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Article

Business Environment Turbulence and Industrial Connections Instruments as Determinants of Firm Performance mediated by Industrial Connections Climate

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Abstract: The year 2022 was characterized by several major events that impacted the business world in Indonesia and even globally after the COVID-19 pandemic devastated all business sectors in Indonesia and the world. The current business environment is experiencing accelerating turbulence characterized by increasing intensity of business competition, rapid changes in the market, and industrial connections climate. The industrial connection climate of an institution can be measured by the pattern of relationships that occur between workers and management. Industrial connections are fundamental to the sustainability of an organization and are understood as an important factor in influencing institutional performance. This research aims to look at the impact of the existence of industrial connections instruments, turbulence in the business environment on the industrial connections climate. Besides, how the industrial connections climate relates to firm performance. The research design is an inferential quantitative, using sampling and snowball sampling methods with total sample are 406. The data collected were analyzed using Structural Equation Model using LISREL version 8.70. This research used a survey to build an SEM model that tested the effect of organizational turbulence and industrial connections instruments on organizational climate directly, and tested mediation on organizational performance. All related indicators have outer loading more than 0.5 and T-value more than 1.96. Therefore, the conclusion is that all measurements are valid. Composite Reliability (CR) and VE for all indicators are >0.7 and >0.5 respectively. This research shows that industrial assosiation climate has a positive effect on business turbulence and industrial connections instruments. However, industrial connections instruments show a greater impact on the assosiation climate. This is because industrial connections instruments are the media used in the implementation of industrial connections in organizations. This research also confirms that industrial assosiation climate is positively related to organizational performance. The result of the indirect influence (IE) of 0.20 with t value is 8.47 means that the climate of Industrial connections is able to mediate the influence of Industrial connections Facilities on Organizational Performance

Keywords: business turbulence; industrial connections; industrial connections climate; industrial connections instruments; organizational performance

1. Introduction

The year 2022 was characterized by several major events that impacted the business world in Indonesia and even globally after the COVID-19 pandemic devastated all business sectors in Indonesia and the world. The current business environment is experiencing an accelerating turbulence characterized by the increasing intensity of business competition, rapid changes in the market, and industrial connections climate.In March 2020, the COVID-19 pandemic devastated all business sectors in Indonesia. The COVID-19 pandemic in Indonesia not only has an impact on public health, but also has an impact on the economy, education, and social life of the community due to the implementation of policies and distance restrictions [23]. For example, the travel agency business lost money in

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2020, the hotel occupancy rate dropped dramatically to the level of 30-40%. Likewise, Indonesian airlines experienced huge losses due to the decline in passenger numbers [12], and the same thing also happened to companies in the Indonesian manufacturing industry.

Employment disputes both in Indonesia and in the world cause an unfavorable impact on organizational performance. The negative impacts for companies are loss of revenue, loss of assets, and even human lives [25]. Disputes will cause an unfavorable workplace climate that leads to a decrease in organizational productivity and negatively impacts the likelihood of organizational survival [13].Today's business environment is experiencing accelerating turbulence characterized by increasing competitive intensity and rapid changes in market and customer expectations. Turbulence in the business environment can erode a company's competitive advantage and cause competitive advantage to become more challenging to maintain. Organizational performance will be maximal if there is good conjuction between the organization and the organizational environment, and if the strategic gap is zero [3].

A conducive environment in the workplace has a positive impact on organizational performance [24]. Previous studies have revealed that an organization's industrial connections climate has a positive relationship with employee satisfaction, productivity, efficiency, union loyalty, and organizational dedication [6]. The industrial connections climate has a positive effect on improving individual-level performance [9]. A highly competitive environment requires the need to foster a good industrial connections climate. To build an industrial connections climate, organizations need to build organizational flexibility to ensure employee commitment [13].

Study revealed that a collaborative industrial connections climate has a positive relationship with profitability and revenue [8]. "A favorable industrial connections climate results in a good working relationship between management and employees" [15]. This favorable connection will further lead to better outcomes such as job performance, positive behavior, and commitment of all levels. For organizations, having a good industrial connections climate is a priority.

There is a require to build better organizational flexibility to build better workplace relationships to guarantee commitment among workers [13]. An organization's industrial connections climate is related to general employee satisfaction, efficiency, union loyalty, productivity and organizational commitment [6]. A favorable workplace environment has also been reported to influence the level of individual job performance [24]. Conflicts generated by an unfavorable workplace climate can decrease organizational productivity and affect the chances of organizational survival [13].

[Economic conception of performance based on three dimensions: productivity, production cost efficiency, and profitability[14]. Work climate is a determinant of economic performance. Industrial connections climate can raise performance at the individual employee level [9]. A collaborative industrial connections climate has a positive impact on profits and sales [8]. [A positive industrial connections climate will lead to a more cooperative relationship between management and employees, which further leads to various positive related outcomes such as job performance, constructive behavior, and employee and organizational commitment [15].Industrial connections climate as the perceptions of employees, management, and their representatives about the manner in which employee relations are conducted and their interactions with each other [2].

Industrial connections climate refers to the quality of the management-labor relationship [6, 15]. A positive industrial connections climate is defined as a respectful , trusting,and healthy relationship between management and employees [15]. In industrial connections climate, the role of dialog has been raised by [1, 11, 17, 18].

The industrial connections academic literature cannot catch up with the collection of opinions and facts from case studies and survey data from the real world. The possible reasons are as points out. First, industrial connections practitioners undervalue theory, namely they are skeptical about the usefulness of theory in practice. The second is that academics themselves spend more energy in detailing practice than theory. Third,

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industrial connections issues are relatively low on the political and practitioner agenda. This is reflected in the number of publications. An online search of the Science Direct database for the keyword "industrial connections" over many years shows only 149 hits. Further refining to only "research" and "review" articles, the number drops to only 118 publications, among the 50 articles published over the past five years.

A positive industrial connections climate will lead to a more cooperative correlation between management and employees, which further leads to a variety of positive related outcomes such as job performance, constructive behavior, and employee and organizational commitment[15]. To achieve such harmonious industrial connections, it is necessary to have industrial peace as an intermediate goal. Increased productivity and corporate welfare are interrelated. Organizations that ignore the importance of industrial connections face high production costs and will adversely affect efficiency, low production, and negligence in the performance of work. Employee absenteeism and high labor turnover rates are the resultant outcomes of poor industrial connections practices [20]. Business environment turbulence affects organizational performance. Research on business environment turbulence in seven companies in the petrochemical industry in 2010 stated that the problem of industrial connections disputes was one of the prominent turbulence variables [19]. Positive perceptions of the Industrial connectionsconnections climate and union instrumentality led to higher levels of trust in management and job security among employees, which in turn fostered higher levels of job performance [39]

Qualitative research showed that 1) the overall conversation about the industrial connections climate in Indonesia is a positive one. 2). The state of the industrial connections climate in Indonesia is largely positive. The majority stated that the climate is quite positive, and only did a small percentage express their dissatisfaction with the industrial connections climate. 3). The research revealed that of the current condition in various industries in Indonesia, the level of top management involvement in industrial connections is moderately involved. 4) Suitable leadership styles that may encourage a positive industrial connections climate are democratic, transformational, and servant leadership. 5) Opportunities for two-way communication are also considered to play an important role in developing a positive industrial connections climate [33].

This research aims to respond to the recommendation to confirm the correlation between the industrial connections instruments and the industrial connections climate[33]. It also aims to look at the impact of turbulence in the business environment, the industrial connections instruments on the industrial connections climate, as well as how the industrial connections climate relates to firm performance.

The structure of this paper begins with the Introduction and continues with the Literature Review. Followingly, the research methodology is described. The following sections are the Results and Discussion. This paper will conclude with Conclusions, Limitations, and Recommendations.

2. Literature Review

2.1. Turbulence of the Business Environment and the Climate of Industrial Connections

The current climate of Industrial connections faces many challenges. Changes industrial connections due to changes in the demographics of the labor force, the Covid-19 pandemic, globalization, reforms that include freedom of association, changes in regulations for civil service, regional autonomy, infrastructure and investment climate, have also changed the pattern of Industrial connections, especially changes in behavior and attitudes that concern many aspects such as social, cultural, economic, political and efforts to improve welfare.

The COVID-19 pandemic has had a significant impact on the global economy, including Indonesia. This outbreak may have pushed the Indonesian economy into another crisis, perhaps deeper than the Asian financial crisis of 1997-1998 as it affected demand and supply [16]. In general, companies pay less attention to the level of turbulence in the current and future business environment. In Indonesia, the COVID-19 pandemic caused a

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decrease in public consumption by 2.6% [41]. This is due to the decline in the overall community income due to restrictions on business activities with the limited mobilization policy from the government. This restriction also has an impact on the decline in the company's business performance, both small, medium, and large scale.

The current era of disruption in the world requires organizations to be more responsive, innovative and adaptive. The era of disruption is a change that occurs along with the creation of innovations in the business world that can destroy the traditional system of an organization or company. There are many ways to analyze innovation disruption. That disruptive innovation analysis can be done through technology (or innovation), industry, company, or leadership company [42]. Therefore, in relation to the era of disruption, organizations need to apply business resilience in anticipating changes that are very likely to occur in the organization.

The rapidly changing business environment conditions create turbulence for business organizations and make business people improve their ability to remain competitive and survive in an atmosphere of high competition. Each business organization has its own characteristics based on the type of industry in which it is located, therefore the level of environmental influence on business organizations also varies. The five levels of environmental turbulence are repetitive, evolving, changing, intermittent, and shocking [19].

Favorable workplace environments have also been reported to affect individual job performance levels [21]. Conflict caused by an unfavorable workplace climate can reduce organizational productivity and affect the organization's chances of survival [13]. Each business organization has its own characteristics based on the type of industry in which it is located, therefore the level of environmental influence on business organizations also varies.

Hypothesis 1(H1) : Business Environment Turbulence is negatively related to IR Climate

2.2. IR Climate and IR Instrument Relations

Realizing the philosophy of Industrial connections in everyday life between actors in the production process, it is necessary to create a supportive condition and atmosphere, so that the mental attitude and social attitude of Industrial connections can grow and develop, so that they become the behavior of all parties in daily interactions. To create a supportive atmosphere, it is necessary to develop key instruments that support the implementation of industry associations. The definition of an industrial association based on Article 1 point 16 of Law Number 13 of 2003 concerning Manpower ("Labor Law") is a system of relations in the form of inter- actors in the process of producing goods and/or services consisting of elements of entrepreneurs, workers/ laborers , and the government based on the values of Pancasila and the 1945 Constitution of the Republic of Indonesia[21]. The Industrial connections climate as the perceptions of management, employees and their representatives about the way in which employee relations are conducted and their interactions with one another [2].

A relationship of trust, healthy, and mutual respect has a positive correlation between the IR climate with management and employees [15]. The dimensions of the climate of Industrial connections include mutual respect, cooperation, trust, mutual participation, apathy, and hostility. The six densities of Industrial connections climate are expected to describe the views of company members about norms and atmosphere in relation to labor-management relations practices in organizations. As Dunlop points out in his book "Industrial connection systems" [36]. system of industrial connections) that variables such as technology, labor and product markets, budget, and distribution of power affect the climate of industrial connections extending variables to goals, values, actor power, and external factors such as ecology, economy, politics, law , and culture, also affect the climate of Industrial connections [32]. The process of human resources is also one of the factors

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that influence the climate of industrial connections[31]. Union Commitment itself affects the climate of industrial connections [37].

A measure of organizational impact on the climate of industrial connections is shown by [31]. This relates to the frequency of strikes and the level of technology use, as well as the level of dependence of the organization on different environmental resources. The relationship between dependence on the labor market and organizational climate has been explored by [30]. The influence of leadership factors was also reviewed by previous authors. In addition to organizational culture, the Top Management team also influences the climate of industry connections [7]. "Leadership of self-awareness, balanced processing, relational transparency, and internalized morals have a statistically significant influence on the climate of good industrial connections" [25].

I identified several outcomes of the industrial connection climate. Blyton divides output into consensual and conflictual outcomes [29]. Consensual outcomes such as agreements on employment and trade union organization, agreements on terms of employment, and negotiations that are considered effective. Conflictual outcomes such as strikes, shifts, and perceived disharmony. If the employee becomes a trade union, management will try to use its bargaining power to shape the process and outcome of collective bargaining in the context of its bilateral relationship with the union [38].

To achieve healthy and dynamic Industrial connections at the company level, it is necessary to have Industrial connections instruments and develop effective and intensive communication between company leaders and trade unions/labor unions. Intensive, open, and honest communication aims to build mutual trust and eliminate a priori and suspicion. The success of communication will be largely determined by the employee welfare factor, which is a reflection of the employee's assessment of the instruments and supporting facilities provided by the company [35]. Employee welfare insurance is one of the parts regulated in the Collective Labor Agreement (PKB), in which PKB and trade unions and bipartite institutions are the most important Industrial connections instruments at the micro/company level [22]. Organizations that ignore the importance of the IR climate will face high production costs. Poor IR practices lead to inefficiency, poor production results, negligence in carrying out their duties, absenteeism among workers, and high labor turnover [20].

Hypothesis 2(H2) : IR instruments are positively related to IR Iklim Climate

2.3. IR Climate and Organizational Performance Relation

Previous studies on the Industrial connections climate were mostly conducted at the individual performance level. Studies on Industrial connections climate with organizational performance are still very limited, so it can be said that there is still a gap on the topic of Industrial connections climate in relation to organizational performance. Each organization has a different way of managing Industrial connections in its [40].

Research on the influence of work climate on organizational performance has been carried out. From the limited data, it is known that the Industrial connections climate has a positive influence on company performance. However, this has yet to be proven further. There is a need to build better organizational flexibility to build good workplace relationships to ensure commitment among workers [13]. An organization's Industrial connections climate is related to productivity, efficiency, general employee satisfaction, union loyalty, and organizational commitment [6]. “The climate of industrial connections has a huge impact on productivity and efficiency” [6]. The climate of industrial connection was positively related to organizational dedication and union loyalty [9]. A good Industrial connections climate will affect employee performance [27]. This is because less conflict promotes a work environment which leads to better employee performance. the climate of industry connections affects organizational performance [2].

The economic conception of performance based on three dimensions, namely productivity, production cost efficiency and profit levels. The work climate is a

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determinant of economic performance [14]. The Industrial connections climate can improve performance at the individual level of employees [9]. The climate of collaborative Industrial connections has a positive impact on profits and sales [8]. A positive Industrial connections climate will lead to a more cooperative relationship between management and employees which in turn leads to various positive related outcomes such as job performance, constructive behavior, and employee and organizational commitment [15].

Hypothesis 3 (H3): IR climate is positively related to organizational performance

3. Methods

3.1.Research Design

The research design is an inferential quantitative by using three hypothesis testing [41]. The questionnaires were distributed by online survey which was conducted in March to June 2022. Brief information about the research and participants willingness to join the research were required before the respondents fill in questionnaires. Without informed consent from the participants, the questionnaires were deleted from the analysis. This research used a seven-point Likert scale (from 1 strongly disagree to 7 strongly agree) for participants to rate their opinions. The questionnaires also asked additional demographic information, such as age, gender, service years, work location, industry, position and size of the company, and number of unions.

3.2. Participants

The participants of this research came from various key stakeholders in industrial connections in Indonesia, namely the owners, directors, commissioners, managers, employees, union leaders, and trade union members from various types of organizations. A number of samples were calculated based on unknown population; therefore minimum sample required was 384 with the population is unknown, the sample size can be derived by computing the minimum sample size required for accuracy in estimating proportions by considering the standard normal deviation set at 95% confidence level (1.96), percentage picking a choice or response (50% = 0.5) and the confidence interval (0.05 = ±5). The formula is:

Where: $\boldsymbol{n = \frac{Z_{\alpha}^{2} * (p * q)}{d^{2}}}$

z = standard normal deviation set at 95% confidence level
p = percentage picking a choice or response
d = confidence interval

This research used convenience sampling and snowball sampling method.

3.3. Quantification

All quantification scales used in this research used a framework from previous studies as reference. There are four latent variables measured. The measurement used was based on previous research (Table 1).

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Table 1. Measurement.

Variables	Indicators	**Reference**
BUSINESS ENVIRONMENT TURBULENCE	Marketing Strategy Buyer Pressure Supplier Pressure Sales Government Regulation Product Rivalry Technology Competition Innovation Strategy	[3]
IR Instruments	The Labor Union and Company Management respect each other's existence. The Labor Union and Company Management hold joint discussions in finding solutions to industrial connections problems in the company. Trade unions and company management involve the local manpower office and the industrial connections court if industrial connections issues cannot be resolved by both parties. Collective Labor Agreement is a guide in the implementation of industrial connections in the company	[30]
IR Climate	Trade Unions and Company Management work together in realizing harmonious industrial connection in the corporation you work for. Negotiations on industrial connections in the company took place in a conducive atmosphere. Collective Labor Agreement is considered good by employees in the company Generally, employees in companies are interested in the quality of the union-management relationship. Employees assume the existence of a union. The Trade Union has strong support from its members. Trade Unions and Management exchange information openly within the Company. Management seeks input from the Labor Union before initiating policy changes in the company. Management and labor unions did not take long to resolve industrial connections disputes that occurred in the company. The settlement of industrial connection disputes in the company does not end with a strike or demonstration	[30]
Organizational Performance	In general, our company is able to earn profit from sales as expected. In general, the company is able to earn revenue as expected. The company's performance can be maintained even better.	[34]

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Variables	Indicators	**Reference**
	The company's sales can be maintained and even increased.	
	The company is able to produce successful innovative products	

3.4. Data Analysis

Collected data were analyzed Structural Equation Model using LISREL version 8.70. A two-step analysis approach was used., which included:

a) estimation model analysis to see the validity, reliability, and Good Fit of Variable

b) structural model analysis to see the predictive value, Good Fit of the model, and significant relationship between variables.

Path coefficient analysis was also used to see the level of impact of a latent variable on its criterion variable.

4. Results

4.1. Demographic

Total returned and eligible questionnaires are 406. All data underwent further analysis. The survey results show male's dominance by 80% or as many as 325 respondents from a total of 406, while the remaining 20% or 81 respondents are female. Of the total 224 companies that took part in the survey, most companies have employees above 1,000 by 48%, companies with employees below 500 as much as 31%, companies with employees from 500 to 1000 as much as 18% and the rest as much as 3%. Of the total companies that took part in the survey, the number of unions in the most dominant companies owned by only one company, namely 49%, while the second largest was a company that had more than one number of unions in the company, namely 36. Only 16% of companies did not have a union. Based on the current position or position, of the total respondents, 42% are dominated by employees, the second place is Manager/Senior Manager/GM by 33%, the next is labor union administrators by 20% and the rest are Directors/CEOs/Commissioners/Company Owners by 5%.

4.2. Analysis

All related indicators have outer loading more than 0.5 and T-value more than 1.96. Therefore, the conclusion is that all measurements are valid. Composite Reliability (CR) and VE for all indicators are >0.7 and >0.5 respectively. Therefore, it can be concluded that all measurements are reliable.

Table 2. Discriminant Validity and Reliability test.

Variable	Loading Indicators	CR	VE
IR Instrument	0.65 – 0.92	0.8854	0.6624
BE Turbulence	0.78 – 0.92	0.9469	0.6944
IR Climates	0.64 – 0.98	0.9406	0.6176
Organizational Performance	0.79 - 0.95	0.9325	0.7353

As for Goodness of Fit of the model: RMSEA is 0.068 below 0.08, GFI is 0.97 (>0.90), CFI is 0.97 (>0.90), and NFI is 0.96 (>0.90). Based on those criteria, the conclusion is that the overall model is fit. From Figure 1, it can be seen than the relationship between both BE Turbulence and IR Instruments to IR climate is positive. The relationship between IR climate to Organizational Performance is also positive.

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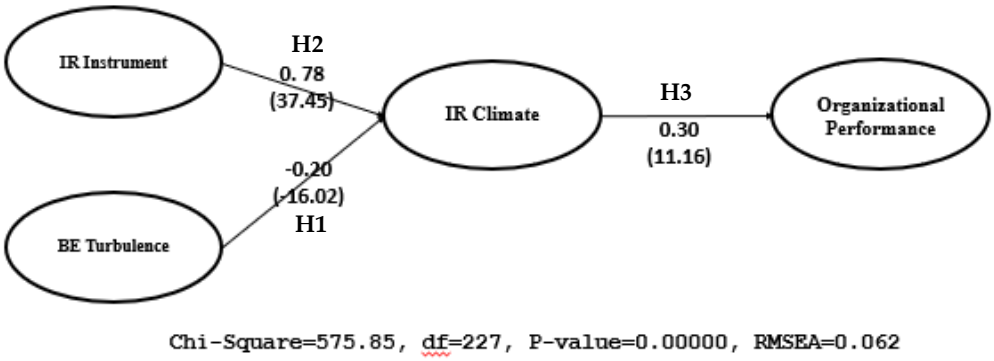

Figure 1. Result Model.

4.3. Hyphothesis

Table 2. Hypothesis Testing.

Hypothesis		Coeff	T-Value	Direction	Conclusion
H1	BE Turbulance → IR Climate	-0.20	-16.02	Negative	H1 is accepted
H2	IR Instrument → IR Climate	0.78	37.45	Positive	H2 is accepted
H3	IR Climate → Organizational Performance	0.30	8.58	Positive	H3 is accepted

4.4. Test of Mediating Effect of Industrial connections Climate

Testing the mediating effect of industrial connections climate variables with Sobel test. The Sobel test is basically a specialized t test that provides a method to determine whether the reduction in the effect of the independent variable, after including the mediator in the model, is a significant reduction and therefore whether the mediation effect is statistically significant. The result of the indirect influence (IE) of 0.20 with t value is 8.47 means that the climate of Industrial connections is able to mediate the influence of Industrial connections Facilities on Organizational Performance The hypothesis wants to statistically justify that the industrial connections climate is able to mediate the effect of industrial connections instruments on organizational performance. The following are the results of the mediation effect test calculation.

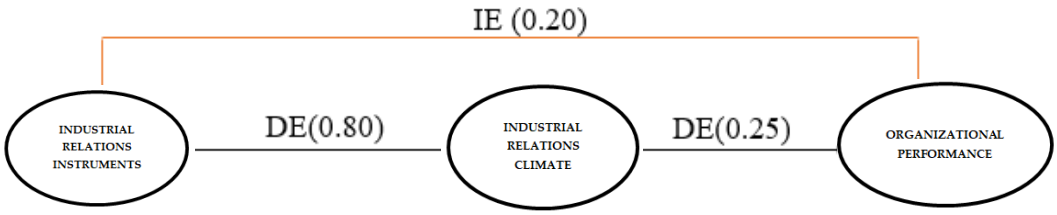

Figure Mediation test of Industrial connections Climate Variable

5. Discussion

The results of the first hypothesis test, namely the direct effect of business environment turbulence on Industrial connections Climate, resulted in a coefficient value of -0.20 with a t-count value of -16.02. The absolute t-count value is greater than t-table alpha 5% of 1.96, so the effect of business environment turbulence is negatively significant on Industrial connections Climate.The higher the level of business environment turbulence, the lower the Industrial connections Climate. These results justify that directly the turbulence of the business environment has a negative effect on the Industrial

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connections Climate, so a damper is needed to be able to overcome the negative effects of turbulence on the Industrial connections Climate. This research shows that business environment turbulence has a positive and significant effect on IR Climate.

The results of the second hypothesis test, namely the direct effect of Industrial connections Instruments on Industrial connections Climate, resulted in a coefficient value of 0.80 with a t-count value of 37.45. The t value is greater than the t-table alpha 5% of 1.96, so the effect of industrial climate is positively significant. **The better the industrial connections instruments, the better the industrial connections climate will be**.

The direct effect of Industrial connections Climate on Organizational Performance produces a coefficient value of 0.25 with a t-count value of 8.58. The t-count value is greater than the t-table alpha 5% of 1.96, so the effect of Industrial connections Climate is Positively Significant on Organizational Performance. **The better the perception of the industrial connections climate, the better it will be able to improve organizational performance.**

The results of the indirect effect (IE) of 0.20 with t value 8.47 means that the industrial connections climate is able to mediate the effect of Industrial connections Instruments on Organizational Performance. The direct effect of Industrial connections Instruments on Industrial connections Climate is stronger than the direct effect of business environment turbulence on Organizational Performance on Industrial connections Climate. This research confirms previous studies that industrial connections climate affects organizational performance. Previous studies have shown that a good industrial connections climate enables harmony in the organization [29]. A good industrial connections climate reduces the number of strikes and conflicts. Therefore, it increases productivity and efficiency [6]. A good industrial connections climate also affects absenteeism, increases commitment, and reduces turnover [29, 6 , 9]. All of which will lead to better organizational performance.

The results of the SEM analysis show that the direct correlation of the Industrial connections Facility on the Industrial connections climate . The coefficient is very strong and the largest, meaning that the means of Industrial connections will determine the climate of Industrial connections. The results of the opinions of experts who are respondents also provide suggestions for the creation of harmonious Industrial connections in Indonesia. The suggestions include:

1) The government should play a greater role in bridging communication between employers and workers and encourage capacity building, such as by organizing workshops, seminars or training, so that employers and workers can better understand how Industrial connections should be addressed;
2) It is necessary to increase the frequency of communication between employers' associations and trade union forums, and at the micro level, increase the intensity of communication between employers and workers in companies;
3) Equitable distribution of information on manpower for all regions in Indonesia;
4) Make Bipartite Cooperation Institutions effective;
5) The culture of negotiation or deliberation must be part of the corporate culture, so that when a dispute occurs in Industrial connections, it does not immediately take litigation.
6) The government, employers and workers need to master the competence on harmonious Industrial connections so as to reduce the occurrence of Industrial connections disputes.
7) Entrepreneurs also need to pay attention to capacity building for the management of Trade Unions in their companies, so that their personal development needs are taken into account. This will further dilute the tension and prejudice between the two parties, so that good communication is formed between the company and the union;
8) Entrepreneurs also need to pay attention to capacity building for units that manage HR, so that they have more control over Industrial connections dispute resolution materials; Clarity and fairness in the minimum wage formulation scheme must continue to be pursued through the establishment of regulations;

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9) Trade unions must also encourage their members to prioritize productivity before claiming their rights;
10) Clarity and fairness in the minimum wage formulation scheme must continue to be pursued through the establishment of regulations.

6. Conclusions

6.1. Strength, Limitation and Future Research Suggestion

This article provides empirical evidence on the importance of Industrial connections climate in achieving organizational performance. The novelty in this research is the establishment of a harmonious Industrial connections model in Indonesia with several supporting factors and strategies to achieve harmonious Industrial connections in Indonesia. The climate of Industrial connections is able to mediate the means of Industrial connections on organizational performance. However, some limitations must be considered. The first limitation of this research is that the research respondents are only from the manufacturing industry, although the respondents have covered all of Indonesia. The limitation of these two studies is that there is only one internal variable & one external variable that is used to measure the Industrial connections climate (only means of Industrial connections and turbulence of the business environment). Suggestions for future research are that research respondents should be expanded from other industries (creative industry, service industry, retail, construction, oil and mining, transportation, telecommunications). Another suggestion is that research variables in measuring the Industrial connections climate can be expanded with organizational culture variables, leadership, compensation and benefits, communication, job satisfaction, labor regulations).

6.2. Conclusions & Recommendations

This study shows that the climate of industrial connection has a positive effect on the turbulence of the business environment and industrial connection instruments. However, industrial connection instruments show a greater impact on the industrial connection climate. This is because the industrial connection instrument is the medium used in the implementation of industrial connections in the organization. This study also confirms that the climate of industrial connections is positively related to organizational performance.

The better the means of Industrial connections, the better the climate for Industrial connections. The better the perception of the Industrial connections climate, the better the organization's performance. The higher the level of turbulence in the business environment, it will be able to reduce organizational performance.

The results of this study can be used as input for Industrial connections practitioners and academics. The research results are expected to enrich the development of management science, especially Industrial connections management and human resource management.

The main actors in Industrial connections should be able to develop a two-way traffic communication model, which prioritizes humanistic communication processes, equality (horizontal), sincerity and partnership, through social dialogue. Not one-way traffic communication that is forced, inhuman, vertical and views each other as opponents which is considered to be detrimental and even dangerous.

Therefore, tools and/or methods are needed to facilitate and expedite communication, so far known as Industrial connections Tolls. This facility is believed to be useful and useful for the smooth and easy process and purpose of Industrial connections.

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