

## **Human Capital Management Analysis and Organizational Cultures for New Entrance in Mining Contractors Services Company – PT ANP**

**Sendy Christin Sagita<sup>1</sup>, Edi Hamdi<sup>2</sup>**

Master of Management, Universitas Esa Unggul, Jakarta, Indonesia

Email: <sup>1</sup> [sendykambey@student.esaunggul.ac.id](mailto:sendykambey@student.esaunggul.ac.id), <sup>2</sup> [edi.hamdi@esaunggul.ac.id](mailto:edi.hamdi@esaunggul.ac.id)

### **Abstract**

Human Capital Management (HCM) is one of the factors that support the Company's sustainability. The Mining Contracting Service Company that PT ANP plans, require the superior human resources so that the business can run well, achieve the company's vision and mission, be able to win the competition and be sustainable. Various studies by organizational observers tend to acknowledge that organizational culture has a strong influence on the long-term performance and effectiveness of an organization. Empirical research has also produced a series about the importance of culture for improving organizational performance. Thus, culture is an important component in the ultimate success or failure of a business. Basically there are four types of corporate culture namely Hierarchy, Market, Clan and Adhocracy, for that in an effort to support the achievement of its vision and mission, PT ANP will encourage the application of corporate culture and values to every employee, including work clothes, company logos and office layout, so that employees will be able to produce optimal performance to achieve company success in accordance with company values, namely Ownership, Advances in Innovation, Motivation & Integrity, Ethics and Responsiveness.

**Keywords:** Human Capital Management, Organizational Culture, Mining, PT ANP

### **Abstrak**

*Human Capital Management (HCM) merupakan salah satu faktor yang mendukung keberlanjutan Perusahaan. Perusahaan Jasa Kontraktor Penambangan yang direncanakan oleh PT ANP membutuhkan sumber daya manusia yang unggul agar bisnis dapat berjalan dengan baik, mencapai visi dan misi perusahaan, mampu memenangkan persaingan dan berkelanjutan. Berbagai penelitian oleh para pemerhati organisasi cenderung mengakui bahwa budaya organisasi memiliki pengaruh yang kuat terhadap kinerja dan efektivitas jangka panjang suatu organisasi. Riset empiris juga telah menghasilkan rangkaian tentang pentingnya budaya untuk meningkatkan kinerja organisasi. Dengan demikian, budaya merupakan komponen penting dalam keberhasilan akhir atau kegagalan bisnis. Pada dasarnya terdapat empat jenis budaya perusahaan yaitu Hierarchy, Market, Clan dan Adhocracy, untuk itu dalam upaya mendukung pencapaian visi dan misinya, PT ANP akan mendorong penerapan budaya dan nilai-nilai perusahaan pada setiap karyawan, termasuk pakaian kerja, logo perusahaan dan tata ruang kantor, sehingga karyawan mampu menghasilkan kinerja yang optimal untuk mencapai kesuksesan perusahaan sesuai dengan nilai-nilai perusahaan yaitu Kepemilikan, Kemajuan Inovasi, Motivasi & Integritas, Etika dan Daya Tanggap.*

**Kata Kunci:** Manajemen Sumber Daya Manusia, Budaya Organisasi, Pertambangan, PT ANP

## INTRODUCTION

The development of the mining industry is currently regulated by Minerba Law No. 4 of 2009 and enhanced by Law no. 3 of 2020 concerning mineral and coal mining regulations. While the regulations governing the mining contractor service business are PP No. 5 of 2021 concerning the implementation of risk-based business licenses and Minister of Energy and Mineral Resources Regulation No. 5 of 2021 concerning business activity and product standards in the implementation of risk-based business licenses in the energy and mineral resources sector.

Central Agency on Statistics Indonesia reports that Indonesia's export value is US\$ 231.5 billion in 2021. This export value has increased by 41.88% from the previous year which was US\$ 163.2 billion. The export value of the mining sector was recorded at US\$ 37.9 billion in 2021, up 91.15% from the previous year. The next highest growth came from oil and gas exports. The value of oil and gas exports amounted to US\$ 12.3 billion, up 48.78% from the previous year.

The Ministry of Energy and Mineral Resources (ESDM) noted that Indonesia's coal production will reach 606.22 million tons in 2021 from the planned 625 million tons or 96.99%. An increase of 7.2% compared to 2020 of 565.69 million tonnes. Since 2014, coal production has shown an increasing trend. However, production declined in 2016 and 2020. In 2016, coal production fell 1.1%, while in 2020, production fell 8.2%. The Ministry of Energy and Mineral Resources estimates that Indonesia's coal production in 2022-2023 will increase in the range of 637 million tons to 664 million tons. Meanwhile, the demand for domestic coal (domestic market obligations/DMO) in 2021 is 63.47 million tons or 10% of total production has been realized. The figure decreased by 51.87% from 131.89 million tons in 2020.

PT ANP is a mining contractor service business focus on coal mining. Seeing opportunities in the mining sector PT ANP will provide a mining contractor service business that offers mining process work from after exploration, or you could say working on mining exploitation services. The business plan underway will take market share in East Kalimantan. The area that will be our target market is Loa Tebu District, Kutai Kartanegara Regency, East Kalimantan. Coal in the area enters into deposits in the Kutai. Coal in the Kutai is carried by the Batuayu Formation, the Wahau Formation and the Balikpapan Formation.

With the company's mission to become a superior mining contractor, the company will provide mining services with perfect maintenance and operational strategy management. Of course, this mission will only be achieved in line with the fulfilled of competitive and competent

human resources to encourage the effectiveness of organizational performance. Goals must be supported by human resources who have the knowledge and skills as well as operational planning that ensures quality management in the company's system (Zakiah et al., 2022). Human resources are the integration of the ability of the mind and physical energy possessed by individuals. Human resources are seen as the capabilities of humans to be used to run an organization or business so that it is efficient or successful (Nurlita et al., 2021).

Human resources are closely related to organizational culture. Organizational culture has a very strategic role in encouraging and increasing the effectiveness of organizational performance, as an instrument for determining organizational direction, directing what may be done and what may not be done, how to allocate organizational resources, and as a tool for dealing with problems and opportunities from the internal and external environment. The most basic thing about organizational culture is as a system of social control for members of the organization to control the expected behaviour in accordance with organizational goals (Schein, 2004).

Management needs to analyze and know the trends of the existing organizational culture in the company, specifically in the context of human resources to determine the strategy so that the company can survive in business competition. Experts recognize that organizational culture has a strong influence on the long-term performance and effectiveness of an organization. What separates successful companies from other companies is their organizational culture (Cameron, K. S., & Quinn, 2006). The increasing importance of organizational culture is also a result of the increasing uncertainty of the external environment in which organizations operate. A number of studies reveal the tendency for companies to have a market culture, followed by a hierarchical or bureaucratic culture and clan culture, while an adhocracy culture is almost absent in various studies.

## **METHODS**

**THE GOALS AND OBJECTIVES OF HUMAN CAPITAL** – The purpose of this goal is so that PT ANP has human resources capable of carrying out the company's vision and mission properly. The purpose of human capital planning at PT ANP is to obtain and place human resources from top management to the level of workers who are in accordance with the needs of the company and are experienced in their fields so that they can increase the productivity of the company by carrying out their duties and functions with full responsibility. . The human capital target of PT.

ANP is how companies can support and realize the goals of human capital PT. ANP. PT. ANP is specific to the formation and development of each human capital.

**Table 1. PT ANP Objectives and Targets**

<b>Kategori</b>	<b>Human Capital Objectives</b>		<b>Human Capital Targets</b>	
<b>Short Term (Y.0 sd Y.2)</b>	1	Meet the needs of an effective workforce in each mining contract according to operational needs.	1	Selection and recruitment in accordance with the needs of the workforce as well as the required specifications.
				Establish standard operating procedures.
				Recruit competent marketing, sales and legal employees with a minimum of 5 years work experience in the mining business.
	2	Preparing a skilled workforce, having high skills and integrity.	2	Involve employees in soft skill training as well as functional & safety skills in the short term category as needed.
	3	Direct contribution aaround the society	3	Carry out CSR programs by recruiting local workers according to the skills and competencies required by the company.
<b>Middle Term (Y.2 sd Y4)</b>	1	Additional recruitment of HO and project departments according to production needs and plans.	1	Selection and recruitment to fulfill 100% middle term manpower planning.
	2	Maintain low employee turnover (maximum 3%/year).	2	Increase employee income and bonuses (5% annually).
	3	Maintaining and rebuilding a skilled workforce, high skills and integrity, also perfect work oriented.		Provide motivation, production bonuses and family gatherings to improve employee performance.
				Re-involve employees in soft skill training as well as functional & safety skills (once every 2 years).
4	Company cultures training to be applied in each individual employee.	4	Training and development, especially for foreman, supervisor, superintendent and manager about positive habits to be implemented in the company.	
<b>Long Term (&gt;Y4)</b>	1	Evaluate employee training programs that have been carried out to support employee performance improvement.	1	Conduct re-training for all levels in each section regarding the latest soft, functional and safety skills.
	2	Evaluate the number and performance of employees to support the company's work targets.		Know clearly the limits of employee capabilities.
				Recruited 6 Anfo Truck Drivers, 1 Crane Truck Blasting Driver, 1 new DM45/D245 Drilling Operator to suit operational needs.
			Recruiting Pit Geologists to help carry out long-term exploration planning in accordance with the direction of mining progress.	

**HUMAN CAPITAL PLAN** – Human capital planning has a relationship with the company's business planning, therefore human capital planning is influenced by several social, technological and economic changes. Possible sources of recruitment needed both from internal and external circles. HR Development Strategy refers to targets, policies or standard procedures, training and development budget, training curriculum, and implementation time. An organizational development program must be informed openly to all employees in order to prepare themselves for the development process properly and correctly on target (Nurlita et al., 2021).

### Estimated Number of Manpower

**Table 2.** Head Office Manpower

No	Position	Total Employee					
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
<b>HEAD OFFICE</b>							
	<b>STAFF</b>	<b>11</b>	<b>18</b>	<b>18</b>	<b>23</b>	<b>23</b>	<b>23</b>
1	Commissioner	2	2	2	2	2	2
2	President Director	1	1	1	1	1	1
3	Director of Administration	1	1	1	1	1	1
4	Director of Operations	0	1	1	1	1	1
5	Operational Manager	1	1	1	1	1	1
6	HSE Manager	0	0	0	1	1	1
7	HRD/HC Manager	1	1	1	1	1	1
8	Finance Manager	1	1	1	1	1	1
9	Business Development Manager	0	1	1	1	1	1
10	Marketing Manager	1	1	1	1	1	1
11	Head of Plants	0	0	0	1	1	1
12	Head of Mine Operation	0	0	0	1	1	1
13	Head of Technical Operation	0	1	1	1	1	1
14	Head of Maintenance Planning	0	1	1	1	1	1
15	Head of Finance & Accounting	0	1	1	1	1	1
16	Head of Tax	0	1	1	1	1	1
17	Marketing & Sales Staff	1	2	2	2	2	2
17	HRD/HC Staff	1	1	1	2	2	2
18	Legal Staff	1	1	1	2	2	2
	<b>NON STAFF</b>	<b>3</b>	<b>6</b>	<b>6</b>	<b>11</b>	<b>11</b>	<b>11</b>
19	Secretary	0	1	1	2	2	2
20	Driver	0	1	1	3	3	3
21	Document Control	1	1	1	2	2	2
22	Security	1	2	2	2	2	2
23	Office boy/Office girl	1	1	1	2	2	2
	<b>HO TOTAL EMPLOYEES</b>	<b>14</b>	<b>24</b>	<b>24</b>	<b>34</b>	<b>34</b>	<b>34</b>

**Table 3.** Project Manpower

No	Position	Total Manpower					
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
PROJECT 001P							
1	OPERATION	1	9	13	20	20	20
2	PLANT	0	8	13	19	19	19
3	TECHNICAL MINING	0	6	10	14	14	15
4	HRGA	0	2	2	4	4	4
5	OTD	0	3	3	5	5	5
6	SCM	0	5	5	8	8	8
7	HSE	0	3	5	7	7	7
8	FINANCE & ACCOUNTING	0	3	4	4	4	4
TOTAL STAFF PROJECT		1	39	55	81	81	82
1	Operation	0	73	145	263	263	263
2	Plant	0	39	65	122	122	122
3	Technical	0	12	21	24	25	31
4	HRGA	0	10	16	25	25	25
5	SCM	0	12	23	37	37	37
6	HSE	0	1	3	5	5	5
7	OTD	0	0	1	2	2	2
TOTAL NON STAFF PROJECT		0	147	273	478	479	486
<b>TOAL MANPOWER PROJECT</b>			<b>186</b>	<b>328</b>	<b>559</b>	<b>560</b>	<b>568</b>

### Human Capital Budget

The initial funding requirement for this mining company is estimated at approximately IDR 500,000,000,000 (Five hundred billion rupiah) which will be allocated for operational costs starting from establishment until the first two years, the following year operational costs will use current profits. This company will start with capital injection from five founders of 60% and Investors 40%. The following is a human capital budget of PT. ANP for five years:

**Table 4.** PT ANP Human Capital Budget

(IDR)

Cost	Year 0	%	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%	Total Cost	%
Marketing Cost	1.070.750	2,0%	2.706.775	1,7%	4.107.319	1,4%	8.028.951	1,4%	8.553.329	1,5%	9.301.243	1,7%	33.768.366	1,54%
Operational Cost	40.701.000	77,1%	94.154.418	57,6%	185.748.789	63,3%	380.620.435	67,5%	381.230.548	68,4%	382.379.863	68,8%	1.464.835.052	66,97%
Interest Cost	-	0,0%	17.501.300	10,7%	30.724.690	10,5%	56.710.800	10,1%	43.299.590	7,8%	30.021.780	5,4%	178.258.160	8,15%
Human Capital Cost	10.989.441	20,8%	47.405.383	29,0%	70.818.684	24,1%	115.821.136	20,5%	121.033.608	21,7%	130.088.297	23,4%	496.156.549	22,68%
Risk Management Cost	45.000	0,1%	1.625.560	1,0%	2.156.120	0,7%	2.989.720	0,5%	3.355.720	0,6%	4.006.880	0,7%	14.179.000	0,65%
<b>Total on Year</b>	<b>52.806.191</b>	<b>100%</b>	<b>163.393.436</b>	<b>100%</b>	<b>293.555.602</b>	<b>100%</b>	<b>564.171.041</b>	<b>100%</b>	<b>557.472.795</b>	<b>100%</b>	<b>555.798.062</b>	<b>100%</b>	<b>2.187.197.127</b>	<b>100,00%</b>

The human capital cost for the establishment stage takes a portion of 20.8%, then in the first year the company operates human capital will take a cost of 47 billion or 29% of the total cost. The second year the human capital cost is 70 billion with a presentation of 24.1% of the total

cost and the third year is 115 billion with a presentation of 20.5%. The second and third years both have significant increase in human capital costs in line with the company's operational planned. The fourth and fifth years did not have a significant increase in human capital costs, human capital costs only increased by 5% and 7% respectively in line with the annual increase in salary and benefits but the number of employees tended to be the same.

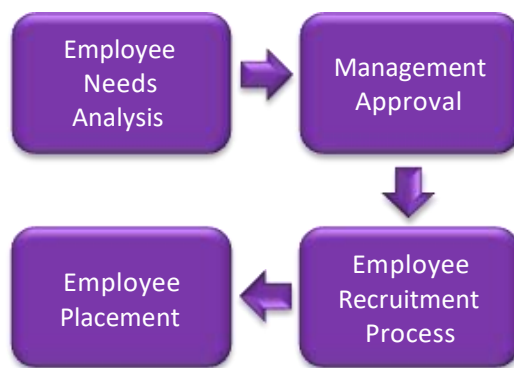
The cost of human capital consists of basic salary, allowances and benefits. The benefits include bonuses, insurance, old age security, retirement benefits, religious holiday allowance, leave expenses and family gathering expenses. In addition, human capital costs also include recruitment costs, training and development costs, uniforms and safety equipment cost.

Allowances for head office staff are 20% of the basis salary, while for project staff it is 45% of the basic salary and for project non-staff the benefits combined with overtime can be up to twice the basic salary.

The bonus is applied equally to both head office and project employees, which is 10% of the basic salary. THR is also applied equally to all employees, namely 100% of the monthly basic salary. Employees are given leave fees in accordance with the leave allowance they will receive, annually for head office and project staff employees and quarterly for project non-staff employees. Other benefits as listed in the previous table.

## **Recruitment**

Recruitment is carried out using two approaches, both internal and external openly according to the needs and qualifications required. For external recruitment, the company will provide information on job vacancies through online (online interviews), social media, also through existing employees (word of mouth), job fairs and walk-in interviews. For internal recruitment, it tends to be carried out when the company is already running, it will be divided into three types of needs, namely job rotation, promotions to higher positions and demotions to reduce employees to lower positions.



**Figure 1.** PT ANP's Recruitment Process

### Training and Development

Human Resources development is an important aspect to achieve the company's vision. Various policies and programs related to training and development need to be prepared to develop human resources with maximum performance and competitiveness.

HR Training and Development design to increase knowledge and improve skills and competencies so that employee productivity is high (Ismail et al., 2022).

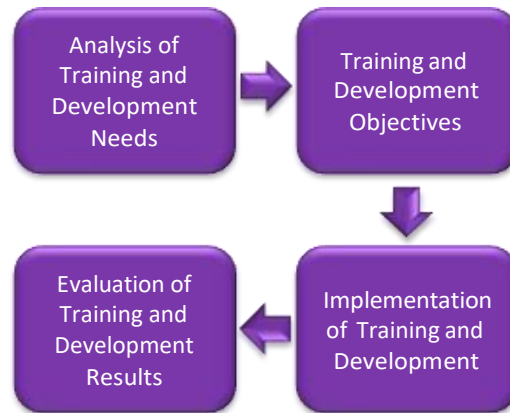
The following is a training plan that will be attended by employees of PT. ANP:

**Table 5.** PT ANP's Training Plan

Training Title	Attandance	Expected Benefit	Trainer
<b>Functional &amp; Safety Skill</b>			
Budgeting skill	Marketing staff, Legal staff	Understand the contract value compared to the internal budget to determine the bid rate	LPPM
Basic Mining Concept	Marketing staff, Legal staff	Understand technical and operational mining	ESDM
Operator training	Operator	Understand the operation of heavy equipment	Dealer
Operator mechanical & cost awarness	Operator	Understand the function and risk of damage to heavy equipment for cost efficiency	Dealer
Supervisory Mining	Foreman, Mining Supervisor	Able to supervise the mine	LPPM
Basic Mechanic Course	Mechanic	Understand the basics of heavy equipment mechanics	Dealer
Advance mechanical	Mechanic	Understand advanced machine techniques	Dealer
Engine advance	Mechanic	Overhoul engine	Dealer
Power train advance	Mechanic	Overhoul power train	Dealer
Analysis Failure	Mechanic	Able to analyze heavy equipment problems	Dealer
Maintenance Cost Analysis	Mechanic	Able to make heavy equipment maintenance analysis for cost efficiecy	Dealer
Welder certification	Welder	ESDM mandatory requirements	BNSP
Electrical certification	Electrician	ESDM mandatory requirements	BNSP



Tyre awareness & efficiency cost	Tyreman	Ability to manage tire life and tire cost efficiency	Vendor tyre
Surpac	Mine engineer, Mine planning	Able to use surpac	Surpac vendor
Minescape	Mine engineer, Mine planning	Able to use minescap	Minescape vendor
Drill and Blast Skills	Drill & Blasting engineer	Understanding of drilling and blasting techniques	Dahana
Surveyor technic skill	Surveyor	Able to transfer theodolite results to mining engineering drawings	Surveyor vendor
Pengawas Operasional Pertama (POP)	Foreman, supervisor, Superintendent, Manager	ESDM mandatory requirements	ESDM
Pengawas Operasional Madya (POM)	Superintendent, Manager	ESDM mandatory requirements	ESDM
Pengawas Operasional Utama (POU)	Superintendent, Manager	ESDM mandatory requirements	ESDM
Finance & Accounting Analysis	Finance staff. Finance manager	Able to analyze financial problems	LPPM
Account payable	AP Staff	Able to analyze financial problems	LPPM
Tax analysis	Tax staff	Able to analyze tax issues	Tax vendor
Teknik interview & recruitment	HR Staff, HR Manager	Able to conduct interviews and recruitment process efficiently and effectively	LPPM
Psychology concept	HR Staff, HR Manager	Able to perform psychological test techniques during interviews	LPPM
Training of Trainer (TOT)	Trainer	Trainers capable of management training	Dealer
Fire Prevention Management	All Employee	Anticipation of fire fighting	Safety Officer
Log out Tag Out (LOTO)	All Plant Dept	broken equipment insulation process	Safety Officer
Safety Awareness & identifikasi bahaya dan pengendalian resiko	All Employee	Understanding of the importance of safety and being able to identify and control risks	Safety Officer
<b>Soft Skill</b>			
Manager Decision Skill	Superintendent, Manager, Direksi	Ability of problem solving	LPPM
Leadership Skill	Superintendent, Manager	Able to leading effectively	LPPM
7 Habits for Manager	Superintendent, Manager	Have positive habits	Dumanis
Teknik Negosiasi	Marketing , plant. mine Manager	Able to negotiate	Dumanis
Communication Skill	Marketing , plant. mine Manager	Good communication skill	Dumanis

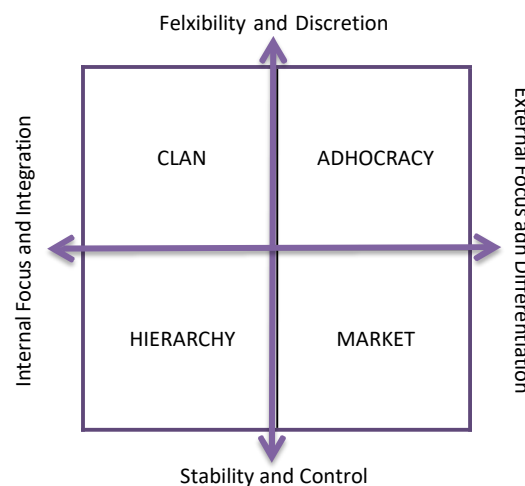


**Figure 2.** Training and Development Steps

**COMPETING VALUE FRAMEWORK (CVF)** – An understanding of organizational culture is very important in order to understand what is going on in the organization, how to run it and how to fix it (Schein, 2004). Among the relevant approaches to recognizing organizational culture, even to changing organizational culture, is what Cameron and Quinn conceptualize as The Competing Value Framework.

This approach was developed by integrating various measures commonly used to measure organizational effectiveness. Two dimensions with four quadrants are developed that reflect the typology of organizational culture. The first dimension distinguishes organizational effectiveness in terms of flexibility and discretion with stability and control. The second dimension distinguishes effectiveness from internal orientation and external orientation. Each dimension is the values that compete against other dimensions. The four quadrants created from the two dimensions reflect the core values of the organization, namely clan culture, adhocracy culture, hierarchy culture and market culture.

This framework is extremely useful in organizing and interpreting a wide variety of organizational phenomena. In this chapter, we explain why having a framework is so important and how this framework was initially developed through research on organizational effectiveness. We also explain the four dominant culture types that emerge from the framework. These four culture types serve as the foundation for the OCAI. In addition, because culture defines the core values, assumptions, interpretations, and approaches that characterize an organization, we might expect that other characteristics of organizations would also reflect the four culture types.



**Figure 3.** The Competing Value Framework

## RESULT AND DISCUSSION

**COMPANY VALUE** – According to M. R. Noerirawan quoted in [www.gramedia.com](http://www.gramedia.com) that values are organizational structures and processes that are visible but difficult to describe. Increasing the

value of the company is an achievement that is in accordance with the wishes of the owners, because by increasing the value of the company, the welfare of the owners will also increase (Noerirawan, 2020). PT ANP will determine the values used as a reference by every employee in carrying out actions, directing, managing, evaluating performance, setting priority scales based on organizational culture.

**Ownership** – sense of responsibility for both physical and non-physical assets (company norms or values, ideas, company's goodwill and even love for the company).

**Advances in Innovation** – advanced thinking in the use of heavy equipment.

**Motivation and Integrity** – have work motivation and high integration (consistent in actions, values, methods and principles).

**Ethics** – adhere to business ethics.

**Responsive** – responsive to internal and external issues that has happened and will happen.

PT ANP upholds the values of ownership, advance in innovation, motivation and integrity, ethics and responsiveness. The company builds a spirit of collaboration within employees by respecting others regardless to beliefs, religion, socioeconomics, lifestyle and customs, sexual orientation, race, age, political affiliation, physical disability, or gender identity. Company members have the confidence to uphold company values and act honestly and consistently in their actions (Ramdhani, et al, 2022).

**COMPANY ARTIFACTS** – Artifacts are what can be seen, observed and represent attitudes, behaviors and beliefs in an organizational or company culture (Schein, 2004). PT ANP sees company artifacts covering physical aspects such as work clothes, company logos and office designs. The company will also display artifacts or company logos that will symbolize corporate culture in work clothes, posters, calendars, id cards, project helmets and other attributes.

**Wearpack** – PT ANP will use a blue wearpack accompanied by the company logo on the front and the company name on the back. The use of this uniform is intended to increase discipline, a sense of ownership of the company and show the level of credibility of the company's employees.



**Figure 4.** PT ANP's Wearpack

**Company Logo** – PT ANP will use the logo according to the company culture:

- Logo The gear logo encircles the rock quarry, means that the heavy equipment machines provide full support for operating the production of mining products.
- The green circle means that all work is protected by rules that are environmentally friendly (green environment).
- The white base indicates honesty.
- The blue on the company's name signifies a symbol of loyalty to the people driving the company.



**Figure 5.** Company's Logo

**Office Layout** – PT ANP's office design will have a modern feel, including the use of tables, chairs and other equipment. Office layout is one important thing in entering a company. And it has become a human habit to pay attention to something, especially from the physical appearance. Good office is a place that is not boring and can increase employee morale in order to improving the quality of office activities and achieving company goals, so indirectly the role and atmosphere of the office really supports the work activities of employees who work in the office (Schein, 2004).

Room color uses a combination of white, blue, green and black according to the PT ANP logo. On the position of the middle wall of the room (both workspace and service room) a company logo will be installed with a large size, so that indirectly branding the company, the use of the company

logo will also be applied in the appearance of heavy equipment and all existing facilities in the project.

**THE FOUR MAJOR CULTURE** – People have different views regarding the types and dimensions of organizational culture. One of the reasons for this is because organizational culture is a very broad concept. Basically there are four types of corporate culture namely Hierarchy, Market, Clan and Adhocracy (Cameron, K. S., & Quinn, 2006).

### **1. Hierarchy Culture**

The organizational culture compatible with this form is characterized by a formalized and structured place to work. Procedures govern what people do. Effective leaders are good coordinators and organizers. Maintaining a smooth running organization is important. The long-term concerns of the organization are stability, predictability, and efficiency. Formal rules and policies hold the organization together (Cameron, K. S., & Quinn, 2006).

The control of the company is fully held by people who have high positions in the company, because they are considered to have experience and ability and deserve to be role models. The company will run well and as it should if all levels of the company comply with strict and effective hierarchical rules. This work culture is considered the most appropriate work culture to increase the productivity of a company (Cameron, K. S., & Quinn, 2006).

### **2. Market Culture**

The term market is not synonymous with the marketing function or with consumers in the marketplace. Rather, it refers to a type of organization that functions as a market itself. It is oriented toward the external environment instead of internal affairs. It is focused on transactions with external constituencies such as suppliers, customers, contractors, licensees, unions, and regulators. And unlike a hierarchy, where internal control is maintained by rules, specialized jobs, and centralized decisions, the market operates primarily through economic market mechanisms, mainly monetary exchange. That is, the major focus of markets is to conduct transactions (exchanges, sales, contracts) with other constituencies to create competitive advantage. Profitability, bottom-line results, strength in market niches, stretch targets, and secure customer bases are primary objectives of the organization (Cameron, K. S., & Quinn, 2006).

The basic assumptions in a market culture are that the external environment is not benign but hostile, consumers are choosy and interested in value, the organization is in the business of

increasing its competitive position, and the major task of management is to drive the organization toward productivity, results, and profits. It is assumed that a clear purpose and an aggressive strategy lead to productivity and profitability.

### 3. Clan Culture

Some of the basic assumptions in clan culture are that the environment can be well managed through teamwork and employee development, customers are best considered as partners, organizations in business develop a humane work environment, and the main task of management is to empower employees and facilitate participation, commitment, and their loyalty.

### 4. Adhocracy Culture

Adhocracy culture is characterized by a dynamic, entrepreneurial and creative workplace. People crane their necks and take risks. Effective leadership is visionary, innovative and risk oriented. The glue that holds organizations together is a commitment to experiment and innovate. The emphasis is on being at the forefront of new knowledge, products and services. Readiness to change and facing new challenges is important. The organization's long-term emphasis is on rapid growth and acquiring new resources. Success means producing unique and original products and services.

Cultural values are shown in four quadrants, namely clan culture, adhocracy culture, hierarchical culture, and market culture. As seen in the quadrants, clan culture is characterized by family-type organization, commitment to employees, and participation and teamwork; an adhocracy culture characterized by entrepreneurial and dynamic organization, being ahead, and innovation; a hierarchical culture characterized by structured and highly formalized organization, smooth execution of functions, and stability; while market crocodiles are characterized by competitive organization, increased market share, and productivity. Almost all organizations have the four cultural values referred to, but with the dominance of each different value (Kurniawan & Sumarni, 2018).

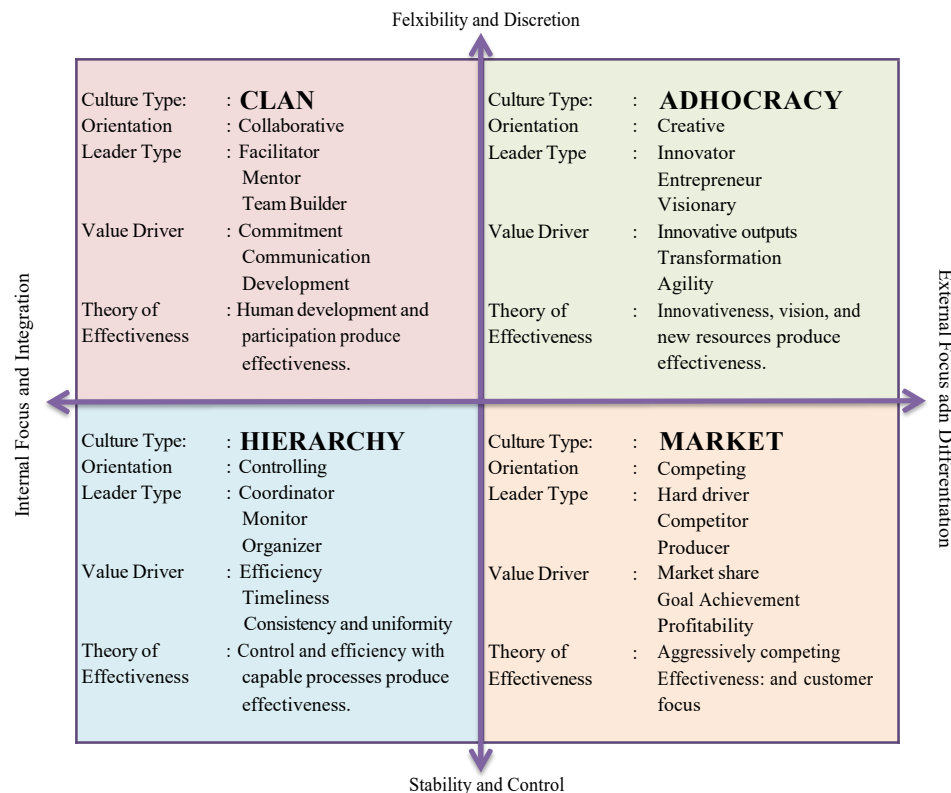
Cameron and Quinn also put forward 12 categories of competence or skills, three each in each type of organizational culture.

**Clan culture skills** includes team management, interpersonal relationship management skills and developing others, helping individuals to improve their performance, expand competence, and get opportunities for self-development.

**Adhocracy cultural skills** which includes innovation management, future management, communicating a clear vision of the future and facilitating its achievement; and management of continuous improvement efforts.

**Market culture skills** includes management of competitive ability, strengthening competitive ability and aggressive orientation towards exceeding competitors; energizing employees, motivating and inspiring employees to be proactive, put in extra effort, and work hard and customer service management, orientation towards serving consumers, involving them, and exceeding their expectations.

**Hierarchical cultural skills** acculturation management, helping individuals to be clear about what is expected of them and how they can be very fit and work situations; control system management and coordination management, sharing information across departments.



**Figure 6.** The Four Culture Major



## CONCLUSION

The Competing Value Framework (CVF) shows that it is rare for a company to have dominance of one particular type of organizational culture and it is also rare for a company or organization to have the same equality of the four organizational cultures. However, there is a possibility that certain departments or work units will show subdominant characteristics.

PT. ANP tends to adhere to a market culture, where the organization seeks to improve its competitive position, and the main task of management is to drive the organization towards productivity, results and profits of course by preparing competitive human resources. The goals and strategies of PT. ANP leads to the productivity and profitability of the company.

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