

CHAPTER V

CONCLUSION, IMPLICATION, LIMITATIONS AND RECOMMENDATION OF RESEARCH

This chapter consists of several parts which is the conclusions of the findings and discussions that have been shown in the previous chapter. As well as this chapter also provides an assessment of the potential limitation present is study, implication, and possible future direction for the research.

5.1 Conclusion of the research

The purpose of this study is to find out the relationship between interpersonal trust, employee satisfaction and employee loyalty in head office of Bank Nagari. This study is using the primary data which is questionnaire that have been collected from 155 respondents who are working in head office of Bank Nagari. In this research, there are three hypotheses that have been developed and analyzed which has the result as follows;

1. Trust in management is positively related to employee satisfaction. It means that trust in management enhances the employee satisfaction. Therefore, employee satisfaction can be predicted by trust in management.

2. Trust in peers is positively related to employee satisfaction.. It means that trust in management enhances the employee satisfaction. Therefore, employee satisfaction can be predicted by trust in management.
3. Employee satisfaction is positively related to employee loyalty. It means that employee satisfaction enhances the employee loyalty. Therefore, employee loyalty can be predicted by employee satisfaction

5.2 Implication of the research

The study that has been conducted provides several implications which should be considered. The results of this study are expected to be considered by the intended institution which is Bank Nagari.

Trust is a valuable managerial resource to be cultivated within organizations. This is true, at least, for the Head Office of Bank Nagari – and possibly other Banks. Most results regarding the relative effects of each type of trust confirm our expectations. As concerns satisfaction, a vertical trust – trust in management – reveal stronger associations than lateral trust – trust in peers. However, institutional trust – trust in management – has a much larger effect on employee satisfaction than trust in peers.

The research implication for the leader of Bank Nagari which the findings showed that trust in peers and trust in management can have strong impact on their employees. So that the employees are going to be satisfied. And also through

employee satisfaction, the employees feel much enjoyed to do the job. Thus, trust in management and trust in peers leads to employee satisfaction.

This result underlines the importance of measuring not only trust in management, but also trust in peers. This, in our view, is an important finding, as most previous studies focused only on the superior-subordinate relationship when analyzing the antecedents and consequences of trust in organizations and neglected the peer-to-peer-relationship. The findings of our study also have important implications for management.

Employee satisfaction highly contributes to the employee loyalty. From an employee perspective, it can be said that they are satisfied enough with their jobs. It is certainly desirable for all the employees to pay attention, guide, help in all situations. So, the employees feel helped by the guidance from their peers and management which result in positive relation among the employees. Then, it is not impossible if many employees will be strongly loyal to the company.

In the other side, besides considering the major contribution to the employee satisfaction, the research implication also consider aspects of employee satisfaction that need to be improved based on the results of this study. To improve the employee satisfaction of the company, the company must be able to pay attention to their employees and also share the knowledges regarding trust in peers. Companies must be able to fulfill the rights of employees. So the company should not only focus on the interests of the company, but the interests of employees also should be a priority.

With the fulfillment of the rights of employees, it is believed that it will motivate employees to be loyal.

Here is some recommendations that researcher suggest to Bank Nagari itself for increasing the employee satisfaction as well as the employee satisfaction :

1. Clear, Concise and Consistent Communication:

In many organizations, employee doesn't know what is mission, vision, objects. Building a corporate culture that requires employees to be an integral part of the organization can be an effective way of getting the most from the talents or competencies brought to the organization by each employee. We should keep employees informed on the company's position, progress made, issues/challenges, and how they directly contribute to the success of the business.

2. Getting to Know Your Employees and Create a Team:

It can be done by the hiring right employee for right job and clearly defined and communicated employee expectations. Every organization should spend time to instill trust and accountability, laying out clear expectation and securing their commitment to the business and build a culture around working together to meet challenges, create new advantage, and propel the business to greater success.

3. Training and Other Improvement Programs:

Provide necessary education, training and coaching that increases employees skills and shows the employee that you are interested in their success and readiness for new responsibility.

5.3 Limitations of the research

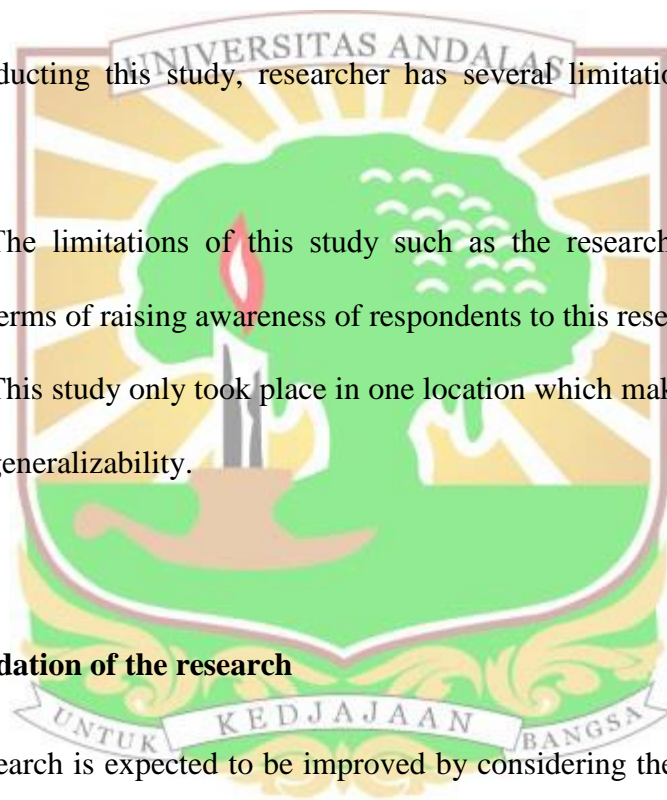
During conducting this study, researcher has several limitations which shown below;

1. The limitations of this study such as the researcher's difficulty in terms of raising awareness of respondents to this research.
2. This study only took place in one location which makes this study lack generalizability.

5.4 Recommendation of the research

This research is expected to be improved by considering the following future direction in the future research such as;

1. For the future direction, develop new trick in order to increase the awareness of respondent in participating in this study.
2. It is recommended that the number of sample and the location should be augmented.



3. For a better study, provide more the questionnaire with information in order to prevent the response bias.
4. This study is recommended to be improved by adding different variables in order to create and find varieties of the result.

