# Application Of Performance Management To Organizational Change

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### Abstract

Amidst the current Covid-19 pandemic, a number of business actors have failed as a result of unstable economic conditions. predominantly small and microbusiness actors. PT. Alkindo Naratama is one of the organisational transformation strategies that many business players use to survive, but obstacles can also be transformed into opportunities by adopting a different mentality. Organisational adjustments that can benefit customers even during a pandemic can be made by building performance management and organisational communication within the company. One tactic business actors can use to facilitate organisational adjustments and ensure the survival of firm operations during a pandemic such as the current one is organisational communication. This particular category of organisational communication efficacy is flexible rather than rigid, and it is applied by all entities within an organisational communication (variable X1), new performance management (variable X2), and organisational change activities (variable Y) have a suitable correlation of 0.375.

**Keywords**: Performance Management, Organisational Change, Organisational Communication

## Introduction

In this age of convergence, technological advancements happen very quickly, even as the Covid-19 pandemic, which is still very strong, is happening at the same time. enhancing and intensifying the rivalry in business and industry. In order to manage the financial success of their companies while the epidemic is ongoing, entrepreneurs must therefore exercise greater creativity and shrewdness. The goal is, of course, to be able to endure in the face of narrowing consumer conditions; yet, in reality, purchasing power is quite limited and tends to be concentrated on necessities. Similar to this, PT Alkindo Naratama Bandung is licenced to conduct business in the following areas: trading in office machines, industrial processing of spare parts and equipment, printing and publishing goods in various forms, advertising, sewing, and custom clothing; trading in computers and computer equipment; trading in stationery and drawings; trading in computers and computer equipment; trading in electronic spare parts; trading in software; and trading in various types of materials buildings, construction materials, machine tools, and other equipment.

In addition to using more inventive methods of marketing the goods or services it offers, PT Alkindo Naratama makes the most of internal business issues. For instance, through enhancing performance management in tandem with efficient internal communication. The goal of this is organisational transformation in order to sustain a business that has been operating for many years. Just a few business fields that are permitted to run are sufficient, even though it is not required for all of them to. primarily by making pricing adjustments, allowing customers to simply use reasonable prices during a pandemic and yet benefit from the services provided. Taking into account the fact that a growing number of comparable companies are starting up and that these business owners are vying with one another to seek out novel ideas.

Thus, it can also be verified that some business owners these days are even utilising fresh approaches to launch established companies and implement many methods that ensure their continued existence. Despite the fact that our industry is driven by profit, much alone the pursuit and goal of surplus profits, in the midst of a pandemic, simply being able to survive is regarded as a tremendous accomplishment.

## **Literature Review**

#### **Organizational Communication**

One of the most crucial, but complicated, components of human life is communication. Humans are social animals that require an understanding of communication tactics in order for the process to be effective. The conversation that people have with other people—both those they already know and those they have never met—has a profound impact on them. The term "communication" has Latin etymology, or its origin, "Communicare," which means "to inform or apply everywhere" (Nurjaman, 2020). In this instance, it indicates that the process of communication can be understood and directed towards advancing individual, collective, institutional, and societal goals.

According to the definition given above, communication is the process of two or more people exchanging information through words, pictures, numbers, and emotions or feelings with the goal of influencing and even moulding other people's behaviour to suit the wishes of the parties involved. conveyer. in order for the communication's goal to align with the expectations of the institution or organisation. Additionally, the institutional aims are fulfilled within the allotted period. Customers are ultimately happy, and the benefit that follows is obviously the ability to promptly accept the budget and service costs.

It is impossible to dispute the value of communication in human interactions, and an organisation is no exception. An organisation may function effectively and efficiently when there is good communication inside it; conversely, when there is poor communication within the organisation, things can stall or fail (Nurjaman, 2022). On the other hand, the word organisation is derived from the Latin organizare, which literally implies a system of interdependent elements. Organisation is defined by Everet M. Rogers in his book Communication in Organisation as an established system of people who collaborate to accomplish shared objectives through task division and rank levels, and by Robert Bonnington in his book Modern Business: A Systems Approach as a way for management to coordinate human and material resources through formal structural patterns of authority and tasks (Yusuf, 2021). Naturally, when this is implemented at PT Alkindo Naratama, all organisational communication procedures follow the established authority within the organization's structure. Miscommunication between internal parties can occur occasionally, but it can still be fixed. This is inextricably linked to the great responsibility of leadership. Not only does it take a huge heart to comprehend every person in the organisation, but the secret to effective organisational communication is also the leadership's ability to work together to balance each person's individual strengths and weaknesses during the communication process.

According to Nurjaman (2022), an organisation is a logical arrangement of individuals' actions that aims to accomplish many overarching objectives by allocating tasks and responsibilities according to hierarchy and responsibility. Schein also mentioned that organisations have specific traits, such as a structure, objectives, interconnectedness, and a reliance on interpersonal contact to coordinate tasks. Schein's definition of an organisation is a system, as evidenced by the interdependent nature of its components (Yusuf, 2019). This definition of organisation leads one to the conclusion that a formal structural pattern of tasks and authority governs how members of a system work together to accomplish common goals. in addition to exchanging different messages with others in formal and informal groups inside an organisation in order to accomplish specific objectives. Similar events transpired at PT Alkindo Naratama; there was more than just formal contact there. There are, nevertheless, more casual inclinations. Employees involved in the production process may easily comprehend the transfer process of the manufacturing process since it is implemented in daily language for a product ordered from consumers.

#### Work management

Nurjaman, (2021) Performance management stages are activities to ensure that organizational goals have been achieved consistently in effective and efficient ways. Performance management can focus on the performance of an organization, department, employee, or even the process to produce a product or service, as well as in other areas. According to Williams, there are four main stages in implementing performance management. This stage becomes a performance management cycle that is interconnected and supports one another

#### **Organizational Change**

The existence of various understandings of organizational change occurs because of differences in underlying assumptions regarding the nature of change. Yusuf, (2019) identified four approaches to the characteristics of organizational change. First, organizational change is characterized by the presence of a dominant mindset which should be replaced with the proposed new mindset. For example, the view of focusing on technology is shifted to a system design perspective. Second, organizational change occurs when uncritical prochange bias dominates resistance to change. The assumption is that change can, should and must be managed and there is no need to pay attention to the social consequences of change programs at a wider level.

## Methods

The study design is survey-based, meaning that fundamental data is gathered through the use of a questionnaire to gather samples from the public (Singarimbun and Effendi, 2008). Through the testing of previously developed research hypotheses, the survey approach employed in this study attempts to explain (explanatory research)—that is, to highlight the relationship between variables (Singarimbun, 2008).

This study's demographic and sample consist of PT Alkindo Naratama's devoted customers from before the Covid-19 pandemic to the start of 2022. 68 consumers made up the sample needed for the study thanks to Taro Yamane's calculation algorithm and the Purposive Random Sampling approach. Method of collection This study employed a questionnaire to collect its data. A questionnaire, often known as a list of questions, is a document that respondents are required to complete (Kushendar, 2019). The data analysis method employed the F test with the One Way Anova test, the validity test instrument was evaluated using the Product Moment Correlation calculation, and the reliability test was conducted using the Alpha Coefficient (Cronbach) calculation.

## **Results and Discussion**

For reliability testing, all research instruments were declared reliable after testing using the Alpha Coefficient (Cronbach) calculation. The following is the Reliability Test table for this research:

Table 2. Reliability Test for Variable X1							
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items					
.550	.555	10					

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Source: Data Processing Results

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items				
.528	.533	10				

Source: Data Processing Results

An example of a one-way (one-way) statistical analysis tool is the SST Anova Test or One Way Anova, also known as factor design, which is used in this research to calculate data analysis regarding organisational communication in performance management in PT Alkindo Naratama's Organisational Change activities. Testing the link between a dependent variable and one or more independent variables is done using the Anova method.

Table 5. Anova Test Results ANOVA<sup>D</sup>

ſ						Change Statistics				
	Mo del	R	R Square	Ad justed R Square	Std. Error of the Estimate	R Square Change	F Change	f1	f2	Si g. F Chang e
	1	, 375 <sup>a</sup>	,3 21	,3 15	,532 3	,3 21	3,57 1	3	0	0, 00

It is evident from the above table that the analysis's results show that R=0.375. This indicates that there is a close relationship between organisational communication (variable X1) and new hire management (variable X2) in the process of organisational change (variable Y). Accordingly, if variables X1 and X2 increase, variable Y also increases (positive correlation), meaning that if organisational communication effectiveness increases, organisational change activities will also increase. Subsequently, to evaluate the effectiveness of organisational communication in managing staff throughout change initiatives, R Square, also known as Koefisien Determinasi (KD), is utilised as follows: KD:  $(0.375)^2 \times 100\% = R^2 \times 100\% R2$  is thirty-three percent.

The purpose of this study is to determine whether organisational communication and change are related. Based on the results of the data analysis, which consisted of interview questions given to 68 respondents—that is, loyal customers during the pandemic—the first objective of the study was achieved. Based on the hitungan data, it was observed that the ratio of the effectiveness of organisational communication (variable X) to the activity of organisational change (variable Y) was 0.375, which, when viewed in the context of the criterion for korelasi, was quite high.

# Conclusion

The following conclusion can be drawn from the description of the research and analysis's findings: One tactic business actors can use to facilitate organisational adjustments and ensure the survival of firm operations during a pandemic such as the current one is organisational communication. The effectiveness of organisational communication is a broad category that is used by all entities within an organisation, including employees, leadership, and channels. Thus, the study's conclusion is that organisational communication (variable X1), new performance management (variable X2), and organisational change initiatives (variable Y) have a sufficient correlation of 0.375. According to the aforementioned research, variable Y also grows (positive correlation) if variables X1, X2, and Y increase. Additionally, only 31.3% of the research's participants found new performance management and organisational communication to be effective, with the remaining 57.9% being attributable to variables not included in the study. The research hypothesis indicates that, among the activities that can be tracked from discussion forums with a tcount of 3,827, organisational communication within the PT Alkindo Naratama company is the most effective for the formation of new performance management for organisational change.

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