

The Impact of Communication and Trust in Leadership on Workers' Compensation: A Case Study of Suka Ramai Coffee Shop in Tanjung Pinang City

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ABSTRACT

Human resources play a crucial role in every company and managing them effectively is essential for creating a positive work environment. Human Capital Management (HCM) emphasizes the value of employees as assets that need to be professionally and sustainably managed. Proper management of employees can lead to significant benefits, including the ability to execute business strategies, create future opportunities, and enhance overall company competitiveness. This study examines the role of trust in leadership and communication in employee compensation. It adopts a descriptive qualitative approach, utilizing interview data and observations. The findings highlight the significance of trust in leaders for effective communication, which contributes to building trust among employees. When trust between leaders and employees is established, leaders can transparently provide fair compensation, which enhances employee motivation, performance, and loyalty to the company. The study underscores the importance of trust and communication in ensuring equitable compensation for employees.

Keywords: *Human Capital Management; Communication; Trust in Leadership; Employee Compensation; Employee Satisfaction*

INTRODUCTION

Nowadays, the perspective on employees has shifted from seeing them as easily exploitable machines to valuing them as valuable assets that need to be professionally and sustainably managed (Sampe, Kurnady, & Supendi, 2023; Kusumajati, 2014). This approach, known as Human Capital Management (HCM), recognizes that employees contribute significantly to the company's sustainability. When organizations are managed effectively, employees can execute business strategies according to company expectations and unlock their full potential, leading to future opportunities. Therefore, this encourages creative behavior among employees. (Javed et al. 2018, Situmorang, 2012).

Chikan et al (2022) In order to enhance the company's competitiveness, it is crucial for leaders to foster and maintain employee trust. This, in turn, ensures employee satisfaction, commitment, and loyalty, resulting in increased productivity (Sampe, Kurnady, & Supendi, 2023). As stated by White in Imam (2010), prioritizing employee happiness is the key to achieving customer satisfaction. Research by Van Voorhis (2022) suggests that CEOs should not solely focus on economic growth but also prioritize building trust among the public. This can be achieved by providing accurate information, training employees, and supporting local communities.

According to a study published in the Harvard Business Review by Frei & Morris (2020), trust is one of the most valuable forms of capital a leader possesses. Building trust, however, requires a shift in leadership perspective.

Instead of focusing solely on personal vision, strategy, and abilities, effective leadership is about empowering others and ensuring that the impact of leadership continues even in the leader's absence. In conclusion, adopting the HCM approach and prioritizing trust-building in leadership can lead to a more engaged and productive workforce, ultimately enhancing the company's competitiveness and sustainability. Eluwole, Karatepe & Avci (2022) In a high-trust organization, employees feel empowered to take risks, express their ideas freely, and innovate. Trust creates an environment where collaboration and productive communication thrive, making tasks easier to accomplish and leading to more successful outcomes.

According to a study published in the Harvard Business Review by Zack (2017), individuals in highly trusting companies experience numerous benefits. They report 74% less stress, 106% more energy at work, 50% higher productivity, 13% fewer sick days, 76% more engagement, 29% more satisfaction with their lives, and 40% less burnout compared to those in low-trust companies. In contrast, organizations with low trust often breed office politics and internal conflicts. In such environments, employees are more likely to withhold information, work slower, and be less effective.

Communication is an essential aspect of human life that is indispensable. Without communication, interactions between individuals, groups, and organizations would be impossible. It is a process that evolves from impersonal to interpersonal, and effective communication involves receiving, transmitting, and following up on information. Communication serves as a bridge connecting one person to another (Ivancevich, 2007).

Joo, Yoon & Galbraith (2022) Therefore, fostering a culture of high trust and promoting effective communication are crucial for organizational success. Leadership plays a key role in establishing and maintaining trust within the organization, creating an environment where open communication is encouraged and valued. By prioritizing trust and effective communication, organizations can enhance employee satisfaction, engagement, productivity, and overall well-being.

In terms of compensation, Suka Ramai Coffee Shop follows a performance-based approach, utilizing performance appraisals and numerical standards to determine non-salary rewards. The organization recognizes that compensating employees based on their performance and assigned tasks can motivate and enhance their performance (Hasibuan, 2008). One of the primary forms of compensation at the coffee shop is the salary that employees receive on a routine basis.

It is important to note that the minimum wage in Tanjung Pinang is determined by the Riau Provincial Government. Through the Riau Provincial Government Decree Number: Kpts 1783/XII/2022 dated December 7, 2022 concerning the Minimum Wage for City Districts in Riau for 2023 stipulates the 2023 provincial minimum wage (UMP) of IDR 3,191,662. This amount has increased by 8.61% from the 2022 UMP of IDR 2,938,564. Riau UMP in 2023 is ranked 12th nationally. On the other hand, this year's UMP Riau is ranked fifth on the island of Sumatra (Riau.go.id, 2022).

Yellen (2022) These minimum wage standards serve as a baseline for employee compensation at Suka Ramai Coffee Shop, ensuring that employees are remunerated in accordance with the government regulations. Zaman & Ali (2023) The coffee shop may also offer additional benefits or rewards to recognize exceptional performance and incentivize employee engagement and loyalty.

Suka Ramai Coffee Shop, established in 1942, is directly managed by its owner, who oversees all daily operations. The owner strongly believes in the power of effective communication with subordinates and co-workers, recognizing its potential to enhance the quality of work and foster a sense of unity among employees (Avelina & Angeline, 2014). Through open and transparent communication, the owner aims to create a supportive work environment where challenges can be overcome collaboratively (Wakjira, 2022).

The coffee shop places a strong emphasis on communication and interaction between employees and customers. By cultivating a friendly and welcoming atmosphere, the staff ensures positive experiences for visitors, which subsequently contributes to the shop's reputation and generates recommendations to potential customers.

Gul et al., 2021 in Zou, Gul, & Tufail (2022) These circumstances have prompted the owner to conduct further research to analyze the role of communication and trust in leaders regarding employee compensation at Suka Ramai Coffee Shop in Tanjung Pinang City. The goal is to understand how effective communication and trust-building initiatives can contribute to employee satisfaction, performance, and overall compensation in the workplace.

The proposed research study titled "The Impact of Communication and Trust in Leadership on Workers' Compensation: A Case Study of Suka Ramai Coffee Shop in Tanjung Pinang City" aims to investigate the influence

of communication and trust in leaders on employee compensation at the coffee shop. The study will focus on the leadership aspect of the Suka Ramai Coffee Shop in Tanjung Pinang City, considering the number of employees working at the establishment. The research objectives of the study are as follows: 1) To examine the perception of employees regarding trust in leaders and the impact of communication on employee compensation; 2) To analyze the relationship between trust in leaders and employee compensation, considering the role of communication; 3) To observe and understand the role of trust in leaders as perceived by employees, along with the influence of communication on employee compensation. The scope of the study will be limited to the leadership practices and communication strategies implemented within the Suka Ramai Coffee Shop. The research will primarily focus on the perceptions and experiences of employees in relation to trust in their leaders and the role of communication in determining their compensation. The study will utilize qualitative research methods, such as interviews, and observations, to gather relevant data.

Deddy in Martoredjo (2014) said that humans are always in contact with other creatures as social beings. They manifest this relationship between forms of communication, both direct and indirect. This communication occurs not in a social vacuum, but in a particular context or situation. In a broad sense, context means all the factors involved in communication—for example, matters relating to internal factors, namely psychological aspects, attitudes, and emotions. It is related to the external aspects of the environment, such as place, weather, equipment, and time and socio-cultural matters, such as values, norms, and customs.

The most common indicator for classifying communications by context or level is the number of participants involved in the communication. From this classification can be obtained forms of intrapersonal communication, interpersonal communication, group communication, public communication, organizational communication, and mass communication (Martoredjo, 2014).

Communication is a process in which a series of actions occur sequentially and are interrelated within a certain period (Sendjaja, 2014). The communication process will not occur if the component is neglected, the message will not be created without the sender, the response will not exist without the message, there will be no feedback if there is no recipient, and there will be no recipient without a sender (Canggara, 2006).

The elements in a communication process determine the quality of communication; if an error occurs, it can reduce the effectiveness of information (Keyton, 2011). Senders convey their ideas to recipients by choosing words, symbols, or gestures that can be shown to convey messages; messages can be verbal or nonverbal. They send the message through the media or channel, which is the channel of communication. Media can be face-to-face conversations, telephone calls, electronic mail or e-mail, or written reports; the communicant receives the information as something meaningful.

In the stage of processing messages into information, environmental barriers can be a reason for the communication process to be ineffective, for example, different perceptions of messages, language barriers, and emotional disturbances. David K. Berlo in Indardi (2016) revealed that communication elements comprise 4 things: sources, messages, channels, and recipients. The channel in question refers to the senses of the recipient of the message. In the end, the element of communication is growing in various terms. Joseph R. Dominick mentions eight elements of communication: source, encoding process, message, channel, decoding process, receiver, potential feedback, and the possibility of interference. If the recipient has received the message, feedback will occur. Feedback occurs when the receiver responds to the message and returns the message to the sender. Feedback lets the sender determine whether the message has been received and understood (Certo, 1992).

Trust means a two-way relationship when people, leaders, and subordinates will do what they reasonably expected of each other without 'micromanagement' or too much scrutiny by any party of the other. When high levels of trust are in place, people 'do the right thing' in the workplace, delivering on their commitments reliably. Since it is an impossible and certainly not good managerial practice to watch over every move made by employees, trust is a necessary ingredient of a high-performance workplace. With trust, it is a mutual thing! Effective leaders trust their staff, and effective staff trusts their leaders (Argus & Samson, 2021). Leadership is the ability to influence, motivate, and enable others to contribute to the effectiveness and success of the organizations they are members of (Meshane & Glinow, 2005). Kartono in Suwatno & Priansa (2011) says that leadership is the ability to give constructive influence on others to achieve the planned goals. Leaders can build knowledge and monitor the quality of the work of team members and start new approaches to team tasks, show concern for the team and achieve quality output excellence; this is a way to signify the competence of their leaders to be trustworthy and competent in their work. When the organization's leadership is trusted by its employees, it will benefit the organization positively. A high-trust organization is one in which employees feel safe to take risks,

express themselves freely, and innovate. When trust is instilled in an organization, tasks get accomplished with less difficulty because people are more likely to collaborate and communicate with each other in productive ways. As a result, outcomes are more successful (Lewis, 2022).

Shtembari, Kufo & Haxhinasto (2022) Compensation is an attribute that is indispensable for motivating employees to improve work performance. Compensation includes financial and non-financial rewards. Compensation comprises financials, such as salaries, bonuses, and benefits. However, it can also include non-financial elements such as childcare facilities, employee help programs, subsidized cafeterias, travel discounts, company picnics, etc. It enacts compensation and performance management policies that attract, retain, and motivate high-performance employees (Amstrong, 2010). Compensation and promotion opportunities that provide motivation—encourage skilled employees to engage in effective discretionary decision-making in various environmental contingencies.

Bowen (2007) says that compensation pundits frequently suggest that the “right” reward system will drive performance by motivating workers to achieve new performance levels. However, rewards alone do not drive organizational behavior. In an age where loyalty is dead and at-will employment reigns, free-agent workers seek currency that involves more than pay. That is why successful managers are exchanging the old reward system for “new age currency,” one minted in the five denominations of responsibility, respect, relationships, recognition, and rewards.

By conducting this research, valuable insights can be gained regarding the impact of communication and trust in leaders on employee compensation at the Suka Ramai Coffee Shop. The findings of the study can potentially inform the coffee shop’s management and contribute to the development of effective leadership practices and communication strategies that promote employee satisfaction, engagement, and fair compensation.

METHODS

The method used in this study is a qualitative research method. Qualitative approaches to research value the depth of meaning and people’s subjective experiences and their meaning-making processes. These approaches allow us to build a robust understanding of a topic, unpacking the meanings people ascribe to their lives—to activities, situations, circumstances, people, and objects (Leavy, 2017).

Sugiyono (2013) The qualitative research method described in this study involves data collection through direct observation and open interviews with leaders, employees, and customers of the Suka Ramai Coffee Shop. This approach allows for a deep understanding of the social and cultural phenomena related to communication, trust in leaders, and employee compensation within the specific context of the coffee shop.

Denzin & Lincoln (2018) Observation is used as a data collection technique to gather information about the physical aspects of the coffee shop, such as the layout, atmosphere, and customer interactions. Through direct observation, the researcher can observe and document various elements and activities that contribute to the overall communication and trust dynamics in the shop.

Tracy (2020) Open interviews are conducted with leaders, employees, and customers to gather subjective experiences, perspectives, and meanings associated with communication, trust in leaders, and employee compensation. These interviews provide an opportunity for participants to express their views, share their experiences, and provide insights into the research topic.

Seidman (2006) During the research process, the researcher summarizes the collected data, which includes interview notes and observations, to analyze and interpret the meaning of the social and cultural phenomena in the context of the Suka Ramai Coffee Shop. The analysis involves identifying patterns, themes, and categories that emerge from the data, allowing for a comprehensive understanding of the role of communication and trust in leaders in employee compensation.

RESULTS AND DISCUSSIONS

Yellen (2022) The Suka Ramai Coffee Shop is an MSME engaged in the culinary business; MSME or Micro, Small, and Medium Enterprises are productive businesses owned by individuals who have met the criteria as a micro- enterprise, one of which is a culinary business. The Suka Ramai Coffee Shop has been around since 1942, in the Jalan Merdeka area, Tanjung Pinang, Sumatra, Indonesia.

Based on the results of interviews with leaders, employees, customers, and direct observations at the Suka Ramai coffee shop, the authors got the following findings:

Scope of work

Product and Raw Material Strategy

The Suka Ramai coffee shop provides drinks and food, with the main menu being coffee and tea. The coffee and tea provided are of various flavors, and new customers will feel confused when ordering because there is no menu list. Based on interviews and observations with the leadership of the Suka Ramai Coffee Shop explained: "The product sold by the Suka Ramai Coffee shop is specifically coffee, but because of customer demand, there are several types of food such as toast, fried rice, rames rice, rice cake with vegetables, eggs. Half-baked. While the coffee itself has O coffee (black coffee with sugar), O tea, milk coffee, empty coffee (black coffee without sugar), tea Tarik, milk tea, Milo's O, and Milo milk." Customers are interested in the drinks they sell, such as the original Tarik tea and milk, and never use instant Tarik tea and milk. They sold all food and beverage ingredients using the highest quality raw materials (Nafiah, & Trihudiyatmanto, 2021 in Gunawan, 2022).

Wakjira (2022) The quality of the product and the low price are why many customers are loyal to the Suka Ramai Coffee Shop; customers whose office locations are pretty close sometimes can come two times in one day. The primary factors for quality products are the original and pure essential ingredients without a mixture of other ingredients. In addition, serving and blending coffee and tea according to volume and intensity is a supporting factor for product quality here. This is also supported by the research of Chinomona, Okoumba & Pool (2013), showing that product quality influences trust and trust affects purchase intention. In improving product quality, we can see from the raw materials used that good product quality also comes from suitable raw materials. They get raw materials through agents and markets to get lower prices. We must store properly all raw materials in our coffee shop (Corral et al, 2022).

According to Richardus in Endri & Amalia (2017), raw materials are raw materials that have not been processed and then processed into goods as the company's main product. In procuring raw materials, the company's success depends on efforts to carefully find and select the raw materials used in the production process. Therefore, the existence of good quality raw materials provides good product quality; therefore, there needs to be an increase in the quality of raw materials to get the product quality as expected.

The importance of quality can be explained from two angles from the point of view of operational management and marketing. The operational management point of view is an important policy to improve product competitiveness, which must satisfy consumers at least with the same product quality as competing products. From a marketing point of view, product quality is one of the main elements in the marketing mix, namely product, price, promotion, and distribution channels that can increase sales volume and expand market share. Therefore, suitable raw materials create good product quality to create customer loyalty (Lina, 2022)

Marketing & Pricing Strategy

The location of the Suka Ramai Coffee Shop is quite strategic; where many people pass by this shop both going to the office and returning from work; close to city parks and the harbor, so the marketing strategy here uses a marketing mix strategy, namely from customer to customer or by making nameplates The Suka Ramai Coffee Shop is enough to attract the attention of customers and potential customers (Birihanu et, al, 2015).

Thomson Own 2022, The following strategy is to maintain the quality of our products from drinks and food so that the taste stays the same, such as from taste, cleanliness, and service. The price of coffee is meager, namely Rp. 5,000.00 per cup, then maintain the quality of the coffee so that the taste stays the same, starting from the storage process, the manufacturing process, and how customer service is performed (Wardaturrohah in Cakranegara et al, 2022).

The essential marketing strategy in the modern era is the marketing mix or the marketing mix that is developed over time from one element to another. The marketing mix is a conceptual framework, not just a scientific theory, that clarifies the manager's primary decision-making to make offers according to consumer needs through research (Basrah and Ketut, 2018).

McCarthy (2000) popularized the classification of four elements in the marketing mix, namely: 1) Products, products with good quality are products that can meet consumer needs, for example, the Suka Ramai Coffee Shop, they have good quality coffee grounds and the correct dose so that customers drinking also feels the benefits and taste of the coffee besides that coffee and tea are also adjusted to the level of heat so that they are easy to brew; 2) Price, the price set by the company is the price of the quality of the product and its services, for example at the Suka Ramai Coffee Shop selling small size sugar apple jam at a price of IDR 30,000 per unit because the raw materials are not cheap and making Srikaya is quite long ; 3) Place, strategic location and distribution decisions so that products can go directly to the target market, for example, the location of the Suka Ramai Coffee Shop, which is quite strategic because it is close to office buildings, shops, and the port (Kant et. al, 2022)

Promotion is a tool used to convey messages to consumers to find out and use a product; the marketing carried out by the Suka Ramai Coffee Shop itself is to carry out a recommendation strategy from one customer to another. We consider this concept the most active role in communicating and promoting products to consumers, especially to relatively new consumers. To Chen and Yuan's research (2019), word-of-mouth promotion is widely recognized by marketers and competitive brands. For example, most marketing executives with 61% said that a word-of-mouth marketing strategy is an effective form of promotion; based on Asia Commerce through Nielsen research data revealed that 92% of consumers trust the recommendation of friends and relatives over an advertisement.

Leadership and Employee Relations Strategy

Employee compensation regulations

Providing reasonable compensation can have a positive impact on the company; the leadership of the Suka Ramai Coffee Shop prioritizes compensation management for employees so that employees here also work with a feeling of security and comfort; this is based on interviews and direct observations; the Suka Ramai Coffee Shop provides compensation as salary, THR (Holiday Allowance) and bonuses. Suka Ramai Coffee Shop is a micro, small and medium enterprise (MSME), so all matters regarding salary payments result from an agreement from both parties, namely between the leadership and employees. Meanwhile, salary increases, and bonuses are based on the results of employee performance appraisals. Another compensation is that employees are included as members of the Social Security Administering Body (BPJS), a particular institution tasked with providing health and employment insurance for the community, government employees, and private employees (Laws of the Republic Indonesia No. 24, 2011) and employees receive holiday allowances. They usually pay holiday allowance during Eid al-Fitr (Permenaker No. 6, 2016), and employees will get an annual bonus if the store's performance is good.

Reddy (2022) When viewed from the difference in the distribution of compensation, we can conclude that the leadership here is very concerned about the results of employee performance; some employees feel the need to do work because they need work, so employees here to continue to work even though the salary given is insufficient, it is just that the compensation given by employees is satisfied. Compensation regulations are made so that employees here can live a decent and prosperous life and feel that their work is more valued, and that the performance provided is more stable. The leadership of the Coffee Shop prioritizes performance in the distribution of salaries per day and compensation so that it is easier for the leadership to regulate the salary to be given.

The Role of Communication on Compensation

Communication related to leadership is essential to direct employees in carrying out certain activities, as well as encourage employees to achieve the goals that have been set and achieve effectiveness in leadership, control, conflict management, and other organizational processes. Communication is concerned with discussing salaries and compensation so that there is an agreement between management and employees and avoiding misunderstandings—communication is the basis of good management to help stronger interactions between workers.

Before they paid salaries to employees, the leadership will cross-check the data on the work they have done, as well as the obstacles experienced by employees, so that we can conclude that the role of communication provides significant effectiveness between employees and leaders. Thus, the salary and compensation of employees fully accept a sense of justice for all employees.

Communication between leadership has the function of exchanging information between superiors and subordinates must be carried out properly; for a leader, this communication is needed so that superiors know the condition of the organization to determine policies. Leadership is a way for leaders to influence the cu of subordinates to want to work together and work productively to achieve the organization's vision and mission (Hasibuan, 2012).

In addition, employees feel like family; I do not care about the salary here; the employees have worked here for a long time; the leaders are easy to communicate with, and they have a reasonably close relationship with customers (Cudjor & Mensah, 2023)

Kedai Kopi Suka Rama provides a healthy work environment to their employees, based on research conducted by Idowu and Abolade (2018). Effective communication and compensation are critical in employee engagement and involve employees in increasing organizational productivity; while providing fair compensation to employees, Employees will be more involved in the organization. A healthy work environment provides job satisfaction, comfort, and welfare to employees. The factor of employee loyalty is to provide our employees with a healthy workplace (Kadir et al, 2019)

If the employees are working, the leadership provides them with a decent place to work; even though this coffee shop is not a big company but the employees at the coffee shop also deserve their rights at work so that it satisfied them with their work and do not need to look for new employees anymore.

Leaders also prioritize honesty, responsibility, and harmonious interaction between employees. Likewise, with honesty and leadership responsibility for paying salaries and compensation, employees who work feel appreciated for their performance. Leaders maintain honesty in communicating related to salaries given. Therefore, employees here also maintain their loyalty, which benefits the coffee shop in minimizing employee turnover intentions; based on the journal quoted from the journal Sri, Ahmad, Himmiyatul (2021) that research conducted by Mahadewi and Rahyuda (2020) stated that compensation affects job satisfaction in turnover intentions so that employee loyalty to the leader is maintained. Several other studies, such as (Johannes et al., 2014; Hayuningtas, 2016; Widayati, and Yolanda; (2016), if the compensation given increases, the turnover intention decreases.

The Role of Trust in Leader on Communication

A good leader needs to foster a sense of trust through various factors, one of which is by communicating; the leader builds trust in employees by providing opportunities for opinion.

So far, there have been no obstacles to the leadership; the leadership is felt, honest and fair in providing compensation, and the leadership is easy to communicate with and accepts employee suggestions that are considered quite good.

They quoted from the journal Kelly and Macdonald (2016), understanding the centrality of communication in leadership (Fairhurst & Connaughton, 2014). Leaders with a communicative nature provide a perspective that does not only focus on leaders who focus not only on influencing leaders but see leadership as a communication process that is related between leaders and followers. Research by Radu and Ramona (2014) shows that the type of communication by the leader determines how the leader leads. Other studies consider that the basic dimensions of leadership are a consideration, mutual trust between leaders and employees, and an initiative structure that reflects a leader may limit and structure his own and subordinates to meet group goals.

In their research, Illes and Mathews (2015) explain that face-to-face communication is considered more trustworthy than written communication; face-to-face communication contributes more to increased satisfaction and loyalty. Face-to-face communication allows employees to be more open to leaders; leaders can also provide suggestions or criticisms to employees so that the trust built will be higher.

The Role of Trust in Leader on Compensation

Trust is related to leadership; leaders must build trust between employees so that it motivates employees to work and can prove their performance. Trust can be proven if the relationship between leaders and subordinates shows honesty and mutual respect between employees through direct observation at the location; Trust in the distribution of compensation here is a separate lever for the leadership here, unlike other large companies that rely on HR (human resources). The leadership here do it themselves while monitoring employees' work, serving customers, cleaning coffee shops, etc.

Kedai Kopi Suka Rasa guarantees fairness in providing compensation for employees and accepts criticism and or suggestions from employees about the work given, building trust between employees and me.

Companies or organizations that overcompensate to employees will harm the company and its employees. As a leader, he must be able to provide justice, especially in paying compensation to employees, quoting the journal Rizki, Heru, and Fauziyah (2017).

Two aspects related to this trust are employee trust in the leadership and employee trust in their work organization. If employees' trust in their leaders is high, then compensation based on individual performance

will be more effective; effective communication and good compensation management are two critical variables in making an employee have a close bond with the leader so that the work environment becomes healthier, with good communication. The relationship between superiors and employees will be better. Sanchez (2007) states that employee engagement is defined as the result of how employees perceive their work, the recognition and rewards they receive, and their communication and leadership processes. Communication makes a positive difference between active employees, so they interact more often with leaders than passive employees (Wyatt, 2006).

Because the leadership here divides the compensation based on the performance that we do, he remains honest. That is why we still believe in him and have survived until now.

CONCLUSION

Based on the results of the discussion and research above that trust in the leader or trust in the leader plays a significant role in communication and compensation, the following conclusions can be drawn:

Trust in the leader gives roles to employees regarding communication; communication is one of the critical roles for a leader, and communication is the key to leadership in building a working relationship with employees. The leadership of the Suka Ramai Coffee Shop prioritizes honesty in communication. It becomes a leader with good integrity so that employees feel safe and comfortable and prove their work quality well. Leadership trusts communication to assist employees in carrying out their duties and work, avoiding misunderstandings between the two parties.

Trust in a leader gives roles to employees regarding compensation; leaders must be able to take small actions to build trust in employees, such as hearing criticism and suggestions by employees in the work environment, giving honest answers when talking to employees regarding performance, praising employee performance and being honest and fair compensation to employees.

The role of communication-related to compensation in the distribution of compensation by employees of the Suka Ramai Coffee Shop is essential because, with communication, the compensation given will have an agreement between the leadership and employees to avoid misunderstandings and maintain employee loyalty.

Therefore, there is a role between trust in the leader and communication in employee compensation, which impacts employees and leaders, the trust given by the leadership impacts employees, the company, and the leadership itself. Trust will produce good employee engagement and impact the leadership, such as increasing employee loyalty and work quality, good work quality results in coffee shop customer satisfaction, and customer satisfaction results in reasonable compensation.

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