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Optimization of Organizational Communication in Managing Organizational Behavior & Trust Issues (Building a Culture of Risk Management in BUMN with the Implementation of the COSO Framework)

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ABSTRACT : Increasing business competition exceeds the geometric progression, requiring every company to formulate an accurate strategy and management plan. The demand to become a healthy company or corporation has become the main agenda at the general meeting of shareholders. A qualified strategy is needed that can embrace all parties involved, including stakeholders. Organized organizational communication must be supported by good organizational behavior, this is highly emphasized considering that upheaval and disagreements can occur at any time causing trust issues to develop out of control. The company as one of the forums for meeting these interactions, cannot avoid friction, objectively and subjectively, it should understand how to manage the behavior of individuals and be aware of the risk culture. Risk culture bridges and helps control crucial things that can arise due to decisions, policies that have an impact on the sustainability of a business. SOEs as one of the state-owned enterprises, are required to support the economy and increase the country's foreign exchange, it is very necessary to implement a healthy risk management culture by implementing a framework such as the COSO Framework. COSO is a tool for internal control and monitoring of business activities. Data collection method with library and field work research. Data analysis using interactive models and presenting research results that optimizing organizational communication strategies in managing organizational behavior and trust issues to build a risk culture are the core agenda in the design of the vision and mission in order to achieve sound and sustainable governance.

KEYWORDS: *Organizational Communication, Organizational Behavior, Trust Issues, Risk Management Culture, COSO Framework.*

1. Background

In establishing activeness and also effectiveness in organizations, of course an organization needs good communication so it is important to build organizational communication. Organizational communication must take place well to be able to realize the organization can be more developed.

The importance of establishing good organizational communication is also being able to create an organization that is able to form members or people in it who gather to be able to interact well with each other and establish good relationships with one another.

Therefore, organizational communication is also very important to pay attention to how the communication process is. Good organizational communication is communication that is established with uniformity or equality of opinion among the communicators so that there are no disputes due to differences of opinion

It is undeniable, going through the communication process is not always smooth and can even fail. In the end it led to misunderstandings and caused tension to internal fights that shouldn't have happened. Therefore, to be able to establish good organizational communication, each individual member must be able to understand and build good communication, so that a healthy organizational behavior is formed.

Organizational Communication is built to make it easier for all active organizations and business programs to run well. This success really needs to be supported by qualified organizational behavior. It is hoped that with healthy organizational behavior, the company will always be supported even in a crisis. The organization in question is all organizations with any type and model of business, family companies, private companies or government-owned companies (BUMN).

BUMN (State Owned Companies) is one of the businesses owned by the government and contributes highly to the country's economic growth. Data from the Head of Research Jarvis Asset Management, states that 2022 will be the peak of a significant increase in the performance of BUMN.

It is undeniable that during the Covid era, many State-Owned Companies could not be saved and had to go bankrupt for the sake of greater interests. SOEs with good performance include: banking, nickel, coal, IT. While BUMN engaged in: tourism, hospitality, aviation, construction, and insurance are still experiencing pressure on financial performance until mid-2023. The total number of SOCs operating is 142 companies, with 107 companies performing well (bumn.go.id)

In fact, it becomes an important note, this performance disturbance is due to human factors (human error), such as: disorganized administration which results in losses, errors in recording (documentation), neglect to fill in irregular data, and corporate governance that is not well systemized. and the assignment of personnel who are not at the required capabilities. Prasetio (2015), the crisis condition of a company, in the organizational system of a company should have written and well-organized the company's vision and mission, including handling it in a company risk management guide. Prasetio further said in his book *It goes without saying*, that risk management must already be a corporate culture, risk management exists as a supporting capacity for adding governance values to the company and future sustainability of the business, not as an obstacle or organizational complexity (trust issue).

Risk management can bridge and at the same time grip (hand break) in many corporate problems, to find the best solution when the company is healthy or in a crisis, including among others; disputes between employees, anti-government policies that will result in disruption of financial performance, disputes between employees and the company, even disputes with customers and constituents when the company is in bankruptcy. It is very important to emphasize risk management within an organization or business entity, as an act of organizational behavior. If said by Robbin & Judge (2015), organizational communication has two approaches: objective and subjective, then risk management is an objective aspect approach, while aspects of the subjective approach are not distrust (trust issue) from the parties involved (internal and external). appears, for example: rejection, discomfort, obstruction, suspicion, etc.

The success of maintaining a healthy organizational behavior in establishing an appropriate risk culture is largely determined by the strength of an organizational communication strategy that is oriented towards business continuity and the personnel involved in it, namely: the top management and all employees and stakeholders.

II. DISCUSSION

Definition of Optimization

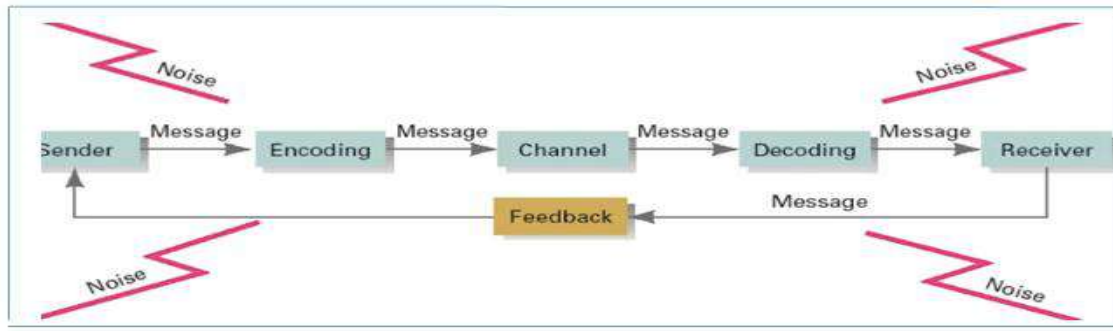
Nurrohman (2017), said optimization is an effort to improve performance in a work unit or individual related to the interests of the public and to achieve a level of satisfaction with success and achievements in a particular activity. Optimization is also a process, namely carrying out an activity to create something that doesn't exist yet or to give added value to what already exists to make it more absolute.

The expected goals of an optimization process are: (1) Overcoming obstacles, (2) solving problems correctly & correctly, (3) making decisions with a faster time. The success of the optimization process is also determined by the ability to identify, analyze, construct, implement and monitor. Mohammad Nurul Huda (2018) reinforces the statement above, that optimization: trying persistently to get the best or highest results in the achievement of a person or a unit or organization by providing the maximum capabilities they have (education, experience, skills, beliefs and work solid team).

Organizational Communications

In terms of the origin of the word communication from the word *communicare*, which means conveying an idea, idea or opinion. In line with the meaning of the word *communis* which means similarity, it can be said that communication is related to conveying something in order to get similarities in ideas and views in an interaction (community).

Berlo in M. Mufid (2010) in his book: *Introduction to Communication & Journalism*, communication is a process that has main elements as well as accompanying elements, one of which is interrelated, namely: the main elements consist of sources, messages, channels, recipients. and accompanying elements of response, effect/noise and environment.



Figures.1 Model Flow &Elements of Communication,Berlo (1960)

In the picture Berlo says that communication is a process of transferring messages (verbal or non-verbal) between the sender/communicator to the receiver/communicant, using channels or media (direct, email, telephone, etc.) in the hope that the communicant understands and provides a response/feedback as expected by the communicator. If there is a discrepancy in the contents of the message, it is necessary to investigate the presence of noise or interference as the effect of the message not being conveyed properly.

This form of interaction can not only be carried out individually but in the form of a large community, such as an organization, community group, association or association. The success of the communication process is determined by all the main elements (SMCR) and accompanying elements (response/feedback, disturbance/noise, environment).

It should be understood and known that the most important thing in the success of a business is determined by how the communication process within the company or organization goes well. One of the most important things in understanding organizational communication is how we understand approaches that can influence the mindset or perspective (point of view) of an organization.

Robbin & Judge (2015) defines an organization as a social unit or group that is consciously coordinated by two or more people and has relatively continuous basic functions to achieve a series of common goals. This function has four things, namely: control function, information function, emotional disclosure function and motivational function. The communication function acts to carry out the control and monitor functions in controlling the behavior of organizational members.

Pace & Faules (2001) organizational communication can be defined as displaying and interpreting messages between communication units that are part of an organization. There are two approaches related to the notion of organization, namely: objective and subjective approaches. Organizational communication exists as an umbrella that covers all active organizations or companies in achieving their vision and mission, such as: healthy industrial relations (organizational behavior), good corporate governance (good governance), providing more benefits to the parties involved and the future of the business. sustainable (sustainability).

Organizational behavior

Definition of behavior organizational is a study that concerns aspects of human behavior in an organization or a particular group. Organizational behavior includes aspects arising from the influence of the organization on humans, as well as aspects arising from the influence of humans on the organization.

According to Rahmi Widyanti (2019) in the book Organizational Behavior, organizational behavior is learning about an individual trait/characteristic that is created in an organizational environment. Because humans have different characteristics, organizational behavior is useful for knowing individual characteristics in the performance of an organization.

Robbins (2014) Organizational Behavior is a field of study that investigates the impact of individuals, groups and structures on behavior in organizations with the intention of applying such knowledge to improve organizational effectiveness. It is further said that organizational behavior has a scope organizational methods regarding the efficiency of work procedures used in carrying out management functions. The definition of organization and methods between management, organization, and work procedures is an inseparable unit.

If the working procedures are efficient, it is expected that the implementation of management functions in the organization will run smoothly. In this case, the nature and purpose of organizational methods are services to managers and administrations who seek to advance work procedures that are used to achieve maximum efficiency in an organization. Organizational Behavior is an important component (crucial) and is a reflection in measuring the success of organizational communication running well and on target. Organizational behavior is born from the pattern of behavior of all parties involved in organizational or corporate activities.

Organizational behavior statements are "crucial" to be able to understand, explain, predict and influence/change human behavior that occurs in workplace organizations. This definition contains three elements related to employee/employee interaction, namely 1) organizational behavior by looking at visible behavior, such as discussions with co-workers, operating computers, compiling reports; 2) organizational behavior studies human behavior as individuals and as members of organizational groups; 3) group behavior also analyzes group behavior and the organization itself.

All organizational activities have responsibilities that impact on the sustainability of the future of the organization or company. Organizational behavior also plays a role in shaping the culture, way of working, governance and management system of the company that is implemented. Robbin & Judge (2015: 562) in the 18th edition of the book *Organization Behavior*, states that organizational behavior is to develop awareness of all parties involved/constituents for the sustainability of a business. The intended awareness is: clearly knowing the goals, programs and provisions have been passed in a forum to obtain a mutual agreement (General Meeting of Shareholders).

This accountability must be broadcast transparently as a form of positive culture and become a record/documentation of organizational communication acts. The company's performance must be explained honestly, in good or bad performance conditions, from a financial, operational, industrial relations, even bankruptcy perspective to the point where an employee's termination of employment is required.

Robbin & Judge (2019: 565), the successful performance of a company or organization is the responsibility of all internal personnel from top management to employees at the lowest levels. Building a positive culture is the foundation for triggering positive behavior and minimizing the trust issue that is often inflamed among employees, which is an aspect of the risk of companies with poor performance.

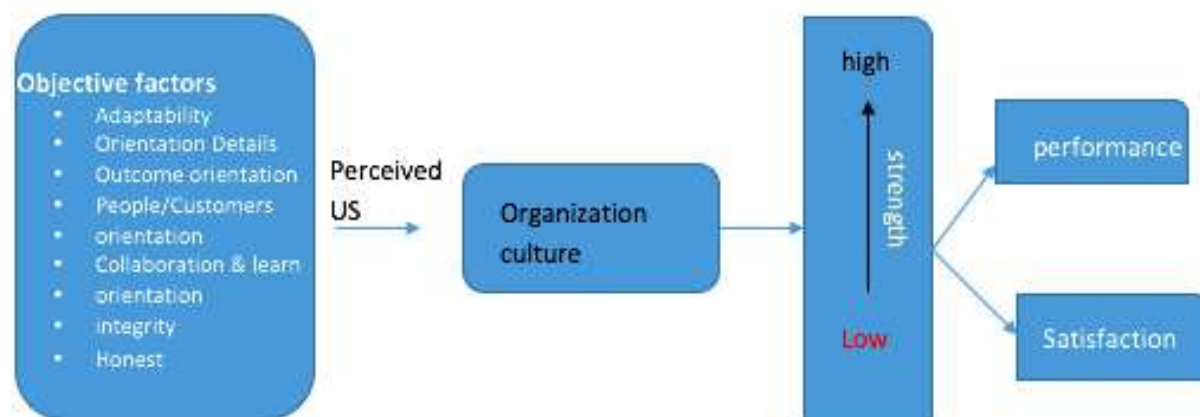


Figure.2 Scheme Positive Organization Culture, Robbins & Judge (2019)

It is further explained in the picture that positive culture includes objective elements, namely: (1) spiritual & material employee happiness, (2) building trust & respect among fellow employees, (3) open mindedness, (4) honest, (5) integrity, in working well with fellow employees, superiors and other stakeholders, and this must be maintained, monitored, supervised by management, namely the risk management unit, so that employee performance increases and company performance becomes healthy.

Trust Issues

The scope of human life which is sweet and full of new things, makes every individual must be ready to fight and be agile towards changes and challenges. Jobs that require concentration and responsibility create feelings and work saunas that seem to confine individual freedom.

Many employees experience doubt, pressure and distrust, the company's demands for good and quality performance often trigger disputes among workers because there is a feeling of competition, intimidation and fear of competing.

This condition is a source of decreased individual/employee performance levels, especially if jobs are not protected by an organizational system, such as: health needs, income, career advancement and even family needs for those who are married. Sabrina Romanoff, a clinical psychologist, said that trust is a form of one's belief in surroundings that one often encounters and is fully involved in. This belief includes conditions of interpersonal, group or community relationships, which involve a commitment and intellectual ability.

Bad events that exist in a company's organizational system can increase the level of individual/employee trust issues even higher. According to Chen et al, (2012), trust is a psychological condition that is not easy to measure, because this is related to individual behavior or the psychological situations of other people.

Companies as a collection of many individuals who carry out business activities and are often involved in interactions, really need to record on their ledger agenda to manage, manage and control trust issues as part of managing organizational behavior, in order to create a conducive and healthy working atmosphere. Chen also mentioned that trust is a form of gap that cannot be controlled by the individual, namely the gap between the pro zone, for example: comfortable, confident, supportive and contra zone, for example: doubtful, unsupportive, suspicious.

Risk Management Culture

Risk management culture (risk culture) is the behavior of all personnel interacting and perception of everything with risk. Thoughts on risk will be embodied in decisions and rules as standard operating procedures. The current risk management culture feels increasingly important because it is implemented in the organizational/company risk management system, namely risk management. Functions and benefits are felt when a company has to face difficult problems in making strategic and "crucial" decisions that have an impact on the company's future.

Vaughan in Priyono & Ismail (2012) says risk has the definition of "a situation" which is uncomfortable, such as: loss, uncertainty, cancellation, which arises as a result or external impact of the situation through: actions, actions, policies, decisions, provisions. This condition is a real part that is often encountered and experienced by many parties, such as the relationship between employees and companies, companies and companies in a business to business or business to customer agreement.

Prasetio (2015: 89), explains that a risk management culture is important to manage and implement as a form of preventive action, taking into account prudent, measurable, logical and accountable factors. A risk management culture was created in order to maintain the success, success and sustainability of the company, not the other way around, but instead experienced a lot of rejection. Rejection is none other than because they do not understand and feel burdened.

Running new things requires an accurate strategy covering aspects of: concern, sustainable & corporate governance, if radical action is needed, namely a complete overhaul and rebuilding from scratch, so that the process can be carried out effectively and efficiently. The process is divided into 4 elements (strategy, operations, reporting, compliance) which are arranged in a framework, namely: COSO Framework.

Furthermore, Prasetio said; risk management is a tool (dashboard) that provides a risk map within the framework of the company, which can provide guidance for anyone who is aware and understands. Decisions that can be executed and cannot be executed or require in-depth study beforehand. This is analogous to an ambiguous situation (uncertainty) that risks creating a trust issue. Risk management is a process that relies on rationality, objective and based on empirical data to reduce all forms of trust issues and risk threats to the company.

COSO Framework is a finding from a study of economics & banking, namely the system used to establish internal controls to be integrated into business processes. Collectively, these controls provide reasonable assurance that the organization is operating ethically, transparently and in accordance with established industry standards.

COSO stands for Committee of Sponsoring Organizations, the committee created this framework in 1992. The COSO Framework is widely used by public companies and accounting and finance companies. This framework seeks to implement internal controls that formalize the way in which key business processes are performed. It helps organizations to comply with legal and ethical requirements, while also focusing on risk assessment and management.

As a form of COSO's commitment, this committee always makes updates to align with the needs of the business world which is dynamic and full of fraud issues. In 2014, a new internal control framework was published to improve the previous one, with the same title.

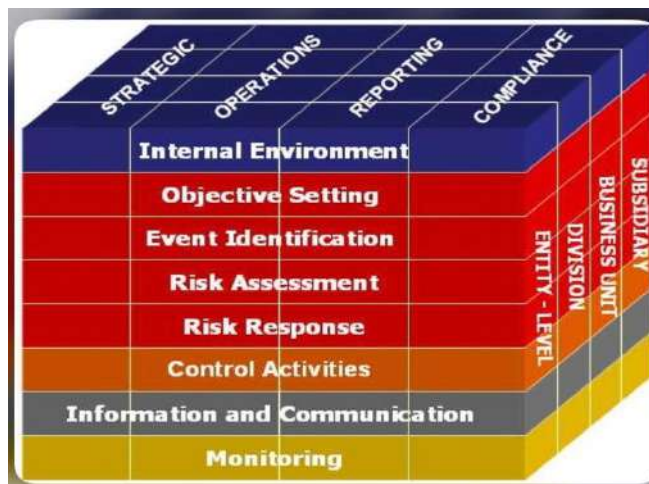


Figure 3. COSO Framework Cube Model for Internal Control

The COSO framework cube has 4 components (strategic, operating, reporting, compliance) as well as several other sub-components that are interrelated and support success in the company's/corporation's internal control process. This framework was created to measure all possible risks that may occur and will occur which may affect the sustainability of the company and all parties involved in it.

In addition to integrating these controls into key business processes, the cube framework places a heavy emphasis on monitoring and reporting, particularly with regard to the use of internal auditors to monitor compliance with established controls.

III. RESEARCH METHOD

This research is a type of descriptive research using a qualitative approach. Qualitative research uses data collection methods by utilizing in-depth interviews, observations, and concrete documents as primary data (annual reports and results of general meeting of shareholders). Qualitative research is research that examines and understands the attitudes, views, feelings and behavior of individuals or groups of people, and presents the truth of the research results not based on the assumptions of the researchers, and follows the right and good rules so that the research results are trusted. (Moleong, 2001).

Researchers determine the right informants who can provide accurate data and help this research get results that are accurate and in accordance with the objectives and research questions. The intended informants were determined with certain criteria that were appropriate to the research topic and had absolute credibility, namely: Prasetio as the author of the book *It goes without seeing*, who is currently trusted by the government to serve as director of Finance and Risk Management at PT Garuda Indonesia, as one of the owned companies State (BUMN).

Prasetio has a track record of success, is skilled and qualified as director of Risk Management in three (3) other State-owned companies (BUMN), namely: Merpati Nusantara Airways (MNA) Telekomunikasi Indonesia (Telkom), Issuance of Indonesian State Currency (Peruri), and expert staff in the field of risk management in BUMN companies.

IV. RESULTS

Organizational communication as an umbrella for all company or corporation activities plays a very big role, the rise and fall of a company is always an interesting study to study. The readiness of a corporation or government company and government-owned business entity is full of problems that will always go hand in hand with areas of risk, regarding employee work relationships, business relations with third parties or vendors and other stakeholders.

Failure to respond to crisis conditions as one of the company's challenges, including the most crucial is disputes with employees related to work contracts, it is very necessary to create and apply to all personnel involved to be educated and understand about risk management culture. The existence of this unit is very helpful and becomes an objective element in the organization's communication strategy (planning, monitoring, developing, implantation, evaluating). All individual movements and corporate programs must be covered in a framework control strategy in order to achieve future and business sustainability.

The era will continue to change, post-covid, the business world is full of dynamics, upside down with technological findings & digitalization updates. Business demands are increasingly stretched, making changes, transforming, shifting, repositioning, etc, cannot avoid rejection and obstacles from employees (trust issues). This situation must be addressed early on before an upheaval occurs, and undermines all systems that have been well built.

In the organizational communication strategy, Miller (2012) said; the growth and development of a good & healthy organization, when having a solid corporate culture foundation, every individual must have full awareness to maintain the sustainability of the company. A business is built to provide positive benefits and not to seek personal gain or a group of people.

Performing interpersonal and persuasive communication acts in superior and subordinate relationships as well as between officials and between employees is an indicator of the success of an organizational communication system. Monitoring and reporting is a pendulum to maintain balance and avoid gaps, COSO is only a tool as well as risk management is a means, but the most important thing is good relations, prudence, honesty and healthy work behavior of each individual, so that business activities run smoothly, revenue increases, healthy financial performance, said Prasetyo.

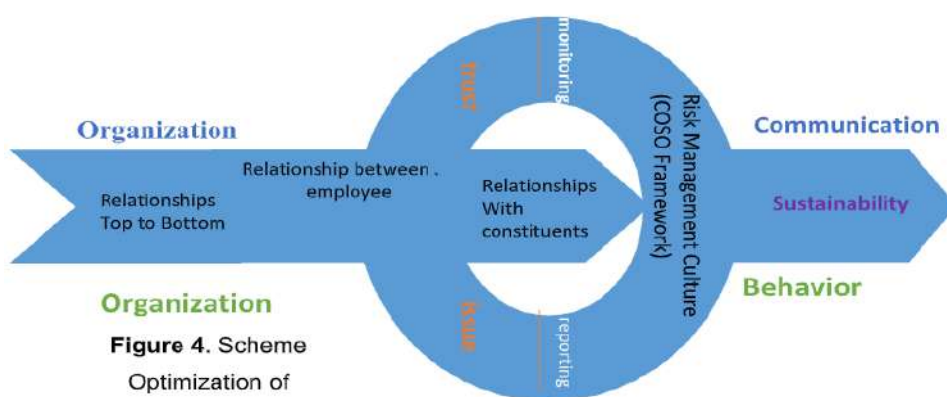


Figure 4. Scheme

Optimization of

Organization Communication mechanism to manage organization behavior & trust issues (researcher, 2023)

V. CONCLUSIONS & SUGGESTIONS

It can be concluded in the description in Figure 4, Organizational communication becomes the canopy to support all organizational/company activities in carrying out all programs and business strategies in order to achieve the goals set forth in the company's vision and mission, namely healthy business continuity supported by a physically, mentally healthy work environment. and supporting employee performance.

Disputes or discrepancies over all changes, decisions, decisions issued by management that contain risk or not, will exist and continue to exist, so they must be anticipated through good work creation, namely a risk management culture. Likewise, disputes with third parties or constituents, as well as between employees can be managed properly and do not interfere with the wheels of business activities.

The culture of risk management will continue to change following the demands of active and dynamic business, so a control tool is needed that can measure a risk condition based on the strength of healthy and conducive organizational behavior. The risks that arise can be caused by many factors including trust issues that often arise and result in hindering performance and even undermining the performance system. An appropriate balancing tool is needed that can monitor and provide reports on all activities risky business or not, related to internal and external (government) policies.

BUMN as state-owned enterprises, have a big responsibility for the continuity of this business to the wider community and the state as the majority shareholder. The success of the performance of BUMN companies is very important in supporting the nation's economy and contributing to the country's foreign exchange. The responsibilities of office holders at the top of management must consciously carry out their duties, prepare appropriate organizational communication strategies, manage organizational behavior well, build a risk culture and be able to make difficult decisions by considering aspects: sensitive, strong character, trustworthy, open-minded and rational .

Suggestion

Civilization will continue to roll along with the changing years, the surge in change is no longer directly proportional to human needs, perhaps it will speed up like a geometric progression. This change will also affect many policies and provisions, disagreements may not disappear especially in the era of transformation, it is necessary to strengthen organizational communication strategies to support organizational culture in: 1) preparing for a brighter business future, 2) creating an adaptive company, 3) design a new corporate behavior, 4) a new corporate identity, 5) develop a strong corporate branding, 6) form a qualified corporate reputation.

The big challenge for every business in the digitalization era is business competition that must be managed and addressed so that it does not become a barrier to reliable corporate performance.

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