(Research/Review) Article

The Influence of Employee Relations Quality on Customer Service Satisfaction at Kurnia Emas Store

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Abstract: This study investigates the influence of employee relationship quality on customer service satisfaction at the Toko Kurnia Emas. The central issue addressed is the extent to which positive interpersonal relationships among employees enhance the quality of service experienced by customers. Accordingly, the research focuses on assessing the degree of impact that employee relationship quality exerts on customer satisfaction. Employing a quantitative approach with a descriptive correlational design, the study involved 15 employees and 15 customers selected through total and purposive sampling techniques, respectively. Data were collected via a Likert-scale questionnaire and analyzed using simple linear regression to examine the relationship between variables. The findings reveal a significant positive relationship between the quality of employee relations and customer satisfaction. In essence, harmonious employee interactions contribute to higher levels of customer satisfaction. This study offers practical insights for managers in the retail sector, emphasizing the importance of fostering strong internal relationships to enhance overall service performance. Future research is encouraged to include a larger sample and explore additional variables, such as employee training and professional development, that may influence customer satisfaction

Keywords: Customer Satisfaction; Employee Relationships; Service Quality

1. Introduction

Customer satisfaction is widely regarded as a pivotal metric in evaluating the efficacy of service delivery within the retail sector. Organisations that demonstrate an ability to maintain consistently high levels of customer satisfaction are more likely to foster long-term loyalty and secure a sustainable competitive advantage. At Toko Kurnia Emas, a prominent jewellery establishment in Ketapang, service quality is a pivotal factor in attracting and retaining customers, in addition to the quality of the products offered. As posited by Riyadi and Muamar (2024), the provision of superior service has been demonstrated to engender heightened customer satisfaction, cultivate brand loyalty, and fortify a company's market position.

Customer satisfaction can be categorised into two distinct dimensions: intrinsic and extrinsic. Intrinsic satisfaction is defined as the emotional experiences of customers during service encounters. In contrast, extrinsic satisfaction is associated with tangible aspects, such as promptness and product quality. The two aforementioned dimensions are heavily

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Copyright: © 2025 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (https://creativecommons.org/licenses/by-sa/4.0/) influenced by the interactions between employees and customers. Gunawan and Arifin (2024) emphasised the significant contribution of service quality to customer satisfaction, citing their findings at PT Bretonia, where 64.5% of the variance in customer satisfaction was explained by service quality.

In the present study, the concept of employee relationship quality is theorised as the degree of social support and mutual trust that emerges through daily interpersonal interactions at Toko Kurnia Emas. Positive relationships among employees are characterised by open communication, effective collaboration, and mutual respect. Conversely, poor relationships have the potential to hinder coordination and compromise the customer experience. The existence of harmonious internal relations has been demonstrated to result in accelerated service delivery and an enhancement in customer comfort. In addition, Yunus and Kuncoro (2025) emphasised that the quality of human resources is positively associated with service quality. This suggests that investment in the development of employees has a significant impact on service performance.

At Toko Kurnia Emas, the cultivation of strong employee relationships is recognised as a pivotal factor in engendering an environment that is both welcoming and customer-centric. Notwithstanding the store's reputation for diverse product offerings and frequent interactions between staff and customers, the high volume of service demands poses coordination challenges among employees. This phenomenon is exemplified by the numerous customer complaints lodged with the company, some of which were made directly and others of which were shared via the social media platform TikTok. The complaints highlighted the perception of staff unfriendliness and a lack of coordination in responding to customer needs. These observations underscore the importance of strengthening employee relationships to ensure consistent customer satisfaction. This assertion is corroborated by Alfiah's (2019) study at Toko Emas Gajah in Batu, which demonstrated that service reliability exerts a substantial influence on customer satisfaction.

Beyond external factors, internal organisational elements such as corporate culture, job competence, and employee professionalism also impact service quality. In the field of healthcare, Sanjaya, Hanafi, and Wanto (2024) demonstrated that organisational culture exerts a significant influence on service quality. In a related study, Kusmiati and Permadi (2024) found that employee competence and professionalism have a direct impact on service quality in cooperative institutions. These findings underscore the necessity to take into account internal human resource dynamics in order to enhance the quality of retail service.

Although previous studies have frequently addressed the relationship between service quality and customer satisfaction (e.g., Alfiah, 2019; Gunawan & Arifin, 2024; Riyadi & Muamar, 2024), few have specifically examined the role of employee relationship quality as a critical internal factor in service delivery. The present study aims to address this lacuna by investigating the influence of employee relationships on customer satisfaction in the context of the retail industry, with a particular focus on Toko Kurnia Emas.

The primary research question guiding this study is as follows: The present study seeks to investigate the extent to which the quality of employee relationships affects customer service satisfaction at Toko Kurnia Emas. The present study will utilise a quantitative analysis to explore the relationship between the two variables, with the objective of determining which aspects of employee relations most significantly impact service quality. The present study offers a novel perspective on customer satisfaction studies in the retail sector by placing emphasis on internal organisational dynamics, with particular reference to employee relationships.

The findings of this study are expected to offer practical insights for retail businesses on the importance of nurturing positive employee relationships to enhance service quality. Theoretically, the research will contribute to the understanding of how employee relationship quality influences customer satisfaction, taking into account potential mediating factors such as employee motivation and job satisfaction. The results of the study may be of use to the management of Toko Kurnia Emas in the design of more effective employee development programmes, which in turn may lead to an improvement in customer satisfaction and loyalty. This finding is consistent with the conclusions of Dunan and Saputra (2024), who posited that the effective management of both customer and employee relationships has a positive effect on customer satisfaction outcomes.

In the context of retail, the quality of employee relationships exerts a significant influence on customer satisfaction and, by extension, customer loyalty. This, in turn, has implications for long-term business performance. It is evident that the present study proffers both theoretical and practical contributions, thereby advancing academic understanding of internal factors affecting service delivery and supporting the formulation of strategic initiatives to improve service quality through enhanced employee relations.

2. LITERATURE REVIEW

Previous research has shown that employee relationships, service quality, and customer satisfaction are interrelated variables that play a vital role in organizational success, particularly in the service sector. The following studies provide deeper insights into these interconnections.

Van, Lang, and Ngo (2024) investigated the impact of internal social responsibility on service employees' job satisfaction and organizational engagement. Using a quantitative survey method and statistical analysis, they found that internal social responsibility positively contributes to job satisfaction, which in turn improves service quality. The study suggests that companies should strengthen internal social relationships among employees to support organizational performance and enhance customer satisfaction.

A study by Chaanine and Sleilati (2024) examined the role of employee job satisfaction as a moderating variable in the relationship between service quality and customer satisfaction, specifically in healthcare institutions in Lebanon. Using a moderation model in a quantitative approach, they found that job satisfaction amplifies the positive influence of service quality on customer satisfaction. Therefore, organizations are encouraged to prioritize efforts to improve employee job satisfaction to optimize service quality.

Furthermore, Minh, Ba, and Luong (2019) explored how interpersonal relationships between employees and customers can generate positive word of mouth through increased customer satisfaction. This survey-based research used regression analysis and showed that harmonious interactions between employees and customers can enhance satisfaction and promote customer loyalty through word-of-mouth recommendations. The findings highlight the importance of building strong relationships to retain customers. The study by Latief, Rosalina, and Apiska (2019) focused on the influence of interpersonal relationships on employee performance. Employing a quantitative method through questionnaires and statistical analysis, the research found that positive interpersonal relationships among employees contribute to improved performance and service quality. The researchers emphasized the need for enhanced communication and collaboration among employees as a strategy to improve organizational performance.

Dunan and Saputra (2024) examined the influence of Customer Relationship Management (CRM) and service quality on customer satisfaction in a gold retail store. Using survey methods and regression analysis, the study found that both CRM and service quality significantly and positively affect customer satisfaction. This research also noted that internal employee relationships are a critical component of CRM implementation, as internal team performance directly influences customer interactions.

Based on the above studies, it can be concluded that the quality of employee relationships, job satisfaction, and service quality play a crucial role in creating customer satisfaction. However, most research has focused on general contexts and has not specifically addressed the gold retail industry, which possesses unique service characteristics such as high trust requirements, large transaction values, and personalized service. Therefore, this study aims to fill that gap by focusing on the influence of employee relationship quality on customer service satisfaction at Toko Kurnia Emas.

The researcher is interested in conducting a study entitled "The Influence of Employee Relationship Quality on Customer Service Satisfaction at Toko Kurnia Emas." This study aims to examine the extent to which employee relationships influence customer satisfaction through the quality of service delivered. In this context, employee relationship quality acts as the independent variable (X), while customer service satisfaction is the dependent variable (Y).



Figure 1. Conceptual Framework

Based on the conceptual framework above, the research hypothesis is formulated as follows:

H1: There is a positive and significant influence between the quality of employee relationships and customer service satisfaction at Toko Kurnia Emas.

3. METHOD

This study employed a quantitative approach with a descriptive-correlational method to examine the relationship between the quality of employee relations (X) and customer service satisfaction (Y) at Toko Kurnia Emas in March 2025. The sample consisted of 15 employees (total sampling) and 15 customers (purposive sampling). Data were collected using closed-ended questionnaires with a 3-point Likert scale.

The independent variable (X) was measured using indicators such as communication, teamwork, and peer support, while the dependent variable (Y) included service speed,

friendliness, product knowledge, and complaint handling. Data analysis was conducted using simple linear regression with SPSS 25, based on the formula:

$$\mathbf{Y} = \mathbf{a} + \mathbf{b}_1 \mathbf{X}_1$$

Where:

Y = Customer service satisfaction level

a = Constant value

 $b_1 = Regression$ coefficient of the independent variable

 X_1 = Value of the quality of employee relationships variable

Statistical tests used included the t-test (to determine the significance of the effect of X on Y), the F-test (to assess the overall significance of the regression model), and the R and R² coefficients to evaluate the direction, strength, and contribution of the independent variable to the dependent variable. Results were considered significant at p < 0.05.

4. RESULTS AND DISCUSSION

Results

Table 1. Results of Simple Linear Regression Coefficient Test

Variable	В	Std. Er- ror	Beta	t	Sig.
(Constant)	-0.265	0.574		-0.461	0.652
Quality of Relations	1.027	0.047	0.987	21.877	0.000

Source: Data processing results through SPSS, 2025

The regression analysis examines the relationship between the quality of employee relations (X) and customer service satisfaction (Y). The obtained regression equation is:

Y = -0.265 + 1.027X

The coefficient (B) for the quality of employee relations variable is 1.027, which indicates that every one-unit increase in the quality of employee relations will result in an increase of 1.027 units in customer service satisfaction. The t-value for the quality of relations is 21.877, which is greater than the t-table value (2.048), indicating a significant effect of the quality of relations on customer satisfaction. Additionally, the significance value for the quality of relations is 0.000, which is smaller than 0.05, reinforcing the finding that the quality of employee relations has a positive and significant impact on customer service satisfaction.

 Table 2. Coefficient of Determination and Correlation

Model	R	R Square	Adjusted R Square	ed R Std. Error of the Estimate	
1	0.987	0.974	0.972	0.265	

Source: Data processing results through SPSS, 2025

Table 2 presents the model summary results showing the strength of the relationship between the quality of employee relations and customer service satisfaction. The R Square value of 0.974 means that 97.4% of the variation in customer service satisfaction can be explained by the quality of employee relations. Furthermore, the R value of 0.987 indicates a very strong and positive relationship between the quality of employee relations and customer service satisfaction.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	33.490	1	33.490	478.610	0.000
Residual	0.910	13	0.070		
Total	34.400	14			

Table 3. Results of ANOVA (Simultaneous Test)

Source: Data processing results through SPSS, 2025

Table 3 presents the results of the ANOVA test, which is used to assess the significance of the regression model applied. The F-value of 478.610 and the significance value (Sig.) of 0.000 indicate that this regression model is statistically significant. Therefore, the quality of employee relations significantly affects customer service satisfaction.

Discussion

This study aimed to investigate the extent to which the quality of employee relations influences customer service satisfaction at Toko Kurnia Emas. Through simple linear regression analysis conducted with SPSS software, the regression equation obtained was Y = -0.265 + 1.027X. This equation indicates that for every one-point increase in the quality of employee relations, customer service satisfaction is expected to increase by 1.027 points. The positive and significant regression coefficient, with a significance value of 0.000 (which is smaller than 0.05), demonstrates a substantial effect of the quality of employee relations on customer satisfaction. The regression constant, which is negative, was found to be statistically insignificant (sig. 0.652 > 0.05), suggesting that its contribution to the final model is minor.

Further analysis revealed that the correlation coefficient (R) was 0.987, indicating a very strong positive relationship between the two variables. Additionally, the R Square value of 0.974 suggests that 97.4% of the variation in customer service satisfaction can be explained by the quality of employee relations, while the remaining 2.6% is influenced by other factors not examined in this study. With a Standard Error of the Estimate of 0.265, the model's prediction error is low, indicating that the regression model is quite accurate in forecasting outcomes.

In testing the significance of the parameters using the t-test, the t-value obtained was 21.877 with a significance level of 0.000. This result indicates that the null hypothesis (Ho1) is rejected and the alternative hypothesis (Ha1) is accepted, confirming a significant impact of employee relations quality on customer satisfaction. Furthermore, the F-test yielded an F-value of 478.610 with a significance of 0.000, confirming that the overall regression model is valid for explaining the dependent variable. Both test results support and strengthen the conclusion that employee relations play a crucial role in enhancing customer service perceptions.

These findings align with previous studies. Dunan and Saputra (2024) explained that the effectiveness of communication and coordination among employees significantly affects the success of customer relationship management (CRM) in the retail sector. Additionally, Gunawan and Arifin (2024) emphasized the importance of team cohesion in delivering quality service. Further research by Van et al. (2024) and Chaanine and Sleilati (2024) reinforced the idea that a positive internal social climate at the workplace not only improves employee job satisfaction but also directly impacts the quality of service provided to customers. Therefore, organizations should prioritize managing internal work relationships as a strategic step to foster customer loyalty and sustainable satisfaction.

5. CONCLUSION

The results of this study demonstrate that the quality of employee relationships plays a significant role in shaping customer service satisfaction. Effective communication, strong teamwork, and mutual support among employees help foster a conducive work environment. This positive atmosphere is reflected in the way employees serve more courteous, responsive, and professional leading customers to feel valued and satisfied. Positive internal relationships not only enhance employee comfort but also directly impact the quality of interactions with customers. Therefore, the quality of employee relationships is a critical factor influencing how customers perceive the services they receive.

Based on these findings, it is recommended that the company strengthen interpersonal relationships among employees through strategies such as interpersonal communication training, fostering a culture of mutual respect, and organizing activities that promote team cohesion. Management should also create a transparent and fair working environment while recognizing collaborative efforts among staff. These steps are expected to enhance work motivation and improve service quality.

However, this study is limited in scope as it was conducted within a single setting with a small number of respondents and examined only two main variables. Future research should involve a larger sample size, cover a broader geographical area, and include additional variables that may influence customer satisfaction to obtain more comprehensive and generalizable results.

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