CHAPTER I

INTRODUCTION

1.1 Background

The telecommunications sector plays a critical role in supporting connectivity and economic competitiveness, particularly in emerging markets such as Indonesia (Rohman et al., 2025). Rapid technological advancement transforms service delivery and consumption patterns, while increasing competition forces companies to continuously enhance their operational effectiveness.

Within this industry, PT Indosat Tbk, widely known as Indosat Ooredoo, represents one of the major telecommunications providers in Indonesia. The company was established in 1967 and has undergone several organizational transformations, including privatization and a majority acquisition by the Ooredoo Group (Keberlanjutan, 2025). These transformations indicate the company's efforts to maintain competitiveness in a dynamic market environment.

Prior to the merger, PT Indosat Tbk had developed extensive telecommunications infrastructure, including mobile services, broadband internet, and corporate communication solutions. The company served more than 60 million active mobile subscribers and ranked among the top three telecommunications operators in Indonesia. The company also demonstrated a strong commitment to digital transformation in terms of technological advancement and human capital development (Sharma & Kohli, 2023)

Similarly, PT Hutchison 3 Indonesia (Tri Indonesia), a subsidiary of CK Hutchison Holdings, entered the Indonesian market in 2007 and experienced rapid growth by offering affordable internet services and targeting younger, digitally oriented consumers (Wahyugianto & Aminah, 2025). Prior to the merger, Tri had more than 63.6 million active subscribers and operated an expanding 4G network, primarily in urban and peri-urban areas (Anggita et al., 2023)

The company's competitiveness was supported by its lean operational structure, innovative marketing strategies, and adaptability to changing consumer behavior. However, the company faced structural limitations, particularly in terms of spectrum capacity and operational scale compared to larger telecommunications providers (Chapin & Lehr, 2011)These limitations created the need for strategic expansion and resource optimization.

The complementary strengths and limitations of Indosat and Tri Indonesia provided a basis for strategic consolidation, resulting in the merger that formed PT Indosat Ooredoo Hutchison Tbk in 2022. The merger aimed to enhance market competitiveness, improve service quality, and accelerate digital transformation initiatives, including the development of 5G technology. In addition, the merger represented a significant organizational transition, particularly in the management of human resources.

The merger was driven by several strategic considerations. Both companies sought to strengthen their market position by integrating subscriber bases, telecommunications infrastructure, and complementary operational capabilities (Seyi-Lande et al., 2024). Furthermore, the consolidation addressed increasing technological demands, particularly in response to the global shift toward high-speed data services, cloud-based systems, and Internet of Things (IoT) technologies. A unified organizational structure enabled more efficient utilization of bandwidth, spectrum, and base transceiver stations (BTS), thereby reducing capital expenditure and supporting reinvestment in digital infrastructure (Garza et al., 2020)

Another key driver of the merger was the need to reduce operational redundancies and improve internal efficiency(Garza et al., 2020). Prior to the merger, Indosat and Tri maintained parallel organizational structures, systems, and support functions, many of which overlapped in their roles. Such duplication was considered inefficient and unsustainable from an operational perspective (Keberlanjutan, 2025)

Prior to the merger integration process, employees at Indosat Ooredoo Hutchison (IOH) experienced considerable uncertainty regarding the organizational changes. A pre-merger survey showed that 45.4% of employees were concerned about their employment status, while 49.4% expressed concerns about the post-merger organizational structure (Yap, 2026). Furthermore, the company implemented a 15% workforce reduction during the first year after the merger as part of its restructuring process (Yap, 2026). These findings indicate that the post-merger process created significant human resource challenges, highlighting the importance of effective HR Integration, Organizational Commitment, and Selection Effectiveness.

Consequently, post-merger integration required human resource optimization to support effective organizational restructuring. This process included role rationalization and employee alignment with the strategic objectives and organizational values of the newly formed entity. Such alignment supports organizational effectiveness and reduces inefficiencies during the integration process.

Despite the strategic objectives of the merger, the integration process creates significant challenges in human resource management, particularly in aligning employees from different organizational cultures and managing workforce expectations. Employees experience uncertainty following mergers and acquisitions, as these processes create “employee anxiety” and concerns related to “job insecurity” (Jerab & Mabrouk, 2023). Such conditions indicate potential risks in the post-merger integration process, as employee uncertainty may hinder effective organizational alignment and reduce the overall effectiveness of human resource management.

Post-merger workforce integration requires structured human resource policies to maintain organizational stability and minimize operational disruption. IOH implements a no-immediate-layoff policy during the initial six-month integration period by retaining 100% of employees prior to structured performance evaluations to determine long-term retention outcomes. IOH prioritizes clear and compassionate communication during the integration process. Regular internal memos, town hall meetings, and direct consultations were conducted to ensure that employees understood not just the mechanics of the selection process, but also the rationale behind it (Kjaerbeck & Lundholdt, 2022).

Management demonstrated transparency to reduce speculation, manage anxiety, and maintain trust between leaders and employees. Additionally, comprehensive offboarding packages supported non-selected employees, which included severance exceeding legal standards, access to career counseling, job placement assistance, and emotional support services. Ultimately, the company approach marked a departure from traditional post merger workforce reductions that often rely on abrupt layoffs or cost cutting measures (Krishnan et al., 2007)

IOH adopted a people-centered strategy that recognized the emotional and professional realities of organizational change during the Indosat-Tri merger. The organization valued employees not merely as resources but as individuals possessing aspirations, talents, and dignity, thereby establishing a precedent for responsible merger execution within Indonesia's corporate landscape. This study examines this model comprehensively, analyzing how job satisfaction (X1) and HR integration (X2) influence organizational commitment (Z) and ultimately selection effectiveness (Y) among IOH employees.

The research evaluates the effectiveness of this approach in achieving organizational efficiency alongside enhanced employee job satisfaction, HR system integration, organizational commitment, and selection model effectiveness. These findings contribute both theoretical advancements to academic literature and practical frameworks for human resource management during large-scale corporate mergers.

While global literature extensively documents employee selection processes in post-merger contexts, research specifically examining these dynamics within Indonesia's corporate environment remains limited. This research gap proves particularly significant given the pronounced cultural, structural, and operational differences distinguishing Indonesian firms from their international counterparts. Certain researchers contend that successful post-merger employee integration hinges upon selection strategies that mirror local organizational norms. For instance, recent findings from a study on Indonesia's Islamic banking merger demonstrate that employee performance responds strongly to leadership approach, organizational culture, and change management execution during integration (Kurniawan, 2023). This perspective underscores that universal models prove inadequate, requiring HR practices to adapt specifically to each merger's unique social and cultural context.

Other scholars advocate a standardized, data-driven approach. Proponents of analytics-based HR assert that advanced tools such as predictive algorithms and psychometric assessments streamline talent selection irrespective of geographic or cultural contexts(Prima et al., 2024). They maintain that AI driven hiring decisions minimize bias, enhance accuracy, and enable objective decision-making across diverse organizational settings. This perspective prioritizes technological consistency, positing that universal analytical frameworks yield reliable outcomes regardless of local organizational variations.

This disparity highlights a significant research void. While earlier investigations have focused on post-merger integration and its impact on employee performance, there is a scarcity of empirical studies that specifically explore the connections among job satisfaction, HR integration processes, organizational commitment, and selection effectiveness in the context of Indonesian corporations. The objective of this study is to address this gap by analyzing the interactions of these crucial factors in the aftermath of the Indosat-Tri merger, with the aim of improving employee selection results at IOH.

This research aims to investigate whether structured, data-driven methodologies need to be adapted to fit the distinctive corporate culture of Indonesia, or if universal models can be implemented without modification. Considering the strategic importance of the merger and the complexities involved in workforce integration, it is essential to empirically assess whether performance-based employee selection contributes to organizational alignment and long-term sustainability. The study intends to offer evidence-based insights into post-merger human resource restructuring within the Indonesian corporate landscape, with a specific focus on analyzing how person-organization fit influences the effectiveness of selection processes.

1.2 Research Problem

The organizational merger of PT Indosat and PT Hutchison 3 Indonesia brought to the forefront the need for a deliberate and well-structured selection framework to consolidate talent. This necessity leads to the following fundamental inquiries:

1. To what extent does Job Satisfaction influence Selection Effectiveness among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?
2. To what extent does HR Integration influence Selection Effectiveness among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?

3. To what extent does Job Satisfaction influence Organizational Commitment among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?
4. To what extent does HR Integration influence Organizational Commitment among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?
5. To what extent does Organizational Commitment influence Selection Effectiveness among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?
6. To what extent does Organizational Commitment mediate the relationship between Job Satisfaction and Selection Effectiveness among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?
7. To what extent does Organizational Commitment mediate the relationship between HR Integration and Selection Effectiveness among operational employees following the merger of Indosat Ooredoo and Tri Indonesia?

1.3 Research Purposes

1.3.1 General Purposes

The purpose of this study is to evaluate the performance-based employee selection framework implemented by PT Indosat Ooredoo Hutchison Tbk after the merger, particularly during the six-month review phase, and to investigate its impact on team cohesion and organizational integration.

1.3.2 Specific Purposes

This study aims to:

1. To examine the effect of Job Satisfaction on Selection Effectiveness.
2. To examine the effect of HR Integration on Selection Effectiveness.
3. To examine the effect of Job Satisfaction on Organizational Commitment.
4. To examine the effect of HR Integration on Organizational Commitment.
5. To examine the effect of Organizational Commitment on Selection Effectiveness.
6. To examine the mediating role of Organizational Commitment in the relationship between Job Satisfaction and Selection Effectiveness.
7. To examine the mediating role of Organizational Commitment in the relationship between HR Integration and Selection Effectiveness.

1.4 Research Benefit

1.4.1 Academic Benefit

This study contributes to the academic field by addressing a specific gap in the literature concerning employee selection models during corporate mergers, particularly in the Indonesian context. While prior research often centers around financial performance, synergy, or structural integration, very few studies explore how employee selection is strategically planned and implemented post-merger. By focusing on a real-world case PT Indosat Ooredoo Hutchison this research offers new empirical insights and helps advance academic discussions on human resource practices in transitional corporate environments.

1.4.2 Benefit to Organization

This research offers practical insights for human resource professionals, organizational leaders, and decision-makers engaged in the restructuring process following a merger. It outlines how a transparent, merit-based, and culturally sensitive selection model can be designed and applied to support smoother integration, reduce uncertainty among employees, and build trust during organizational change. The insights drawn from this case may serve as a reference or benchmark for other companies navigating similar mergers or consolidations.

1.5 Theoretical Framework

1.5.1 Job Satisfaction

The Affective Events Theory (AET) explains that job satisfaction is influenced by employees' emotional reactions to events that occur in the workplace. Employees experience various daily events, such as interactions with supervisors, relationships with coworkers, workload, and organizational practices, which trigger positive or negative emotions. Positive events, such as recognition and support, tend to generate positive feelings that increase job satisfaction, while negative events, such as conflict and excessive workload, lead to negative emotions that reduce job satisfaction.

Furthermore, AET suggests that job satisfaction develops over time as a result of accumulated emotional experiences rather than being a fixed condition. This indicates that employees continuously evaluate their level of satisfaction based on their ongoing workplace experiences. Therefore, job satisfaction is considered a dynamic construct that is shaped by how employees perceive and emotionally respond to workplace events (Weiss & Cropanzano, 1996).

1.5.2 HR Integration

The integration of Human Resources (HR) pertains to the synchronization of human resource management practices with the overarching organizational strategy. This concept underscores the necessity for HR functions to operate in conjunction with, rather than independently from, the strategic objectives of the organization(Schuler & Jackson, 1987). organizational effectiveness can be improved when HR practices are aligned with competitive strategies. Different strategies, such as innovation, quality enhancement, and cost reduction, require different employee behaviors, which can be achieved through appropriate HR practices.

Furthermore, HR integration requires consistency among HR functions, including staffing, training, performance appraisal, and compensation. When these practices are aligned internally and with organizational strategy, they can effectively support desired employee behavior and improve organizational performance.Therefore, HR integration can be understood as the extent to which HR practices are aligned with organizational strategy and function as a consistent system to achieve organizational goals. The measurement of HR integration can be reflected through the following indicators:

1. Planning Alignment
2. Staffing Unification
3. Appraisal Standardization
4. Compensation Parity
5. Training Integration

1.5.3 Organizational Commitment

The theory of organizational commitment elucidates the psychological bond that employees form with their organization, which subsequently affects their choice to continue as members of that organization. Organizational commitment is defined as a multidimensional construct that reflects the relationship between employees and their organization, as well as their willingness to continue their membership (Meyer & Allen, 1991). The theory proposes that commitment is not a single concept but consists of three distinct components: affective commitment, continuance commitment, and normative commitment.

Affective commitment refers to the emotional connection an employee feels towards the organization, marked by a sense of identification and active involvement. Employees who demonstrate elevated levels of affective commitment opt to stay with the organization out of genuine desire. Conversely, continuance commitment is driven by the perceived costs associated with leaving, suggesting that employees remain primarily out of necessity. In contrast, normative commitment reflects a sense of obligation to stay with the organization, where employees feel they ought to remain for moral or ethical reasons. Overall, organizational commitment theory provides a comprehensive framework for understanding why employees remain in an organization by highlighting emotional, economic, and moral dimensions of commitment. These components collectively explain how different forms of attachment can influence employee attitudes and behaviors within the organization (Meyer & Allen, 1991).

1.5.4 Effectiveness of Selection Model

Selection effectiveness refers to the ability of a selection system to accurately identify and hire candidates who are likely to perform well in their future job roles. This concept is closely related to *predictive validity*, which reflects how well selection methods can predict job performance outcomes. According to Schmidt & Hunter, 1998, the effectiveness of selection methods is determined by their validity in predicting job performance. Their meta-analysis of 85 years of research shows that selection methods vary in validity, and methods with higher validity lead to more accurate hiring decisions (Schmidt & Hunter, 1998).

Furthermore, combining multiple selection methods, such as cognitive ability tests and structured interviews, can significantly improve predictive accuracy compared to using a single method. In addition, the concept of *utility* highlights that effective selection systems provide economic value to organizations through improved employee performance and productivity (Schmidt & Hunter, 1998). Therefore, selection effectiveness can be understood as the extent to which selection methods are valid, integrated, and capable of generating positive organizational outcomes.

1.6 Previous Research

Table 1.1 Previous Research Table

Author & Year	Research Type	Results
Adhitya Anugrah Laksana et al. (2023)	Study on Recruitment and Selection Management at PT Gema Kreasi Perdana	Recruitment and selection management has positive effect on organizational commitment
Agtovia Frimayasa , Suparman Hi Lawu (2020)	Analysis of Organizational Commitment and Human Capital at PT Frisian Flag	Organizational commitment has positive effect on employee performance
N. Wahana et al. (2024)	Impact Analysis of IOH Company Merger	IOH merger has negative effect on job satisfaction
Hokor S. et al. (2024)	Job Satisfaction Analysis at Telkom Akses	Job satisfaction has positive effect on employee performance
Shauni R. (2023)	Selection Process Evaluation at IOH	Post-merger chaos has negative effect on selection

	Post-Merger	effectiveness.
Patmawati Hasan, Yuyun Purnama Sari, & Emy Lenora Tatuhey (2024).	Employee Selection Using the Analytical Hierarchy Process Method at PT Telkom Akses	Subjective bias has negative effect on selection quality.
Tukuboya, F., Ibrahim, M. B. H., & Irawan, A. (2024).	HR Management During Mergers and Acquisitions	HR integration has positive effect on merger success.
PwC Indonesia Research Team (2025)	M&A Integration Strategies in Indonesia	HR integration priorities have positive effect on organizational clarity.

According to previous research, most literature focuses on post-merger integration, employee skills, or alignment between individuals and organizations separately. However, there is a lack of empirical research that combines these elements into an integrated model to assess the success of employee selection frameworks after mergers. In addition, previous studies rarely examine the mediating function of individual organization fit in explaining how skills and HR integration improve selection success, especially in the Indonesian business context. Therefore, the purpose of this study is to address these shortcomings by proposing a mediation framework that empirically analyzes the relationship between employee skills, HR integration, individual organization fit, and the effectiveness of employee selection methods in a post-merger environment.

1.7 Hypothesis

1. **H1** : Job satisfaction has positive effect on organizational commitment.
2. **H2** : Organizational commitment has positive effect on selection effectiveness.
3. **H3** : Job satisfaction has positive effect on selection effectiveness.
4. **H4** : HR Integration has positive effect on organizational commitment.
5. **H5** : HR integration has positive effect on selection effectiveness.
6. **H6** : Organizational commitment mediates job satisfaction → selection effectiveness.
7. **H7** : Organizational commitment mediates HR Integration → selection effectiveness.

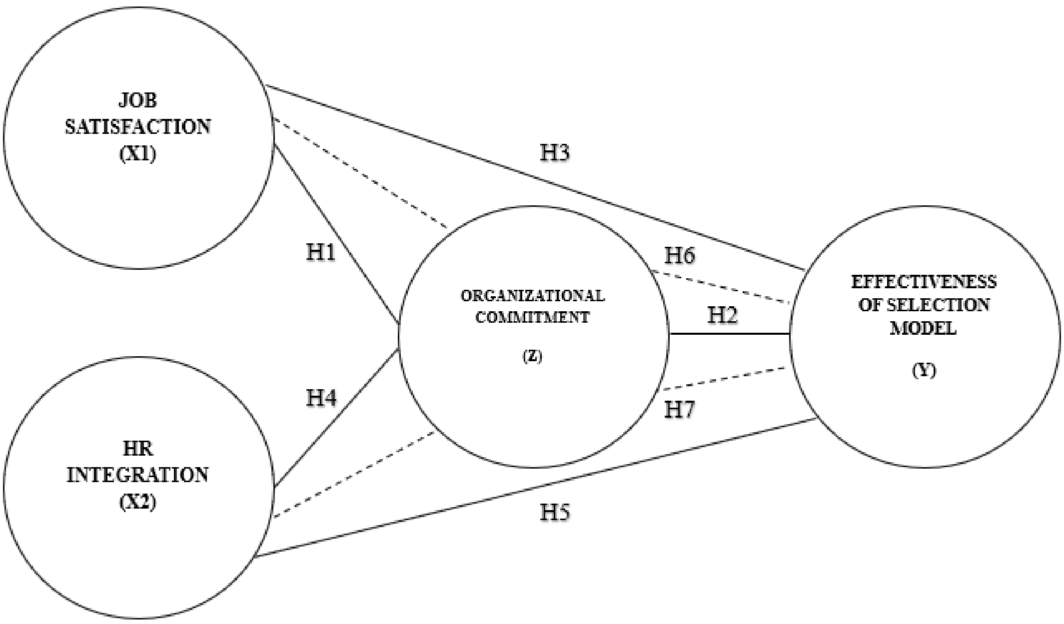

Figure 1.1 Hypothesis Model

Figure 1.1 proposes that job satisfaction and HR integration influence organizational commitment, which subsequently affects the effectiveness of the selection model. Job satisfaction reflects employees' positive evaluation of their work, which can strengthen their attachment to the organization. Likewise, effective HR integration ensures alignment of HR practices, creating a supportive work environment that enhances employees' commitment.

Organizational commitment serves as a mediating factor that elucidates the relationship between job satisfaction and HR integration in relation to organizational outcomes. Employees exhibiting greater commitment tend to endorse organizational processes, such as recruitment and selection efforts, which enhances the efficacy of the selection model.

1.8 Conceptual Definition

This study involves four main variables: Job Satisfaction (X1), Organizational Commitment (Z), HR integration (X3), and The effectiveness of the employee selection model (Y). The conceptual definitions for each variable are constructed based on the theoretical framework presented earlier.

Table 1.2 Previous Research Table

Variable	Definition	Source
Job Satisfaction	Is the affective reactions triggered by specific workplace events that influence employees' overall evaluation of their job, where positive events (uplifts) create positive emotions leading to satisfaction, while negative events (hassles) create dissatisfaction (Weiss & Cropanzano, 1996 Affective Events Theory). In IOH post-merger, work events like policy changes and role uncertainty affect satisfaction levels.	Weiss & Cropanzano, Affective Events Theory, 1996

HR Integration	Is the systematic harmonization of six core HRM functions (planning, staffing, appraisal, compensation, training, labor relations) between merging organizations to achieve operational synergy and competitive advantage (Schuler & Jackson, 1987). At IOH, this involves unifying Indosat-Tri HR systems during the 6-month performance review.	Schuler & Jackson, Linking Competitive Strategies with HRM Practices, 1987
Organizational Commitment	Is a psychological state comprising three distinct components: affective commitment (emotional attachment), continuance commitment (perceived costs of leaving), and normative commitment (sense of obligation) to the organization (Meyer & Allen, 1991 Three-Component Model). Post-merger IOH measures employees' attachment to the new organizational identity.	Meyer & Allen, Three-Component Conceptualization, 1991
Effectiveness of Selection Model	Refers to the net utility gain achieved when structured selection methods produce higher predictive validity coefficients (>0.51) compared to random hiring, measured through performance outcomes, retention rates, and organizational fit achievement (Schmidt & Hunter, 1998).	Schmidt & Hunter, Validity and Utility of Selection Methods, 1998

1.9 Operational Definition

Operationalization is the process of translating abstract concepts into specific, measurable indicators that allow empirical assessment (Lewis-Beck et al., 2012)In this section, each research variable is broken down into measurable dimensions, indicators, and items that serve as the basis for constructing the research instrument (questionnaire).

Table 1.3 Operational Definition Table

Variable	Indicators	Measurement
Job Satisfaction (X1)	Pay Satisfaction Promotion Satisfaction Supervision Satisfaction Coworker Satisfaction Work Itself Satisfaction	**1.** Pay and Compensation Satisfaction. **2.** Career Development Opportunities **3.** Supervisor Support **4.** Coworker Relationship **5.** Work Environment **6.** Interesting Work **7.** Meaningful Work **8.** Overall Job Satisfaction
HR Integration (X2)	Planning Alignment Staffing Unification Appraisal Standardization Compensation Parity Training Integration	**1.** HR System Clarity **2.** Fair Employee Placement **3.** Equal Employee Treatment **4.** Performance Appraisal Standardization **5.** Understanding of Performance Evaluation **6.** Compensation Equality **7.** Training for Adaptation **8.** HR Policy Communication
Organizational Commitment (Z)	Affective Commitment Continuance Commitment Normative Commitment	**1.** Organizational Pride **2.** Emotional Attachment **3.** Desire to Remain **4.** Perceived Cost of Leaving **5.** Sense of Obligation **6.** Employee Loyalty
Selection Effectiveness (Y)	Predictive Validity Cost Efficiency Retention Success Performance Quality Organizational Fit	**1.** Appropriate Selection Process **2.** Employee Performance **3.** Selection–Job Fit **4.** Employee Retention **5.** Low Employee Turnover **6.** Employee Quality **7.** Person–Organization Fit **8.** Employee Adaptability

1.10 Research Methodology

1.10.1 Type of Research

This study adopts a quantitative approach, aimed at testing the relationship between variables using numerical data. Quantitative research is commonly used to measure, compare, and explain causal relationships among variables through statistical tools (Sugiyono, 2018). This study examines the relationship between Organizational Commitment, HR integration, Job Satisfaction, and the effectiveness of the post-merger employee selection model.

1.10.2 Population and Sample

1.10.2.1 Population

The population in this study consists of the current employees of the merged entity Indosat Ooredoo Hutchison, which employed a total of 4,121 employees. This includes individuals who were involved in or affected by the employee selection and transition process after the merger, as their perspectives are considered essential to assess the effectiveness of the selection model implemented during and after the integration. A total of 100 employees participated as respondents in this study, representing approximately 2.43% of the company's total workforce.

1.10.2.2 Sample

The participants in this study were selected using a non-probability sampling technique, specifically purposive sampling.

Respondents were chosen based on predetermined criteria, namely current employees of Indosat Ooredoo Hutchison who had experienced both the post-merger integration and the employee selection process. This sampling approach ensured that all participants possessed relevant knowledge and firsthand experience related to the research topic. The study involved 100 respondents who met the predetermined criteria and were selected using purposive sampling.

1.10.3 Sampling Technique

The sampling technique used in this study is non-probability sampling, specifically purposive sampling. This technique was chosen because respondents were selected based on predetermined criteria relevant to the research objectives. The respondents consisted of current employees of Indosat Ooredoo Hutchison who had experienced the post-merger integration process and the employee selection process.

1.10.4 Data Types and Sources

1.10.4.1 Type of Data

The data used in this research is quantitative, expressed numerically and measurable through closed-ended survey instruments (Likert scale).

1.10.4.2 Source of Data

Primary data is obtained directly from respondents via structured questionnaires, while secondary data is gathered from organizational reports, publications, and relevant previous studies.

1.10.5 Measurement Scale

The measurement scale consists of a set of guidelines that are crucial for producing quantitative data by evaluating a variable. In this study, the Likert Scale is employed to assess the attitudes, opinions, and perceptions of individuals or groups concerning social phenomena. When applying the Likert scale, the variables to be measured are expressed as indicators of the variable. These indicators then serve as the foundation for creating instrument items, which can be formulated as statements or questions.

Responses to each item on the instrument employing the Likert scale exhibit a range from very positive to very negative, which can be expressed using alternative terminology:

1. Strongly Agree
2. Agree
3. Neither Agree or Disagree
4. Disagree
5. Strongly Disagree

1.10.6 Data Collection Technique

1.10.6.1 Questionare

Sugiyono, 2018 explains the questionnaire as a method of collecting data by providing a series of open and closed questions to the informant to be answered. This method of collecting data using a questionnaire is considered an efficient way in a study. The research technique using a questionnaire to collect data has procedures such as:

1. Respondents who have met the criteria are given a questionnaire consisting 30 questions.
2. Respondents fill in the answers without any coercion and pressure on the list of questions in the questionnaire.
3. After all the questionnaires given to the respondents have been answered, then the data is processed, analyzed, and conclusions are drawn.

1.10.7 Data Processing Technique

This study follows Ghozali (2018) data processing procedures using SMART PLS to clean, transform, and analyze questionnaire responses from Indosat-Tri merger employees. Processing ensures data quality before validity, reliability, and regression tests for job satisfaction (X1), HR integration (X2), commitment (Z), and selection effectiveness (Y).

Processing Steps :

1. **Data Entry:** Input the questionnaire responses into Microsoft Excel using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), then import the dataset into SmartPLS.
2. **Data Screening:** Check for missing values, duplicate responses, and coding errors. Respondents with substantial missing data may be excluded, while minor missing values may be replaced using mean substitution if appropriate.
3. **Coding Verification:** Recode reverse-worded items, if any, and ensure that all indicators are coded consistently before analysis.
4. **Measurement Model Assessment:** Evaluate indicator reliability, internal consistency reliability (Cronbach's Alpha, Composite Reliability), convergent validity (Average Variance Extracted).
5. **Structural Model Assessment:** Assess collinearity (VIF), coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2, if applicable), and test the structural relationships using the bootstrapping procedure (TomassMHultt, 2021)

1.10.8 Data Analysis Technique

This study uses SMART PLS for data analysis, following Ghozali (2018) recommendations for multivariate analysis in quantitative research. SPSS handles descriptive statistics, validity, reliability testing, and regression for testing relationships between job satisfaction (X1), HR integration (X2), organizational commitment (Z), and selection effectiveness (Y) in the Indosat-Tri merger context.

1.10.8.1 Validity Test

Validity testing is conducted to determine the extent to which a questionnaire is capable of accurately measuring the intended construct. Validity testing is used to evaluate whether an instrument is appropriate for measuring the variables being studied (Sugiyono, 2018).In conventional statistical analysis, validity testing is commonly performed by examining the correlation between each indicator and the total construct score through the comparison of r count and r table values. An indicator is considered valid if the r count value is greater than the r table value and shows a positive correlation.

In this study, validity testing was performed utilizing the SmartPLS software, focusing on the assessment of the outer loading values for each indicator. Indicators are deemed valid when their outer loading values exceed 0.70, signifying that these indicators effectively represent the constructs and are appropriate for subsequent analysis.

- **Convergent Validity**

  Convergent validity will be assessed through the use of Average Variance Extracted (AVE). An AVE value exceeding

0.50 suggests that a construct accounts for more than fifty percent of the variance in its indicators.

1.10.8.2 Reliability Test

Cronbach's Alpha (α) and Composite Reliability (CR) will be used to assess the constructs' internal consistency reliability. When the indicators consistently measure the intended construct and the Cronbach's Alpha and Composite Reliability values are greater than 0.70, the construct is deemed reliable.

Cronbach's Alpha is calculated as:

Where:

$$\alpha = \frac{\kappa}{\kappa - 1}\left(1 - \frac{\Sigma\sigma_i^2}{\sigma_t^2}\right)$$

k = number of indicators

σ_i^2 = variance of each indicator

σ_t^2 = total variance

Composite Reliability (CR) is calculated as:

$$CR = \frac{(\Sigma\lambda_i)^2}{(\Sigma\lambda_i)^2 + \Sigma Var(\varepsilon_i)}$$

λ_i represents the standardized outer loading of each indicator, while $Var(\varepsilon_i)$ refers to the indicator error variance, calculated as $(1 - \lambda_i^2)$. Composite Reliability (CR) is considered more appropriate in PLS-SEM because it takes into account the varying outer loading values of the indicators.