A safe working environment reduces accidents and health-related absences, thereby maintaining consistent production levels and minimizing disruptions. By prioritizing OHS, the company demonstrates its commitment to employee well-being, which in turn fosters a sense of security and trust among the workforce. This proactive approach to health and safety management also ensures compliance with regulatory standards and reduces the risk of legal issues related to workplace safety.

Overall, the research underscores that a well-rounded approach to managing the social dimensions of operations is critical for enhancing overall business performance. Employee satisfaction, effective training programs, adherence to business ethics, and a robust OHS framework collectively contribute to creating a supportive and efficient working environment. These elements are interlinked and together they foster a motivated, skilled, and safe workforce, which is essential for sustaining productivity and achieving long-term operational success. By addressing the identified areas for improvement, particularly in training and development, CV Eka Abadi can further enhance its operational efficiency and employee satisfaction. Continuous investment in these social dimensions will not only improve employee well-being but also drive the company's growth and competitive advantage in the market.

This comprehensive analysis serves as a valuable guide for CV Eka Abadi and similar organizations seeking to optimize their operations management practices by focusing on the critical social dimensions that influence both employee performance and organizational success. The insights gained from this research highlight the importance of balancing employee needs with organizational goals to create a harmonious and productive workplace. By leveraging the strengths identified in the study and addressing the areas for improvement, CV Eka Abadi can achieve sustainable growth and maintain its competitive edge in its industry.

## **5.2 Theoretical Implication**

This research contributes to the theoretical discourse on operations management by highlighting the integral role of social dimensions in driving organizational success. It suggests that theoretical models should adopt a more holistic approach, incorporating elements of employee satisfaction, continuous development, ethical practices, and health and safety management. By doing so, they can better capture the complexity of modern organizational dynamics and provide more comprehensive guidance for practitioners. The findings also underscore the need for interdisciplinary approaches, combining insights from human resource management, organizational behavior, and safety management to develop robust theoretical frameworks that address the multifaceted nature of operations management. This research not only enriches the theoretical landscape but also provides a solid foundation for future studies aimed at exploring the intricate relationships between social dimensions and organizational performance.



### **5.3 Managerial implication**

The managerial implications of this thesis are profound and offer several actionable insights for CV Eka Abadi's leadership. Firstly, the findings highlight the necessity of a holistic approach to employee compensation and welfare. Managers should ensure that compensation packages are not only competitive but also comprehensive, including health insurance, accident protection, pension security, and other benefits. This approach has been shown to significantly enhance employee satisfaction, which in turn, drives productivity and reduces turnover rates. Therefore, it is imperative for the management to regularly review and update the compensation and benefits packages to align with industry standards and employee expectations.

Additionally, the study underscores the importance of investing in continuous employee training and development. The company should implement structured training programs that go beyond initial job assignments and provide ongoing professional development opportunities. This includes extending the training periods for new employees and offering advanced skill training for existing staff. The management should also address the challenges associated with self-learning by providing more guided learning opportunities and support systems to help employees adapt and grow. By fostering a culture of continuous learning, the company can ensure that its workforce remains skilled, adaptable, and efficient, thereby enhancing overall operational performance.

In terms of business ethics, the research highlights the critical role of fostering a respectful and inclusive work environment. Managers must lead by

example in promoting politeness, mutual respect, and effective communication within the organization. This involves not only adhering to ethical standards themselves but also encouraging and reinforcing these behaviors among employees. Establishing clear hierarchical structures with well-defined responsibilities can also contribute to a more organized and efficient workplace. By prioritizing ethical practices and a positive organizational culture, managers can build a more cohesive and motivated workforce, ultimately driving better business outcomes.

The findings on occupational health and safety (OHS) suggest that managers must prioritize the implementation and maintenance of comprehensive health and safety protocols. This includes providing regular emergency situation training, such as fire extinguisher use, and ensuring the availability of personal protective equipment at all times. Managers should also facilitate access to healthcare services and conduct regular safety audits to identify and mitigate potential hazards. By maintaining high standards of health and safety, the company can minimize workplace accidents and health-related absences, thereby ensuring a safe and productive working environment. This focus on OHS not only protects employees but also supports sustained operational efficiency and business continuity.

In conclusion, the managerial implications of this thesis call for a strategic and integrated approach to managing human resources, ethical practices, and health and safety. By addressing these areas comprehensively, the management of CV Eka Abadi can significantly enhance employee satisfaction,

operational efficiency, and overall organizational performance. These insights provide a roadmap for managers to implement best practices that align with the company's goals and values, ensuring long-term success and sustainability.

#### **5.4 Research Limitations**

Respondents might provide answers they believe are expected or desirable, leading to response bias. This type of bias occurs when participants consciously or unconsciously tailor their responses to align with what they perceive to be socially acceptable or favorable to the researchers. Additionally, the study's sample size, comprising only 11 employees, poses a significant limitation. Such a small sample might not capture the full range of perspectives within the workforce, potentially affecting the statistical power and reliability of the quantitative analysis. Moreover, the cross-sectional nature of the study means it captures a single point in time, missing out on longitudinal data that could reveal trends and changes over time. Longitudinal studies would provide insights into how production issues and employee behavior evolve, offering a more dynamic perspective.

#### **5.5 Future Agenda**

Conducting longitudinal research involves collecting data from the same subjects repeatedly over a period of time, which offers a distinct advantage over cross-sectional studies that capture only a single moment. This approach is particularly valuable for observing changes in employee behavior and production issues over time, providing a comprehensive view of how these factors evolve.

By implementing longitudinal studies, researchers can track the progression and fluctuation of employee behaviors, attitudes, and production-related problems. This method allows for the identification of patterns and trends that might not be evident in a one-time survey or interview. For instance, it can reveal whether certain issues are seasonal, influenced by external economic conditions, or related to internal changes within the company, such as policy shifts or new management.

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**APPENDIX A**  
**QUESTIONNAIRE DESCRIPTION**

Dear Respondent,

My name is Rahmawati Imani, a student in Economics and Business from the Management Study Program at Diponegoro University. I am currently researching my thesis entitled:

ANALYZING PRODUCTION ISSUES CAUSES THROUGH THE SOCIAL  
DIMENSION OF OPERATIONS MANAGEMENT

For this matter, I request your willingness to kindly participate in this research.

I assure, that the information you provide in this questionnaire will be guaranteed confidential, will not be published, and will only be used solely for research purposes. If you have questions regarding the questionnaire, please contact me via:

Whatsapp (08112822012)

Thank you for your kind participation.

Best regards,

Rahmawati Imani.

## **APPENDIX B**

### **QUESTIONNAIRE INSTRUCTION**

In this survey, you will express your levels of disagreement or agreement with a series of statements. Kindly choose the number that corresponds to your response on a scale of 1 to 5.

1 = Strongly Disagree (Sangat Tidak Setuju)

2 = Disagree (Tidak Setuju)

3 = Neutral (Netral)

4 = Agree (Setuju)

5 = Strongly Agree (Sangat Setuju)





## **APPENDIX D**

### **Interview Guide**

To gain the information and data from the owner, supervisor, and the key production person, the author formulated several interview questions as shown below:

#### Employee Satisfaction

- a) What compensation does the Company provide to employees?
- b) Is there any form of support provided by superiors or supervisors to employees?
- c) What is your opinion on the working environment conditions?

#### Employee Training and Development

- d) What training is provided to employees?
- e) When are employees given the opportunity for training?

#### Business Ethics

- f) Please explain the ethical culture in the Company.
- g) Does the Company carry out work processes ethically?

#### Occupational Health and Safety

- h) Does the Company provide training on safety and health to employees?
- i) Does the Company provide training for emergency situations?
- j) What health and safety facilities are provided by the Company?
- k) How about routine maintenance for the work environment?



## **APPENDIX E**

### **Interview Result I**

Name : Endang

Occupation: Owner of CV Eka Abadi

#### **What compensation does the Company provide to employees?**

Our Company provides annual compensation in the form of holiday allowances, insurance, Eid holidays, national holidays, and vacation bonuses. The main compensation is the salary, which is never delayed.

#### **Is there any form of support provided by superiors or supervisors to employees?**

Support for extra work includes overtime pay, meal allowances, and vitamins.

#### **What is your opinion on the working environment conditions?**

So far, the conditions have been very conducive. There is adequate lighting, healthy air circulation, and cleanliness, including clean water.

#### **Follow-up question, how many bathrooms are provided and are there any additional facilities?**

Two bathrooms are provided for employees, one with a toilet and one for washing. Additionally, there are water taps in every production area for hand and face washing.

#### **Regarding lighting, is the standard different in the finishing or welding areas?**

The lighting standards for the finishing and welding areas are very different.

**What training is provided to employees?**

For inexperienced employees, we provide training with the help of senior, skilled employees. For finishing training, we bring in trainers from paint companies that collaborate with us.

**When are employees given the opportunity for training?**

Training opportunities are provided as needed according to the job requirements.

**Please explain the ethical culture in the Company.**

Work is performed according to hierarchy and each employee's job description. In general, our Company emphasizes politeness and mutual respect.

**Does the Company carry out work processes ethically?**

Of course, by adhering to government regulations such as permits, a complete export license, and legal wood certification (SVLK). Additionally, our tax reports are accurate as our income can be traced from the export notifications we report to the tax office.

**Does the Company provide training on safety and health to employees?**

Yes, we provide training using fire extinguishers (APAR) conducted with the fire department, as well as training on mask usage and machine operation to ensure safety.

**Does the Company provide training for emergency situations?**

As I mentioned earlier, we use APAR, so each area in our Company is equipped with APAR as per safety requirements. This includes the office area, production area, and packing area.

**What about emergency situation training such as natural disasters?**

Yes, training is conducted with government agencies responsible for occupational safety, including determining assembly points and evacuation routes.

**What health and safety facilities are provided by the Company?**

The Company provides long-term facilities such as BPJS for employee safety, work accidents, pension funds, and death benefits. For safety, we provide gloves, glasses, and welding eye protection. Additionally, the Company provides vitamins and milk.

**How about routine maintenance for the work environment?**

We conduct routine maintenance regularly, every six months, by inviting professional service providers. For electrical systems, we also check cables and other components every six months.

## **APPENDIX F**

### **Interview Result II**

Name : Laurencia

Occupation: Supervisor

#### **What compensation does the Company provide to employees?**

The Company provides compensation in the form of wages or salaries, overtime incentives, and guarantees by participating in BPJS employment insurance.

#### **Is there any form of support provided by superiors or supervisors to employees?**

Superiors provide support in both material and non-material forms. Material support is provided by the Company in the form of wages, while non-material support includes job guidance and work facilities.

#### **What is your opinion on the working environment conditions?**

The working environment conditions in the Company are very important to pay attention to because they can affect employee performance. CV Eka Abadi facilitates the work environment with fairly complete facilities, such as cleanliness and good organization.

#### **What training is provided to employees?**

The Company provides initial introduction regarding the scope of work, work safety, and machine usage.

#### **When are employees given the opportunity for training?**

The training opportunity starts from the first day of work and continues for the next seven days.

**Please explain the ethical culture in the Company.**

Ethical culture is important to implement because it impacts productivity.

**Does the Company carry out work processes ethically?**

Yes, such as communicating well with each other and setting good examples.

**Does the Company provide training on safety and health to employees?**

Of course, the Company provides an introduction to safety because it is responsible for the safety of its employees.

**Does the Company provide training for emergency situations?**

Yes, initial handling in case of a fire and work safety, such as fire extinguisher training

**What health and safety facilities are provided by the Company?**

Regular safety training and BPJS employment insurance.

**How about routine maintenance for the work environment?**

Work-supporting tools and machines are serviced regularly to maintain production stability.

## APPENDIX G

### Interview Result III

Name : Ragil

Occupation: Key Production Person

**According to the questionnaire data, it has been shown that most employees are very satisfied with the company's health and wellness initiatives. May I ask your opinion on this?**

The company provides us with insurance which is *BPJS Ketenagakerjaan* which provides us with access to healthcare, working accident protection, pension security, and death protection. I think why most of the employees are satisfied is because the company successfully meets our needs.

**May I ask why most of the production employees' perception of the training and development initiatives is pretty low compared to the perception of the other dimension?**

In the areas of unfinished goods production, the only training we have got is when we were first placed here which afterward we had to learn by ourselves. I can manage pretty well but I have noticed that some of my colleagues are not very adaptive, therefore sometimes it can cause some inefficiency.

**In what areas do you think the company needs to improve in terms of the training and development that it provides?**

I think that the company needs to provide more training, especially to the newcomers. It can be with extending the training period.

**Overall, what other initiatives or programs cater to the employees' needs very well, and what needs to be improved?**

Overall, I think the company has done very well on employee welfare, from the compensation to the support that the management gives. However, since the production relies heavily on the hard skills of the employees, It would be better if the company can provide more training to the new employees.