



THE INFLUENCE OF SERVICE QUALITY FOR SATISFACTION LEVEL AMONG INDONESIAN WORKERS IN MALAYSIA

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Abstract

Indonesian workers one of the highest employees in Malaysia. Although complementing one another, managing the Indonesian workforce is not without challenges. Among them is the type of work not in accordance with the employment agreement, over time work with no additional allowance, termination of employment and repatriation of employees without their rights granted. Therefore, the main point of this study is to analyze the effect of service quality on Indonesia's level of satisfaction. This is to see the extent of the influence of dimension of tangibles, reliability, responsiveness, assurance, and empathy towards employee satisfaction. This study was conducted using quantitative methods, while the respondents were Indonesian workers in Malaysia in the services and manufacturing sectors. This study shows that 5 dimensions of service quality have an influence on the level of satisfaction. However, the dimension of responsiveness has a big impact on Indonesia's level of job satisfaction.

Keywords: service quality; manufacturing; services; indonesian workers; Malaysia

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INTRODUCTION

Based on data obtained from the Embassy of the Republic of Indonesia (KBRI) Kuala Lumpur through Labor Attache, Mr. Agus Triyanto, the total number of Indonesian workers in Malaysia registered officially in 2012 was 1.273.179.

Table 1. Indonesian Workers Data by Malaysia by Sector in 2012

Section	Sector	Total
Formal	Consestruction	169,136
	Manufactur	181,761
	Service	50,430
	Farming	536,150
	Agriculture	103,643
	Petroleum	69
Informal	Housemaid	222,934
Total		1,273,179

The main focus of this study is on Indonesian workers in the manufacturing and services sectors in Malaysia. Table 1 shows that the number of Indonesian workers in Malaysia are 181,761 and 50,430 respectively. According to the Interior Ministry's parliamentary secretary, Abu Zahar Isnin in Asia features, November 6,

2001 in writing (Ahm Zehadul, et al, 1999), from 1988 to 1996 the average Malaysian economic growth was eight per cent per year. Since the end of 1980, the high economic growth of Malaysia has attracted hundreds of thousands of foreign workers. The Indonesian labor force is one of the highest employers in Malaysia. This high amount indicates that both countries complement each other. However, although complementing one another and managing, Indonesia's workforce is not separated from various issues. Based on the information obtained from BNP2TKI (Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia) some of the problems that are happening to Indonesian workforce are such as the type of employment not in accordance with the employment agreement, over time work with no additional allowance, termination of employment and repatriation of employees without their rights granted. This shows that there are still problems with the services received by Indonesian workers. Therefore, the question arises as to the quality of service provided by the employer to its employees. According to (Kotler & Keller, 2011), service quality is a performance that one can offer to others. This performance can be an intangible action that does not result in the ownership of any item and to anyone. The issue of how far the quality of service provided by the employer to the employee is the main focus in this study.

Most definitions of service quality converge at the meeting point of customer needs and wants (Ueltschy & Krampf, 2001). Meanwhile, according to (Naik et al, 2010), Service quality within retail units is importance for satisfying customers, retaining them and creating loyalty among customers. Of course, different from customer satisfaction. According to (Rust, Zahorik, & Keiningham, 1995), customer satisfaction is an individual's perception of service performance related to customer expectations. According to (Freddy Rangkuti, 2009), the level of service quality cannot be judged on the company's point of view but should be taken from the customer's point of view. Therefore, in formulating the strategy and service program, the company should be oriented to the interests of customers by paying attention to service quality components. According to (Kotler & Keller, 2011), service is any act or performance one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product. In addition, according (Parasuraman Valarie Zeithaml et al., 1988), there are 5 dimensions in measuring service quality. The 5 dimensions are: (1) Tangibles, which describes the physical facilities, equipment, and appearance of the personnel as well as the attendance of the users; (2) Reliability, which refers to the ability to deliver the promised services accurately and reliably; (3) Responsiveness, which is the willingness to help customers and give proper attention; (4) Assurance, which is a courteous and knowledgeable employee that provides trust and confidence; (5) Empathy, which covers individual care and attention to the users.

According to (Oxford Advanced Learner's Dictionary, 2008), defines the following satisfaction: "The good feeling that you have when you achieve something or when something that you wanted to happen does happen". Therefore, this study measures service quality by using 5 dimensions. It measures the extent of the dimensions of tangibles, reliability, responsiveness, assurance, and empathy given by employers or workplaces to employee satisfaction. Parasuraman et al., (1985), defined service quality as delivering excellent or superior service relative to customer expectations. Service quality serves as a measurement of customer satisfaction. It is an important factor in service demand management. It is known that price and service quality affects customer demand. In this field, (Bernstein & Federgruen, 2004), proposed several demand functions dependent on retailers' price and service quality levels under competition.

Good service quality is one of the company's efforts to maintain customer loyalty (Andriyani & Ardianto, 2020). Customers who are satisfied because certain parties fulfill what they want, for example a company, will tend to say positively about the company to other parties (Wijaya, 2017). Among examples that can make customers satisfied are good facilities and fast employee response in serving customers increasing customer confidence in the company (Gunawan & Susanti, 2021). Apart from that, based on research conducted by (Otto, Szymanski, & Varadarajan, 2020), states that customer happiness increases company performance.

Some previous researchers who defined service quality as a rate and direction of inconsistency between the perception and expectation of customer service. Attila Akbaba (2006), said service quality should be defined from the customer's point of view, because the assessment of quality for services is more complicated than products because their form is not clear, varies naturally, cannot be separated between production and use, cannot be destroyed. and non-existent. According to (Rapert & Wern, 1998), conducted a study by sending questionnaires to the CEO of every company engaged in the health sector registered with the American Hospital Association, to see the effect that service quality has on competitive advantage. The results of this study indicate that service quality can be a company's competitive advantage.

Service quality has several dimensions, among which are tangibles such as physical facilities, equipment, personnel. Reliability is the ability to perform the promised service, responsiveness is readiness to help customers and to provide services immediately, assurance is knowledge and courtesy of the employees and their ability to convey trust and confidence and the last is empathy is individual attention that should be provided

for customers. Customers also appreciate the consulting service and feel helped by the service (Wisniewski, 2011). Providing and maintaining high service quality will also create a feeling for customers that their needs are considered, and the services provided are able to satisfy their needs (Park & Kim, 2019).

An organization that provides a service must be able to provide the best service possible with the assumption of customer expectations because an organization that provides a service sometimes provides a service quality that is different from what has been promised. So there needs to be a service measurement that is physically tangible and intangible.

METHOD

This study was conducted using a questionnaire. The front section contains the demographics of the respondents, which contains gender, age, employment sectors focused on two sectors namely the manufacturing and services sectors. Then it is about the location of work, the home country in Indonesia and the income. Then respondents are asked to mark only one of the items. The next section relates to queries for Servperf analysis. In this section there are 22 questions divided into several categories. There are four questions in the reliability category, four questions on the category of responsiveness, 4 questions on the assurance category, there are 4 questions on the empathy category, 5 questions on the category of tangibles. Respondents are asked to give their opinions on the services provided through Likert scale of 1 "Strongly disagree" and 5 "Strongly agree". According to (Taylor & Baker, 1994), developed a measurement to assess overall customer satisfaction which was expressed using four statements and measured by alternative answers using a Likert scale, ranging from very dissatisfied to very satisfied.

The population in this study is Indonesian citizens who are currently working in Malaysia to earn a living. The workforce is divided into several sectors of employment they are currently working in. The sectors of employment given the focus or concentration in this study are the manufacturing sector and the services sector. Therefore, the total population in the manufacturing and services sectors is: $181,761 + 50,430 = 232,191$. So, the number of Indonesian workers population in Malaysia in the manufacturing and services sector is 232,191.

In this study the sample was taken by Indonesian workers working in Malaysia. According to (Sugiyono, 2010), sampling technique is a technique to determine the sample used in research. Samples in this study will be taken in two states is Selangor and Malacca. The reason is that the number of Indonesian workers in the two states is quite large and then communication facilities with the workforce. Questions often appear around the sampling method is how many samples are needed in the study. Samples that are too small may cause research that is unable to describe the actual population condition. On the contrary, too large samples may result in wastage of research costs. One of the methods used to determine the number of samples is using the Slovin formula (Sevilla et al., 2007), as follows:

Number of Population (N) = 232,191

Tolerance (e) = 0.075

$n = N / 1 + Ne^2$

$n = 232,191 / 1 + 232,191 \times 0.075^2 = 177.641$

Based on the calculation using the Slovin formula the required sample is 177 respondents in conducting this study. The size sample will fill the questionnaire of the working people and become the Indonesian workforce in Malaysia and work in the services and manufacturing sectors.

RESULTS

The relationship between the dimensions of service quality and the level of job satisfaction Indonesia.

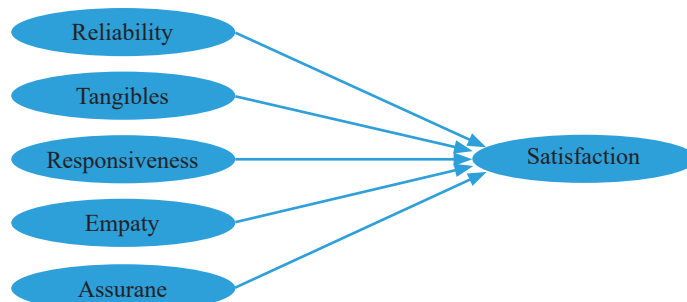


Figure 1. Demonstrate the relationship between service quality dimensions with satisfaction level

Internal consistency/reliability demonstrates the reliability value of the linked item. Value of Internal consistency/reliability should be greater than 0.7. The research data are:

Table 2. Internal consistency/reliability

	Composite Reliability	AVE
Assurance	0.932054	0.774337
Empathy	0.909714	0.670543
Overall	0.916612	0.846061
Reliability	0.894084	0.678815
Responsiveness	0.929060	0.766143
Tangibles	0.925802	0.714007

The value of composite reliability has the same mean of which is to determine whether the respondent is consistent or not in answering the question in the questionnaire. Based on Table 2, the value of composite reliability exceeds 0.70 which means that the respondents are consistent in responding to the question in the questionnaire. The AVE value for the construct exceeds 0.50, the value of AVE aims to measure the validity of the questions representing each construct tangibles, reliability, responsiveness, assurance, and empathy. Therefore, the value of AVE exceeds 0.50 indicates the queries made may represent each of these constructs.

Consequently, based on the value of composite reliability exceeding 0.70 and the AVE value exceeding 0.50, it can be concluded that the instrument used in this study has the desired validity.

Table 3. Latent Variable Correlations

	Assurance	Empathy	Overall	Reliability	Responsiveness	Tangibles
Assurance	0.879964					
Empathy	0.737297	0.818866				
Overall	0.648119	0.550980	0.919815			
Reliability	0.778131	0.626935	0.648586	0.823902		
Responsiveness	0.794449	0.670672	0.699770	0.803142	0.875295	
Tangibles	0.682415	0.608840	0.608840	0.694755	0.686771	0.844989

Description: The bolded number is the value of the AVE power source.

Table 3 is a discrimination validity. The number given to the type of thick text is the value of the AVE root of the power. The first thing to see is that the power of AVE assurance 0.879964 is greater than the correlation (empathy, overall, reliability, responsiveness, and tangibles). The second thing to see is that the value of the AVE power source for empathy 0.818866 is greater than the value of correlation between overall, responsiveness, reliability, and tangibles. While for the whole, the same applies where the AVE power source value is greater than the value of the correlation rather than reliability, responsiveness, and tangibles. For reliability based on the data above, it is found that the value is greater than the correlation between the response force and the measured value, which is 0.823902. For the responsiveness of AVE value of the power source is greater than the measured correlation of evidence. For measured tangibles, the value of the AVE power source is greater than the value of the correlation between assurance, empathy, overall, reliability, responsiveness, and tangibles.

Table 4. R Square

	R Square
Assurance	
Empathy	
Overall	0.535868
Reliability	
Responsiveness	
Tangibles	

Table 4 shows the value of R square for the overall construct/satisfaction exceeding 50%. Therefore, the above data shows that 53.58% of satisfaction/variance satisfaction variance can be explained from five dimensions in service quality: reliability, tangibles, responsiveness, assurance, and empathy.

Table 5. Inner Model T-Statistic

	Overall
Assurance	0.973542
Empathy	0.431209
Reliability	1.135296
Responsiveness	3.354178
Tangible	1.618753

Through inner model it is found that when the critical value is 5% then the measured level of measure is 1.96. the result of the study on Table 5 found that the value of the assurance is 0.973542, the value of empathy is 0.431209, while the value of the reliability is 1.135296 and the value of the responsiveness is 3.354178 and the value of tangibles is 1.618753. Based on a critical value of 5% then the measured level of proof is 1.96. and that fulfils that is the responsiveness of the value is 3.354178 and it can be concluded that responsiveness has a significant effect on the satisfaction of Indonesian workers.

DISCUSSION

One of the purposes of this study is to see how and to what extent the quality of service provided by Indonesian workers working in Malaysia in the manufacturing and services sectors. Descriptive explanations based on the research conducted by male respondents were 35 (19.4%) women 145 (80.6%). While the age of the respondents was divided into several categories, the age was 15-20 years old with 80 (44.4%), age 21-25 with 69 (38.3%), age 26-30 with 23 (12.8%), age 31-35 with 4 (2.2 %), age 36-40 by 1 (0.6%), age 41-45 by 1 (0.6%) and over 50 by 2 (1.1%). Meanwhile, the job sector of the respondents was manufacturing sector 156 (86.7%) and services sector is 24 (13.3%). Whereas the location and place of work in Melaka by 91 (50.6%) and in Selangor 89 (49.4%). The status of the respondents, unmarried 154 (85.6%), had married 23 (12.8%), widower 2 (1.1%), and widowed 1 (0.6%). While the respondents were 114 (63.3%), Sumatra 63 (35.0%) and 2 (1.1%) in Kalimantan and 1 in Sulawesi (0.6%). The latter is income, while income is less than RM 1000 (43.9%), income between RM1000-2000 by 98 (54.4%), income from RM2000-3000 by 3 (1.7%).

In addition to the descriptive analysis conducted, the other analysis was conducted on the reliability test of the questionnaires and that had been distributed. From the data obtained it was found that the probability of confidence test was 0.928 and this amount was more than the acceptable amount of 0.70. In a model adequate for exploratory purposes, composite reliabilities should be equal to or greater than 0.6 (Ringle, 2006); equal to or greater than 0.7 for an adequate model for confirmatory purposes (Henseler, Ringle, & Sarstedt, 2016). In our research composite reliability is majority 0.9 and above.

According to (Lovelock and Wright, 2004), define quality as the level or degree to which a service can satisfy customers by fulfilling their needs, wants and expectations. The results of the study show that responsiveness has a greater influence. In research conducted by (Adrian Palmer, 2000), stated that Responsiveness itself is one of the important dimensions contained in quality service. Research from (Hwang et al, 2021); (Sitorus & Yustisia, 2018); (Lai, 2019) obtained results that agreed that the quality of service perceived by customers can have a positive influence on customer satisfaction. Based on research from (Yan, 2020), Public will be discouraged from reusing government system if they have experienced poor service quality.

CONCLUSION

The analysis carried out by using Partial Least Squares (PLS) found that responsiveness has effect on the overall service. While the value of the overall service exceeds 50% and shows the role of service quality dimension in achieving the satisfaction level of Indonesian workforce. But more dominant and meaningful is the responsiveness. It shows the attention, response given by the employer is the dominant and influential factor in the quality of service expected by Indonesian workers to achieve satisfaction level.

This study has limitations, including the sample size of 180 respondents and is still focused on 2 sectors (manufacturing and services). Focus on these two sectors certainly has reasons and considerations. The consideration is that in both sectors there are many workers who can read and write so that they understand the meaning of the researcher and can answer the questionnaire.

Research related to the quality of service for Indonesian workers using servperf is something new. The results of this study show that of the 5 dimensions, responsiveness is more dominant and gives a significant impression. This shows the attention, response provided by employers are dominant and influential factors in the quality of service expected by Indonesian workers to reach the level of satisfaction..

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