

HUMAN CAPITAL AND ORGANIZATIONAL CLIMATE ON THE PERFORMANCE OF ONLINE MEDIA INDUSTRY EMPLOYEES

Zainuddin Mustapa ✉

Bosowa University

Abstract

This research aims to explore, analyze, and interpret the impact of Human Capital and Organizational Climate on the performance of Online Media Industry Employees in Makassar. The research approach used is quantitative descriptive, with a population and sample consisting of 32 employees. Data collection is conducted through interviews, questionnaires, and literature review. The obtained data will be analyzed using statistical tools and SPSS software version 24. The research results indicate that: 1. Human Capital has a positive and significant impact on the performance of Online Media Industry Employees in Makassar. Overall, Human Capital has a strong influence in enhancing employee performance, which is a crucial factor in achieving organizational goals. 2. Organizational Climate also has a positive and significant impact on the performance of Online Media Industry Employees. Organizational Climate is an important factor that supports employees in developing their potential optimally to support organizational goals with full awareness.

Keywords: *Human Capital, Organizational Climate, Employee Performance.*

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✉ Corresponding author :

Email Address : zainuddinmustapa@universitasbosowa.ac.id

INTRODUCTION

The online media industry continues to grow, as noted on the Dewan Pers website in 2023, with at least 1,824 cyber media or online media companies in Indonesia (Dewanpers.or.id, 2023). The number of online media outlets will continue to increase as the public's demand for information, especially information reported on online platforms, grows. The proliferation of online media has led to competition for public attention. With the advancement of online journalism, competition among online media outlets is inevitable.

Every online media outlet must devise strategies to manage its business effectively to attract and retain audiences. Online media management employs various methods to attract audiences with engaging content, intensifying the competition among online media outlets. Technological advancements have ushered in a new era in the mass media industry, known as the era of disruption, which has transformed media operations in various aspects, including reporting, distribution, advertising, and business operations. This era of disruption necessitates strong management in media handling.

Human resource management is a specialized field of management that focuses on the relationship and role of humans within organizations. Human resource management organizes the workforce within an organization to achieve organizational goals and employee satisfaction. Effective human resource management can lead to high performance in organizations, institutions, or companies through assessment and rewards based on individual contributions.

Human capital is a crucial component of an organization that participates in executing tasks, functions, and all activities within it. With the passage of time, every institution or organization is required to have quality and competent human capital, necessitating effective management of human capital. Human resource management involves the development and retention of human resources that possess high competence and quality. Human capital is a vital factor in the production process because human resources are essential assets for a company to improve its performance.

It is commonly observed in organizations that employees fail to perform at their best due to various factors, both internal and external. One of the factors is the lack of motivation, which can be attributed to policies set by superiors such as mismatched job placements, inadequate salary and bonuses, lack of recognition for positive performance, limited opportunities for education and training, poor working environments, and inadequate facilities for carrying out tasks. Motivating individuals and maintaining their motivation to consistently deliver their best performance is not easy. However, the concept of motivation is simple – it relates to how employees are treated to enable them to perform at their best and remain loyal to the organization.

Organizational performance is a brief measure of the quantity, quality, and contribution of tasks performed by individuals or groups for the unit's or organization's work. According to Benardin & Russell (2012), primary criteria for

measuring performance include: (1) Quality, which measures the extent to which the process or outcome of activities approaches perfection or the expected goals. (2) Quantity, which refers to the amount produced, such as the amount of money, number of units, or number of activity cycles completed. (3) Timeliness, which measures the extent to which an activity is completed within the desired time, taking into account coordination with other outputs and the time available for other activities.

The development of technology in the modern era has also changed people's habits in their daily interactions, especially those involved in institutions or organizations. This requires them to continually strive to complete tasks effectively and efficiently to achieve optimal results for the organization. Therefore, every employee must demonstrate their existence, as they need to exhibit their positive performance and, of course, enhance their careers since their career and performance affect their income. For example, a civil servant with an executive position aspires to become a section head; to achieve this, they must deliver positive performance and demonstrate their existence to be evaluated by superiors to advance their careers to higher positions. Career planning implementation requires career development.

THEORITICAL REVIEW

Various opinions have been put forward by experts regarding employee performance. As stated by Robert L. Manthis and John H. Jackson (2012), employee performance is what influences how much they contribute to the organization. Based on this opinion, improving performance, both for individuals and groups, becomes a matter of concern in efforts to enhance the performance of the Online Media Industry organization.

It can be concluded that from several entries, "to perform" means carrying out an activity and completing it according to responsibilities and as expected results, while the meaning of the word "performance" is a noun (thing done), where one of them is "something that has been done". Thus, performance is a result that has been achieved in order to achieve the goals of the organization carried out legally, without violating the law, and in accordance with moral and responsibilities entrusted to the employees. Performance is a tool needed by the organization to achieve success. Improving employee performance individually will drive overall human resource performance, which is reflected in increased productivity in the working process.

Four decades ago, the Human Capital Theory was conceived by Theodore Schultz, Gary Becker, and Jacob Mincer. This theory has garnered significant attention in research and has undergone various developments. Currently, human capital has become a familiar concept, utilized in numerous public debates, and favored by politicians who are concerned with the relevance of knowledge dissemination impacting the enhancement of quality of life.

Hasibuan (2014) defines human capital as 'a stockpile of knowledge, skills, experiences, creativity, and other attributes of workers' and argues that human capital also entails 'assigning value to each of these attributes and effectively utilizing knowledge to manage organizations.'

Human capital is crucial as it serves as a source of innovation and strategy renewal, which can be derived from brainstorming through laboratory research, management aspirations, process reengineering, and the improvement or development of employees' skills. Additionally, human capital adds value to companies through motivation, commitment, competence, and team effectiveness. It is a combination of an individual's knowledge, skills, innovation, and abilities to carry out tasks, thereby creating value to achieve goals.

Organizational climate is something that needs to be given attention by a leader because it at least partially influences the behavior of employees and the organization. Thus, an organization that develops dynamically should have a positive impact on the continuity and profitability of the organization. One way to develop an organization is to achieve a conducive organizational climate.

Climate cannot be touched or felt, but it exists like the air in a room that circulates and influences events in an organization. Discussing organizational climate, we are actually discussing the characteristics or traits perceived in the work environment and arising primarily from conscious or unconscious organizational activities, which are considered to influence behavior later on. In other words, climate can be seen as the "personality" of the organization as seen by its members.

Climate is a systemic concept that reflects the overall lifestyle of an organization; if this lifestyle can be improved, there is a high likelihood of achieving improved performance. The term "organizational climate" refers to the human environment in which organizational employees perform their work. This definition describes the environment in which employees work. Organizational climate is defined as a set of internal characteristics that differentiate one organization from another and influence human behavior (Wayne, 2013: 170).

METHODOLOGY

The research design and type utilize quantitative methods. The research location is among the employees of the Online Media Industry at PT. Reads Media Indonesia. The research was conducted over a period of 2 months, followed by the analysis of the research data. The population and sample of the study consisted of 32 individuals (the population in the research implementation were the employees of the Online Media Industry at PT. Reads Media Indonesia). The data analysis technique employed was quantitative descriptive analysis.

RESULTS AND DISCUSSION

1. The Influence of Human Capital on the Performance of Online Media Industry Employees

Based on the research hypothesis results, it was found that the Human Capital variable has a significant influence on the performance of employees in the Online Media Industry, with a significant coefficient regression value of 0.650. Human capital is important as it serves as a source of innovation and strategy renewal, which can be derived from brainstorming through laboratory research, management aspirations, process reengineering, and the improvement or development of employees' skills. Additionally, human capital adds value to the company through motivation, commitment, competence, and team effectiveness. The added value contributed by employees includes the development of competencies owned by the company, the

transfer of knowledge from employees to the company, and changes in management culture.

According to Stewart et al. in Sawarjuwono and Kadir (2010), human capital is the lifeblood of intellectual capital, a source of innovation and improvement, but it is a component that is difficult to measure. Human capital reflects the collective ability of the company to produce the best solutions based on the knowledge possessed by the people within the company, which will increase if the company can utilize the knowledge possessed by its employees. Fitz-Enz in Setyanto (2000) describes human capital as a combination of three factors: 1) the character or traits brought to work, such as intelligence, energy, positive attitude, reliability, and commitment, 2) an individual's ability to learn, including intelligence, imagination, creativity, and talent, and 3) motivation to share information and knowledge, such as team spirit and goal orientation.

2. The Influence of Organizational Climate on the Performance of Online Media Industry Employees

Based on the analysis results, the t-statistic value obtained is 3.063 with a Sig. t value of 0.005. From the statistical table with an alpha of 5%, the t-table value is 2.036. Since the t-statistic value $>$ t-table ($3.063 > 2.036$), the hypothesis stating "Organizational Climate has a positive and significant influence on the performance of Online Media Industry Employees" is accepted. Considering the positive coefficient (0.149), it indicates a positive or direct relationship. This means that the better the Organizational Climate, the better the performance of Online Media Industry Employees.

Organizational climate refers to the attitudes, values, norms, and feelings held by employees regarding the school organization. These attitudes are the result of interactions between open organizational structures, dynamic performance standards, employee responsibility, employee involvement/participation in the organization, recognition of job performance, and supportive management styles. An open, democratic, dynamic, and employee-oriented organizational climate will be realized if leaders can implement leadership styles that favor employees' situations and conditions. A democratic atmosphere that is not overly rigid or formal will leave a positive impression on employees. A pleasant climate is highly desired by employees because it will provide better benefits such as achievement and job satisfaction, which ultimately affect work enthusiasm. Conversely, an unpleasant climate, such as unsupportive leadership, a rigid atmosphere, excessive formality, and strict adherence to rigid rules, will result in an unpleasant atmosphere, leading to decreased performance, decreased job satisfaction, and loss of work enthusiasm.

3.3. The Influence of Human Capital and Organizational Climate on the Performance of Online Media Industry Employees

Based on the research results, it was found that collectively, all independent variables: Human Capital and Organizational Climate have a significant influence on the performance of Online Media Industry Employees. Partially, each independent variable: Human Capital, Organizational Climate has a significant influence on the performance of Online Media Industry Employees. The Emotional Intelligence variable is more dominant in influencing the performance of Online Media Industry Employees, thus the Online Media Industry, especially at PT. Reads Media Indonesia,

should pay more attention to the Human Capital variable because it plays a significant role in influencing the overall performance of Online Media Industry Employees.

CONCLUSION

Based on the analyzed data that has been interpreted, the conclusions that the author can draw are as follows:

1. There is a significant influence between Human Capital and Organizational Climate individually on the performance of Online Media Industry Employees.
2. There is a significant influence between Human Capital and Organizational Climate collectively on the performance of Online Media Industry Employees.
3. The Human Capital variable is the most dominant factor influencing the performance of Online Media Industry Employees.

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