



OPTIMIZING THE ROLE OF SHARED VISION AND HUMAN CAPITAL IN THE ERA OF CHANGE

Anggia Sari Lubis^{1*}, Hardi Mulyono², Khalid Abdul Wahid³, Mohd Nasir Ismail⁴
Debbi Chyntia Ovami⁵, Kartika⁶

^{1,2,5,4,6}Universitas Muslim Nusantara Al-Washliyah, Indonesia

^{3,4}Universiti Teknologi MARA Cawangan Kelantan, Malaysia

Corresponding Email: anggiasarilubis@gmail.com

Abstract

The sustainability and competitiveness of the company is supported by good human capital management. Human capital plays an important role in achieving the company's vision, mission and goals. The expression human capital was established to increase productivity and maintain competitive advantage as an important factor in expanding business and employee assets. Attention to human resources or human capital as one of the main production factors for most companies is often put second compared to other production factors such as capital, technology, and money. Many company leaders are less aware that the profits obtained by the company actually come from human capital. Human capital supported by a well-built shared vision will increase the company's ability to achieve its goals. Shared vision is a development tool to build organizational learning capabilities. This study examines the strategy for optimizing the role of shared vision and human capital in companies in an era of change. This type of research is a systematic literature review that will provide benefits in the implementation of shared vision and human capital in companies.

Keywords: *Shared Vision, Human Capital, Era of Change*

A. Introduction

The world is currently facing an era of change in various aspects (Rightmire & Gershon, 2008). The era of change is marked by the presence of VUCA (Volatility Uncertainty Complexity and Ambiguity) which also presents innovation, sharing economy, and future management. Volatility is a volatile or changing situation. Volatility in this article focuses on established industries and market leaders turning into quiet businesses due to changes in technology. Shopping centers become quiet with the presence of marketplaces that offer various conveniences and efficiencies. Uncertainty is uncertainty. In the world of industry and business, this uncertainty targets unpredictable trends such as changes in consumer tastes or changing macroeconomic conditions.

Complexity is complexity, which in the industrial world means the relationship between each factor that influences each other. For example, measuring factors for complexity in the business world such as costs, raw materials, human resources, consumer tastes and others. The environment will have an impact on public interest. Consumer tastes will affect the production process, thus affecting the raw materials used. Raw materials will affect the production costs incurred, and so on. Each of these measuring factors has an important role, cannot be ignored because it has a relationship and impact on an industry. The last is Ambiguity or something that is confusing. Or in this case, companies and organizations experience confusion in determining goals. Because they are hit by various changes. These four things can suddenly disrupt the industry. Either the changes become stronger and last or they fall, to bankruptcy. Therefore, every industry must be able to analyze the disruption that befalls the industry through VUCA. Large companies, MSMEs, and cooperatives are certainly parties affected by the current era of change. Shared vision refers to a clear and common picture of a desired future state with which members of an organization identify themselves - essentially a vision that has been internalized by members of the organization. It is also a position that is universally agreed upon and expected that the organization will take into account. Shared vision is closely related to

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organizational learning which has often been identified as one of the factors influencing knowledge extension and knowledge dissemination activities. A shared vision is meant to produce clear organizational goals and drive the necessary changes in the organization so that it can achieve the desired outcomes in the future. It is also noted that a critical aspect of a shared vision is that when it is universally known and understood, the organization feels one purpose and one direction. A shared vision helps create a sense of common ground within the organization and provides coherence to diverse activities. People who truly share a shared vision are connected and bound by common aspirations. In addition, a shared vision provides guidance on what to preserve and what to change. This is an important aspect in a rapidly changing environment where employees need to distinguish between what needs to be changed and what remains the status quo. Without a shared vision, individuals are less likely to share the desired organizational outcomes. Individuals are less likely to know what the organization's expectations and goals are.

B. Theoretical Description

1. Learning Organization

In organizational learning, consistency in goals and goal achievement can be enhanced through shared vision. Some scholars go so far as to say that shared vision is a prerequisite for developing organizational learning capabilities. This is because shared vision helps create a supportive learning environment by aligning activities toward a common goal. While adaptive learning is possible without a shared vision, generative learning only occurs when a group of people are trying to achieve something that is very important to them.

A shared vision helps inspire employees with a compelling, consistent, and clear picture of what they want. In an ambiguous and uncertain environment, even if employees are motivated to learn, it is difficult to know what to learn. With a shared vision, managing through the maze of conflicting interests in an organization becomes easier and less stressful. Therefore, empowering people toward a collective vision is a key feature of organizational learning.

2. Shared Vision

Vision is a thing vital in organizational learning because it provides focus and energy for learning. The individual learning process will not guarantee the occurrence of a learning organization, if there is no shared commitment about the future that they want to achieve together. They must realize that without an organization (collective action - synergy), achieving a personal vision or struggle will be difficult to achieve. Through collective action, the personal vision is more realistic to achieve. *Shared Vision* is one of the four core disciplines identified by Peter Senge that are necessary to build an organization. Shared vision is not an idea, but rather the power of the human heart that generates power. It mobilizes individuals to achieve goals. It connects everyone to gather power together. Shared Vision is the building of commitment of organization members to develop a shared vision, and together formulate strategies to achieve that vision. Shared vision is a picture of an ideal future formed by organization members based on personal/individual vision. Shared vision is shared because all members participate in its formulation and formation.

Building a shared vision, sometimes, does not solve many problems in itself; it creates an environment where people believe they are part of a common community. Many leaders today strive to achieve the commitment and focus that comes with a genuinely shared vision. Unfortunately, many still think that a vision is the job of the highest leader. The following are the characteristics of a shared vision, namely Inspiring; Clearly challenging, but realistic; Human-oriented; Long-term, but not rigid; Expressing a promising future; Realizing strength; Change-oriented; Providing guidelines not rules, giving freedom but directed; Short, simple, and easy to remember; In accordance with organizational values; Related to needs; Encouraging; Not time-limited; Describes the ideal



3. Human Capital

Human capital theory is a theory that emphasizes competent human resources (HR). Competent HR will increase individual productivity and performance which will ultimately increase company productivity and performance. Human capital is needed in the formation of competent human resources (Ployhart et al., 2014).

The Human Capital component consists of (Agolla, 2018):

- a. Individual Capability is divided into two parts:
 - Actual ability is the ability obtained through learning (achievement), which can be immediately demonstrated and tested now.
 - Potential ability is an aspect of ability that is still contained in the individual and is obtained from hereditary factors. This potential ability is divided into two parts, namely: General basic ability (intelligence) and specific basic ability (talent and attitude).
- b. Individual Motivation, which is formed from the attitude of employees in facing work situations in the company. The positive mental attitude of employees towards work situations is what strengthens their work motivation to achieve maximum performance.
- c. The Organization Culture, is an organizational value system adopted by members of the organization which then influences the way members of the organization work and behave.
- d. Workgroup Effectiveness, based on two outcomes: productive outcomes and personal satisfaction. Satisfaction is concerned with the team's ability to meet the personal needs of its members and then maintain their membership and commitment to the company. Productive outcomes are concerned with the quality and quantity of work output as defined by the team's goals, namely the organizational context, structure, strategy, cultural environment, and rewards.
- e. Leadership, is interpersonal influence in certain situations and directly through the communication process to achieve one or more specific goals.

C. Strategy for Optimizing the Role of Shared Vision and Human Capital in the Era of Change

The era of great change influenced by the development of the industrial revolution and globalization requires companies, organizations and especially cooperatives to increase their readiness for change. As one of the economic instruments that can play a role in improving the country's economy, cooperatives are now expected to be able to compete with various other economic instruments in the country so that they are declared ready and able to advance and compete in the global economic arena (Widyantara et al., 2020).

1. Optimization Strategy for Building a Shared Vision for the Company

The following are the stages of formulating a shared vision:

1. Telling; Conveying ideas/vision concepts to all members of the organization.
2. Selling; Start promoting your ideas/concepts to attract interest and have 'purchasing power' for members of the organization.
3. Testing; Conducting experiments on the vision, by means of assessment and practice.
4. Consulting; Consulting on the results of the experiment to find out whether or not the idea/concept is worthy of being accepted as a vision.
5. Co-creating; Re-creating an idea/concept to make it more attractive, but without leaving out the values of the original idea/concept.

Shared vision is about building commitment within a group or organization by developing a shared vision of the future, principles, and practical guidelines that can lead to the goals to be achieved. The discipline of building a shared vision is a never-ending process where individuals in the organization share their ideas, visions, goals, desires, values, why, what they do, and how to achieve a larger shared goal. A team that has a shared vision will move in harmony towards the same goal. Shared vision is building a sense of commitment within a group, by creating a shared picture of the future, principles, and guiding practices that are expected to achieve the future. The

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creation of enthusiasm makes more people talk about the vision, the diversity of views increases, and leads people to express potentially conflicting visions. When others do not allow differences to be expressed, polarization increases, reducing the clarity of the shared vision and limiting the growth of enthusiasm.

2. Human Capital Optimization Strategy for Companies

a. Mental Revolution

Cooperatives are a real movement in the Mental Revolution. Cooperatives contain fundamental values consisting of Work Ethic, Mutual Cooperation, and Integrity. Cooperatives will reduce poverty, provide jobs and increase the strengthening of the people's economy that will face global competition. The values of work ethic, mutual cooperation, and integrity are very important to be instilled in the board of directors, supervisory boards, managers and members of cooperatives. The board of directors, supervisory boards, managers and members of cooperatives must have a sense of belonging to the cooperative. Cooperatives are business entities or joint ventures that will bring up ideas about togetherness, mutual cooperation, family, social solidarity values, to cooperation that will increase the economic strength of the people. The practice of mental revolution is to become a person of integrity, willing to work hard, and have a spirit of mutual cooperation.

Three values that must be instilled in the Cooperative Mental Revolution, namely:

- a. Integrity Value: Every manager, supervisor, administrator and member of the cooperative must be an honest, trustworthy, characterful and responsible person.
- b. Hard work values: Every manager, supervisor, administrator and member of the cooperative must have a work ethic that will make the cooperative competitive, optimistic, innovative and productive.
- c. Mutual Cooperation Value: Every administrator, supervisor, manager and member of the cooperative must work together, have solidarity and be oriented towards the common good.

b. Competency Improvement

Human resource competency plays an important role in the sustainability and competitiveness of cooperatives. The competency of cooperative administrators, supervisors, and managers needs to be improved and adjusted to the demands of changing times. One effort to improve competency is through cooperative competency training programs.

Cooperative competency training is training that is specifically intended for certain positions in Cooperatives accompanied by competency tests from the Competency Certification Institute. Types of Cooperative Training include:

- a. Competency Training for Cooperative Managers,
- b. Competency Training for Cashiers
- c. Competency Training for administration and accounting.

The benefits of competency training include increasing knowledge, capacity and competency for human resources of cooperatives and increasing the self-confidence of cooperative administrators, supervisors and managers in managing cooperatives, which will ultimately have an impact on increasing competence and public trust (Skorková, 2016).

c. Leadership of Change

Change leadership is ideally applied in the current era of change. Change leadership is a leadership style that focuses on creating change in an organization, which will connect all components in the organization and synergize with each other to bring about successful change that will bring benefits and have positive value to the organization. The leadership elements in the cooperative organizational structure consist of the cooperative chairman, the chairman of the cooperative supervisory board and the manager (Jansen, 1996). The characteristics of change leadership are a flexible and adaptive leader, have a mindset that change is an opportunity that can increase competitiveness and have readiness for change. In order to make changes effectively so that some things that cause failure can be avoided, the leadership elements in the cooperative must be able to



make changes in a planned, systematic and measurable manner, or what is known as SMART (Specific, Measurable, Attainable, Realistic, Time Bound). The leadership elements in the cooperative must also understand the management functions, namely Planning-Organizing-Actuating-Controlling.

d. Digital Culture

It is undeniable that the development of digital technology has currently affected all industrial sectors. Cooperatives are no exception, which must also adapt to the development of digital technology (DWIPRADNYANA et al., 2020). The implementation of information systems and the use of information technology are things that must be done in the operational process of cooperatives. Digitalization of cooperatives is one of the priority programs of the Indonesian Government. The transformation of cooperatives with digital technology is a real manifestation of the implementation of digital culture in cooperative management. Digital service systems for members and business partners, as well as the use of financial recording and bookkeeping software are some examples of the use of digital technology in cooperative management (Safitri et al., 2019).

D. Conclusion

Companies face disruption due to changes that are present in globalization and the development of the industrial revolution. Shared Vision and Human Capital have an important role in managing companies in the era of change in order to increase competitiveness and sustainability in order to achieve the company's vision, mission and goals. The Strategy for Optimizing the Role of Shared Vision and Human Capital can be done through efforts consisting of: carrying out a mental revolution; increasing human resource competency, implementing change leadership and digital culture. Submission of these four strategies in company management efforts will ultimately be able to increase the company's competitiveness.

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