RESEARCH ARTICLE

RELATIONSHIP BETWEEN HUMAN CAPITAL AND POSITIONING STRATEGY TO COMPANY PERFORMANCE ANALYSIS AT PT. ESA KARYA SEMESTA

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A R T I C L E I N F O	A B S T R A C T
xxxxx	Positioning strategy depends on the competence of human capital owned by the company.Despite having limited human resources, but if placed in the right position, it will greatly affect the work ethic of employees and other fields of work harmony within the company. Service companies can invest in implementing the positioning strategy and human capital through a series of training or short courses in accordance with the field of expertise of employees, so that employees can have the ability to deal with a variety of potential customer requests such as service improvement, speed, accuracy and neatness and a high work ethic on the task, which ultimately lead to positive performance of companies. In this case a company is engaged in the service, trying to make a careful and continuous planning and between positioning strategy and human capital, with the conviction will result in improved performance of the company, which growing bigger.The final goal of this study is to determine how big the correlation between positioning strategy and human capital to increase the company performance, so that the high competitiveness of PT. Esa Karya Semesta to change along the progress of time, especially against potential competitors in the service industry can be anticipated.

INTRODUCTION

Currently competence seems to be a powerful magnet to suck the attention of all people, especially those who engage in the world of human capital. In terms of corporate strategy, a positioning strategy is essentially important in order to distinguish themselves from potential competitors, all included in the dimensions of significance for customers (Packard, 2014). One of the strategies that can be undertaken by the company in order to stand themselves out from competing companies is to distinguish the production process, in other words to particlulize the service (Becker, 2009). Three key differentiating mechanisms that include the production process is customer of co-production, customer contact and service customization. Through independent assessments, Wason & Charlton (2015) determines three of the positioning strategies;value for money, service and reliability, are based on functional attributes and benefits and the remaining five—top of range, country of origin, brand name, attractiveness and selectivity-are hedonically focused on positioning strategies.

The rationale in Singh, Kalafatis & Ledden(2014) guides the selection of brand alliances.

In addition to the production process, a decision maker must be able to analyze and diagnose the factors that have a close relationship with their business strategies, such as strategic placement of employees (positioning strategy), the competence of human capital in doing the task, or other relatedfactors, both the external factors like a new technology and internal factors like human capital(Le Van, Nguyen, Nguyen, & Luong, 2010).

If the line is pulled backward, the early birth of the concept of competence appeared around 1970, when US scientists published an article untitled *Testing for Competence Rather Than Intelligence* which is said to be the beginning of the development of competence concept in psychology (Spencer & Spencer, 1993). If the application of the competence concept in the United States is initiated by government organizations and later evolved into a business organization, but in Indonesia the competence concept is more widely applied in circles of business around 1990s.

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Elements of the competence of human capital, includes 1) quantitative managerial, 2) ethics, 3) leadership, 4) ability to click problem analysis, 5) information management/qualitative, 6) worker qualification, 7) adjustment, 8) quick learning and understanding problems, 9) results achievement(Pamela, 2006) the basic characteristics of an employee competencies indispensable company. There are at least five types characteristics of competence; motive, attitude, self-concept, knowledge and skills (Spencer & Spencer, 1993) in the services industry, the competence of employees is an importance key in creating a positive perception or company image in the eyes of consumers. In this case, it greatly simplifies the task of leaders to continue corporate strategies in the future, such as decision-making strategy in the placement of the employee's position or making more effective investment in human capital (internal side), and in the face of the business competition (external side).

Diverse consumer demandwill be increasingly necessary to human capital rounder. This versatility pushes rise to demands for increased costs relating to factors such as increased levels of competency training, education, business ethics, qualifications themselves etc.(Peers, 2015). For companies the option to invest in human capital is often done because the impact will be seen in the improvement of the company performance in much greater extent(Petravi ius & Tamoši niene, 2008).

Theory

According to the human capital theory that the higher the skill level and the skill of diagnosing problems level of the employees in them work, the higher the level of the company's success in overcoming the uncertainty of working industry. In this case, uncertainty is a result of variability in customer demand. Although variability in customer demand possiblly affect its human capital requirements, but here it is proposed that variability is the result of a strategic positioning decision on the part of the service company(Apprey, 2014). And sometimes emerged other constraints of the positioning strategy of the company towards human capital for example a promotion or disposition occupation, or rolling a duty to avoid saturation or breaking of negative chain like corruption, collusion, nepotism, will result in a variety of consumer demand because consumers always want to get the best out of the company.

Positioning strategy depends on the competence of human capital owned by the company, when employees are able to diagnose problems, think creatively, develop solutions, and responsive to any changes in the problems faced, and so forth, then the company's performance will be dashed quickly. This is in line with the Human Capital Theory suggesting that employees with high skills (competencies) can easily cope with uncertainty in their work (Becker, 2009).

Service companies generally invest in implementing the positioning strategy and human capital for the employee to have the ability to deal with potential variations in customer demand, in accordance with the strategy of positioning the company. Therefore, a service company that has a careful planning between the positioning strategy and human capital

will gain greater performance improvements employee (Su, Huang, Van der Veen, and Chen (2014).

PT. Esa Karya Semesta is a service company engaging in the teamof maintenance building, advertising and research, often the activities of each team requires extra skills for all employees. At the time the advertising team is of full of activities, positioning strategy is applied by the company to help advertising team to succeed these activities, it can minimize the new recruitment of human capital, or vice versa in other fields. PT. Esa Karya Semesta using a positioning strategy for addressing the market demand continues to grow and retain human capital to support the company's performance. Performance is influenced by competence, engagement and motivation. It is also influenced by job satisfaction. Job satisfaction in carrying out the work processes in a company is a real factor in shaping the support and employee performance (Rizal, Hubeis, Mangkuprawira & Maulana, 2013). Hopefully, the application of positioning strategy and human capital are more focused on the company's objectives that will be achieved strategically.

Customer coproduction, customer contact, and service customization are measuredby using a positioning strategy. Human capital can be measured using recruitment, education, training, and enhancement of experience (skills); as well as the company's performance is measured by improving the efficiency and effectiveness of the company, increasing the customer, profitable, and increasing market share.

METHOD

The research questions can be formulated into questions; what is the positioning strategy a significant effect on human capital in PT. Esa Karya Semesta Tangerang? do the positioning strategy and human capital significantly influence company performance in PT. Esa Karya Semesta Tangerang?. The formulation of the hypothesis is that the positioning strategy significant affect the human capital in PT. Esa Karya Semesta Tangerang. And the Positioning strategy and human capital significantly influence the company's performance in PT. Esa Karya Semesta Tangerang.

The method used includes quantitative method; associative or correlational. Associative variable consists of several groups of variables derived from a suspected source of the data and each variable has a relationship (correlation) among variables. Technical Researchuses survey techniques by limiting the number of respondents who represent the population, meaning that not all employees in PT. Esa Karya Semesta Tangerang sampled, but taken only 100 people, which consists of 25 persons of production team and 75 persons of marketing team. The analysis technique used is the correlation, determination coefficient and linear regression. With the use of equation; a linear regression model that consists of one independent variable in the model:

$$= _0 + _1.x$$

$_1$is a parameter that is estimated by the results of the analysis of the data, which is derived from a random sample. $_1$value estimated by the value of a and b, randomly generate:

$$= a + b.x$$

it is to read regression y over x, and read y cap, with a and b is the distance determinant variables.

Coefficient (index) or coefficient of determination R^2 to measure the degree of relationship between variables x_i and y_i. If the variable y is bound to x or y=f(x) then the point of scatter diagram will be close to the regression line (near 0) or the error that occurs is getting smaller, the equation: $JK_{res} = (y_i-)^2$ where the value R^2 is:

$$R^2 = \frac{JK_t - JK_{res}}{JK_t}$$

Will be close to 1 and or vise versa if JK_{res} away from the regression line, value ($JK_{reg}= JK_t - JK_{res}$) eventually become 0. Generally applicable 0 R^2 1. The root value of R^2 is called the correlation coefficient between y and x, or r = R^2

R^2 is the coefficient of determination
JKt = total sum of squares
JKres = the sum of squared residuals (error)
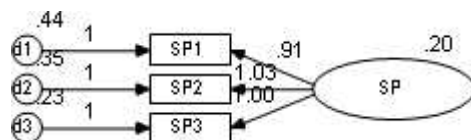JKreg = sum of squares regression
r = correlation coefficient

FINDINGS & DISCUSSION

The quantitative analysis used in this research is using Structural Equation Model (SEM) with AMOS program tools version 5.0. Structural Equation Model chosen to determine the influence of the model equations positioning strategy and human capital on company performance in PT. Esa Karya Semesta Tangerang. This study used 100 employee respondents.

Construct Measurement Positioning Strategy

Construct positioning strategy (unobserved/ latent variable) is measured using three (3) indicators (observed/manifest variable), namely: Customer Co-Production (SP1), Customer Contact (SP2), and Service Customization (SP3). The analysis of confirmatory factor analysis (CFA) is as follows:

The results of confirmatory factor analysis (CFA) the value obtained for each construct equations (loading factor, or) isisin the following:

SP = $_1$ SP1+ $_2$ SP2 + $_3$ SP3
SP = 0.910 SP1+ 1.033 SP2 + 1.000 SP3

From the equation above, the magnitude Positioning Strategy is influenced predominantly by the Customer Contact (SP2) for 1.033.

Measurement Construct of Human Capital

Construct Human Capital (unobserved/ latent variable) is measured using four (4) indicators (observed/ manifest variable), namely: Quality (HC1), Capability (HC2), Training (HC3), and Level of Education (HC4). From the analysis of confirmatory factor analysis (CFA) is as follows:
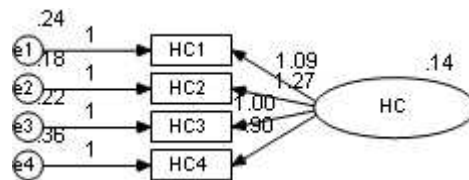
From the results of confirmatory factor analysis (CFA) the value obtained for each construct equations (loading factor, or) isas follows:

SP = $_1$ HC1+ $_2$ HC2 + $_3$ HC3 + $_4$ HC4
SP = 1.087 HC1+ 1.274 HC2 + 1.000 HC3 + 0.896 HC4

From the equation above, the magnitude of Human Capital influenced predominantly by Capability (HC2) of 1.274.

Construct Company Performance Measurement

The constructs company performance (unobserved/ latent variable) is measured using four indicators (observed/ manifest variable), i.e. Number of Subscribers (KP1), Profitability (KP2), marketshare (KP3), and Efficiency and Effectiveness (KP4). From the analysis of confirmatory factor analysis (CFA) is as follows:
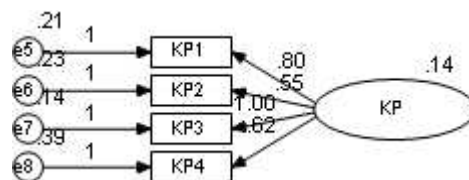
From the results of confirmatory factor analysis (CFA) the value obtained for each construct equations (loading factor, or) isin the following:
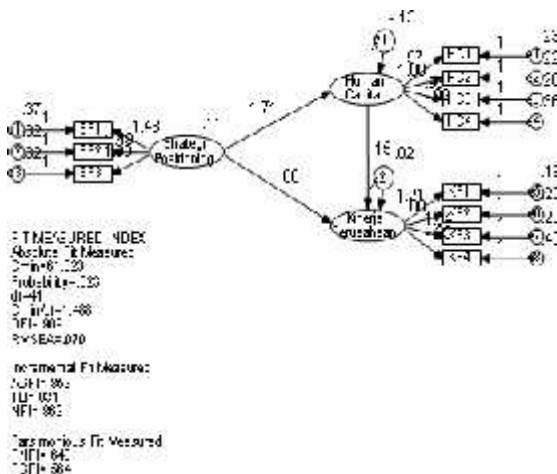
SP = $_1$ KP1+ $_2$ KP2 + $_3$ KP3 + $_4$ KP4
SP = 0.796 KP1+ 0.552 KP2 + 1.000 KP3 + 0.625 KP4

From the equation above, the magnitude of Company Performance (KP) is influenced predominantly by marketshare (KP3) of 1.000.

Goodness of Fit Model

To know the criteria for a good model (Goodness of Fit) is to use Absolute Fit Measured (absolute index measurement), Incremental Fit Measured (additional measurement index) and Parsimonious Fit Measured (measurement simplicity index). From the measurement results Absolute Fit Measured, Incremental Fit Measured and Parsimonious Fit Measured, obtained the following results.

Goodness of Fit Index measurement results concluds that the magnitude of Absolute Fit Measured measured using Likelihood Chi Square, GFI, dan RMSEA values obtained Cut Off Value not meet the expected criteria, namely Likelihood Chi Square. While the magnitude of Incremental Fit Measured values are measured using AGFI, TLI and NFI values obtained Cut Off Value, which does not meet the expected criteria, namely AGFI and NFI. TheMeasuredParsimonious Fit values are measured using values obtained PNFI and PGFI has met the Cut Off Value criteria expected.

Overall of the estimated model can be seen in the following table:

Summary	Value
Chi-square	61.023
Degrees of freedom	41
Probability level	0.023

The table points out that the probability is significant for 0.023 ($p<0.05$), this indicates the deviation between the sample covariance matrix and model (fitted) covariance matrix, whereas the chi-square value for a good model should have no significant probability level (greater than 0.05) in order to get the value of the expected Goodness Fit Index (better) it is necessary to revise the model to do the modification index with the aim to improve the model by increasing the number of parameters such as that the value of Chi Squares Statistics is going down faster than the decline degree of freedom (df), namely by modifying an index based on the value shown in the table below

		M.I.	Par Change
<-->	e8	13.646	.141
<-->	e4	4.291	.067

Modification index should only be done based on the value of measurement error of covariance assumed to be zero, while the modification index based on measurement regression weight should be based on and supported by a strong theory. Modification index of obtained results can be seen in the following figure.
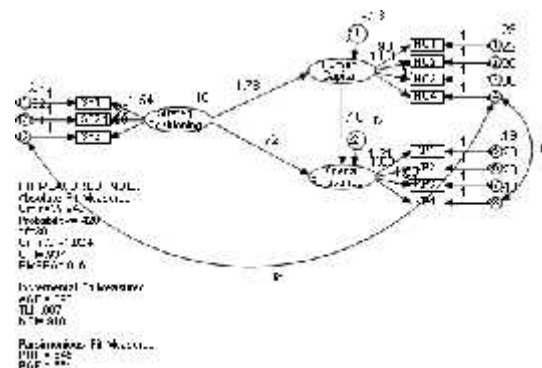
Goodness of Fit Index measurement results in the table exhibitng that the magnitude of Absolute Fit Measured measured using Likelihood Chi Square, GFI, and RMSEA values obtained Cut Off Value has met the expected criteria. While the magnitude of Incremental Fit Measured values are measured using AGFI, TLI and NFI values obtained Cut Off Value that does not meet the expected criteria, namely AGFI.For the Parsimonious Fit Measured values are measured using values obtained PNFI and PGFI have met the Cut Off Value criteria expected.

The following table summarize that the probability is significantly affected by 0.428 ($p>0.05$), so a model analyzed does not meet the criteria of a good model (goodness fit model), a good model that has a significant degree of probability that is no more than $=5\%$ (Ghozali, 2004), thereby it indicates the suitability of the sample of covariance matrix and model (fitted) covariance matrix, so that the overall models used have met the criteria (Goodness of Fit Model).

From the analysis of the overall model is obtained the following results.

Summary	Value
Chi-square	39.940
Degrees of freedom	39
Probability level	0.428

Causality Relation and Hypothesis Testing

To determine the level of significance of influence of indicators of latent variables then it uses regression weight by comparing the probability value. If the probability value of less than $=5\%$, it can be said to have a significant influence. From the results of regression weight is obtained the following results.

		Estimate	S.E.	C.R.	P	Label
Human Capital	<--- Strategi_Positioning	...	...	...	...	...
Kinerja_Perusahaan	<--- Human_Capital	...	...	...	...	...
Kinerja_Perusahaan	<--- Strategi_Positioning	...	...	...	...	...

From the results of regression weight in the table above it can be seen that all the variables have significant influence, unless the causal relationship on the performance of the company's human capital with a significance level less than 5%, the equation can be written mathematically below.

I.	HC =	SP + $_1$
	HC =	1.785 SP + $_1$
II.	KP =	$_1$ SP + $_2$ HC + $_2$
	KP =	0.716 SP + $_2$

The data show a consistent correlation between the measurement of human capital to construct Goodness of Fit model, where the main factor Human Capital influenced predominantly by Capability (HC2) the employee is equal 1.274. In other words, the need for a separate investment of the company in terms of capacity building Human Capital as highly correlated to the increased performance of the company.

CONCLUSION

Based on the results of the analysis with the greatest path coefficients, namely: PS-CP (Positioning Strategy–Company's Performance), is efforts to improve the company's performance by measuring the level of positioning strategy used by the company, namely: Customer Co-Production, or implementing a different strategy to the company's competitors; Customer Contact, which is followed by identifying the customer's wishes by means of interaction; and Service Customization, i.e. the company should be able to transform its products according to specific customer needs. The results of the above analysis can be summarized as follows:

The positioning strategy variable has a significant positive effect on the human capital, amounting to 1.785 with a significance level 0.000 (p<0.05). It means thatif the positioning strategy variable increases the human capital will increase. Conversely, if the positioning strategy variable decreases the human capital will drop, so the hypothesis stating that the positioning strategy has a significant effect on human capital is supported and accepted as true.

In addition, the positioning strategy variable has a significant positive effect on company's performance, amounting to 0.756 with a significance level 0.000 (p<0.05). It indicates that if the positioning strategy variable increased the company's performance will increase. Conversely, if the positioning strategy variable is down the company's Performance will drop, so the second hypothesis that statesthe positioning strategy has a significant effect on company's performance is evidently true.

The human capital variable has no significant effect on company's performance, amounting to 0.156 with a significance level 0.136 (p>0.05). It shows that human capital does not affect company's performance, because it has a high probability of error rate (exceeding the established provisions i.e. =5%), so the magnitude of the effect is negligible. As a result, the second hypothesis, which states human capital significantly affect the performance of the company is not true.

If analyzed more deeply, then this is caused by companies that do notprovide enough time for employees to improve their quality, anddo not prioritize employees who have experience and good skills in the state of lack of training over new employees. Consequently, specific components of human capital needs to be analyzed deeper, which is to assess the correlation between the increase in the company's performance and human capital by comparing employee quality before and after upgrading their competenxce such as through training, vocational courses, test insights, etc.

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