



SOCIAL MEDIA AS A COMMUNICATION MEANS JUDGING FROM THE INFLUENCE OF INTELLECTUAL CAPITAL ON THE SUSTAINABILITY OF PRIVATE HIGHER EDUCATION ORGANIZATIONS IN THE EAST JAVA REGION

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Abstract

The development of communication technology is currently growing so fast, changing the order or way of communicating for many people from conventional to electronic media which is now known as social media. This study aims to determine how the influence of social media as a means of communication in terms of the magnitude of the influence of intellectual capital on the sustainability of private higher education organizations in the East Java region. This study uses data analysis that is adapted to the research pattern and the variables studied. The model used in this study is a causality model and to test the hypothesis proposed in this study, the analytical technique used is SEM (Structural Equation Modeling). The results of this study indicate that there is a significant influence between social media as a means of communication and intellectual capital on the sustainability of private higher education organizations in the East Java region.

Keywords: Social Media, Intellectual Capital, Organizational Sustainability.

INTRODUCTION

Social media is one of the many results of today's technological sophistication. Social media is now here to provide an easy and efficient interaction service. This situation continues to encourage programmers to continue to develop the capabilities of the applications they make for the convenience of their users (Coyne et al., 2020). Social media has become an integral part of modern society. In fact, some social networks

have more users than the population of most countries. There is always a virtual space that is in great demand by its users (Gochhayat et al., 2017).

The popularity of using social media in higher education is currently an attraction in itself because it has been proven to be able to maximize it as a means of interactive tools, services, and build communication in managerial in an institution (Al-Rahmi et al., 2018; Chugh & Ruhi, 2018). The role of social media that has open access is able to encourage contributions and feedback from all its users so as to enable all elements of the organization to be able to communicate quickly and efficiently because it has connectivity or a network that can touch various links and users (Apriananta & Wijaya, 2018; Archer-Brown & Kietzmann, 2018; Huber et al., 2019). The use of social media has proven to be an effective weapon for universities as a branding strategy effort that has diversity because it allows students, lecturers and educators to exchange information, opinions, and experiences directly regarding the quality of higher education (McCoy et al., 2018). Therefore, the presence of social media with its various advantages can be one way or alternative for educational institutions or educational organizations to be adopted to be managed by universities in order to have an influence on the sustainable development of institutions (Rylander et al., 2000).

However, in Indonesia there are still higher education institutions that still use conventional capital in building their organizational systems because many do not use technology (Abidin, 2020; Cahyana, 2018). Based on this, a good university should have intellectual resources and the ability to achieve goals in developing the institution. Universities are able to develop and compete with creative innovations that come from intellectual capital. This intellectual capital must be developed in a university in order to be able to achieve the desired performance. The development of technology has now triggered universities to be able to have a competitive advantage in increasingly fierce competition. In today's world, wealth and economic growth are mainly controlled by intangible assets. The intangible asset in question is intellectual capital (IC) which is recognized as the basis for individual, organizational, and general competition in the 21st century.

Intellectual capital is one of the focuses of attention used as an approach to assessment and measurement in various fields including organizational management, information technology, as well as sociology and accounting (Petty & Guthrie, 2000; Sullivan & Sullivan, 2000). as the most important source of value in the creation and competitive advantage of organizations in an institution (Allameh, 2018; Kianto et al., 2017). intellectual capital is related to the assessment of the knowledge of an institution, especially in universities or in companies that aim to improve competitiveness and organizational performance (Pedro et al., 2020; Vargas Londoño & Cardoso Espinosa,

2021). Institutions that have high technology and professional services have a dominant factor in an assessment because intellectual capital is the key to determining the value of a company's performance (Co & Bontis, 2000). Intellectual capital researchers have also used content analysis extensively in examining annual reports used to investigate institutional IC reporting practices (Bozzolan et al., 2003; Brennan, 2001) and also to investigate differences in reporting across firms in different countries (Subbarao & Zeghal, 1997). Therefore, intellectual capital is one of the important factors that must be managed by an organization because it has an important and strategic role as an intangible asset that can be used as an investment from intangible resources such as expertise, knowledge, and organizational resource capabilities (Laksana & Dharmayanti, 2018).

Today in Indonesia, intellectual capital is applied not only in the context of global business, but also in developed countries such as America, Australia, and countries in the Scandinavian Region which have great opportunities in increasing quality Human Resources (HR) in an effort to increase added value for sustainability. management of universities as seen from the Human Capital component which describes the organization's individual knowledge stock, Structural Capital which includes non-human storehouse of knowledge in the organization, and Customer Capital which includes knowledge on marketing channels and customer relationships, the three components have their respective roles in developing intellectual capital and leading to improving organizational performance (Widodo & Priyadi, 2018).

Based on the explanation above, universities have a major role in promoting sustainable development even though their sustainability reporting is still very minimal when compared to other companies. This is due to the lack of research that leads to the concept of university sustainability compared to companies (Ceulemans et al., 2015). Therefore, this study focuses on the influence of social media as a means of communication in terms of the magnitude of the influence of intellectual capital on the sustainability of private higher education organizations in the East Java region.

METHOD

This study aims to determine how the influence of social media as a means of communication in terms of the magnitude of the influence of intellectual capital on the sustainability of private higher education organizations in the East Java region. This study uses data analysis that is adapted to the research pattern and the variables studied. The model used in this study is a causal model and to test the hypothesis proposed in this study, the analytical technique used is SEM (Structural Equation Modeling) which is operated through the AMOS program. SEM is a multivariate statistical technique which is a combination of factor analysis and regression analysis

(correlation), which aims to test the relationships between variables that exist in a model, be it between indicators and their constructs, or relationships between constructs (Sugiyono, 2016). Quantitative method is a method that uses a sampling system from a population and uses a structured questionnaire as a data collection tool.

Participants

Participants in this study consisted of 76 respondents, namely leaders of private universities in East Java. The selection of these respondents uses the Purposive Sampling Technique, which is a technique to determine the research sample with certain considerations aimed at making the data obtained more representative.

Data Analysis

Data analysis in this study uses Structural Equation Modeling (SEM) analysis techniques, according to Sugiyono (2013), SEM is described as an analysis that combines factor analysis approaches, structural models (structural models) and path analysis (path analysis). Methods The analysis is carried out to interpret and draw conclusions from the collected data. The researcher used SPSS for windows software version 23 and SEM (Structural Equation Model) from the AMOS statistical package version 23 to process and analyze the research data. Through SEM software, not only can the causality relationship (direct and indirect) on the observed variables or constructs be detected, but the components that contribute to the formation of the construct itself can be determined. So that the causal relationship between variables or constructs becomes more informative, complete and accurate.

Furthermore, in the study, the analysis of test data on the suitability of the model was carried out through a study of various goodness of fit criteria. The following are some conformity indices and cut off values to test whether a model can be accepted or rejected, namely knowing the results of (a) Chi-square test, (b) RMSEA (The Root Mean Square Error of Approximation), (3) GFI (Goodness of Approximation). Fit Index) (4) AGFI (Adjusted Goodness of Fit Index), (5) CMIN/DF, (6) TLI (Tucker Lewis Index), (7) CFI (Comparative Fit Index).

RESULTS

The model suitability test is carried out by comparing the suitability criteria with the calculation results. As with path analysis, a summary of the calculation of the suitability test parameters can be found in the "Model Fit" section of the text output in Amos. The following is a summary of the results of the model suitability test on this SEM model.

TABLE 1. GOODNESS OF FIT RESULTS

Parameters	Criterion	Result	Conclusion
chi-square	$\geq 0,05$	1.405	Good
Probabilitas	$\geq 0,05$	117	Good
GFI	$\geq 0,90$	923	Good
AGFI	$\geq 0,90$	846	Good
CFI	$\geq 0,95$	980	Good
TLI	$\geq 0,90$	969	Good
RMSEA	$\leq 0,08$	074	Good

Table 1 provides summary information on GOF (Goodness of Fit) test results in the research model as follows: (1) Parameters chi-square $1.405 > 0.05$ indicates good criteria because the smaller the better the better, (2) the parameters of the probability value $117 > 0.05$ indicates good results (3) parameters GFI $923 > 0.090$ indicates good results (4) Parameters AGFI $46 > 0.90$ indicates good criteria (5) parameters CFI $980 > 0.95$ indicates good results (6) parameters TLI $0.969 > 0.90$ indicates good criteria (8) Parameters RMSEA $074 < 0.08$ indicates good criteria. Based on the results of the GOF (Goodness of Fit) test, it can be concluded that the influence of social media as a means of communication is good in terms of the magnitude of the influence of intellectual capital on the sustainability of private higher education organizations in the East Java region. Furthermore, the acquisition of the model suitability test can be concluded that the SEM model can be concluded in Table 2

TABLE 2. RESULT OF THEORETICAL TESTING

			Estimate	S.E.	C.R.	P
Organizational Sustainability (Y)	<---	Social media (X1)	1.146	.178	1.862	***
Organizational Sustainability (Y)	<---	Intellectual capital (X2)	.117	.165	.713	.476
Connection (X1.4)	<---	Social media (X1)	1.000			
Content Sharing (X1.3)	<---	Social media (X1)	1.213	.258	4.705	***
Content Creation (X1.2)	<---	Social media (X1)	1.033	.246	4.193	***
Relational Capital (X2.3)	<---	Intellectual capital (X2)	1.000			
Structural Capital (X2.2)	<---	Intellectual capital (X2)	1.014	.128	7.905	***
Human Capital (X2.1)	<---	Intellectual capital (X2)	.828	.148	5.585	***
Social sustainability (Y3)	<---	Organizational Sustainability (Y)	1.000			
Economic sustainability (Y2)	<---	Organizational Sustainability (Y)	1.353	.144	9.397	***

Based on the output above, it is obtained that the influence of Social Media (X1) on Organizational Sustainability (y) with an estimate value of 1,146 can be categorized as significant, the influence of Intellectual capital (X2) on Organizational Sustainability (Y) can be categorized as significant, the influence of Social Media (X1) on Content Sharing (x1.3) with an estimate value of 1,213 can be categorized as significant, the influence of Social Media (X1) on Content Creation (X1.2) with an estimate value of 1,033 can be categorized as significant, the influence of Intellectual capital (X2) on Structural Capital (x2.2) with an estimate value of 1.014 can be categorized as significant, the influence of Intellectual capital (X2) on Human Capital (x2.1) with an estimate value of .828 can be categorized as significant, the influence of Organizational Sustainability (Y) on Economic Sustainability (Y2) with an estimate value of 1.353 can be categorized significant. Furthermore, to find out the Squared Multiple Correlations can be seen in Table 3.

TABLE 3. SQUARED MULTIPLE CORRELATIONS: (GROUP NUMBER 1 - DEFAULT MODEL)

	Estimate
Organizational sustainability (Y)	.795
Social sustainability (Y3)	.597
Economic sustainability (Y2)	1.083
<i>Human Capital (x2.1)</i>	.426
<i>Structural Capital (x2.2)</i>	.861
<i>Relational Capital (x2.3)</i>	.535
<i>Content Creation (x1.2)</i>	.348
<i>Content Sharing (x1.3)</i>	.522
<i>Connecting (x1.4)</i>	.343

Based on Squared Multiple Correlations, it is known that Organizational Sustainability (Y) is obtained by an estimate value of 0.795, Social Sustainability (Y3) is obtained by an estimate value of 0.597, Economic Sustainability (Y2) is obtained an estimate value of 1.083, Human Capital (x2.1) is obtained an estimate value of .426 , Structural Capital (x2.2) obtained an estimate value of 0.861, Relational Capital (x2.3) obtained an estimate value of 0.535, Content Creation (x1.2) obtained an estimate value of 0.348, Content Sharing (x1.3) obtained an estimate value of 0.522, Connecting (x1.4) the estimated value is 0.343. Furthermore, to see the Measurement and Structural Model of the role of social media as a means of communication in terms of the magnitude of the influence of intellectual capital on the sustainability of private higher education organizations in the East Java region as follows:

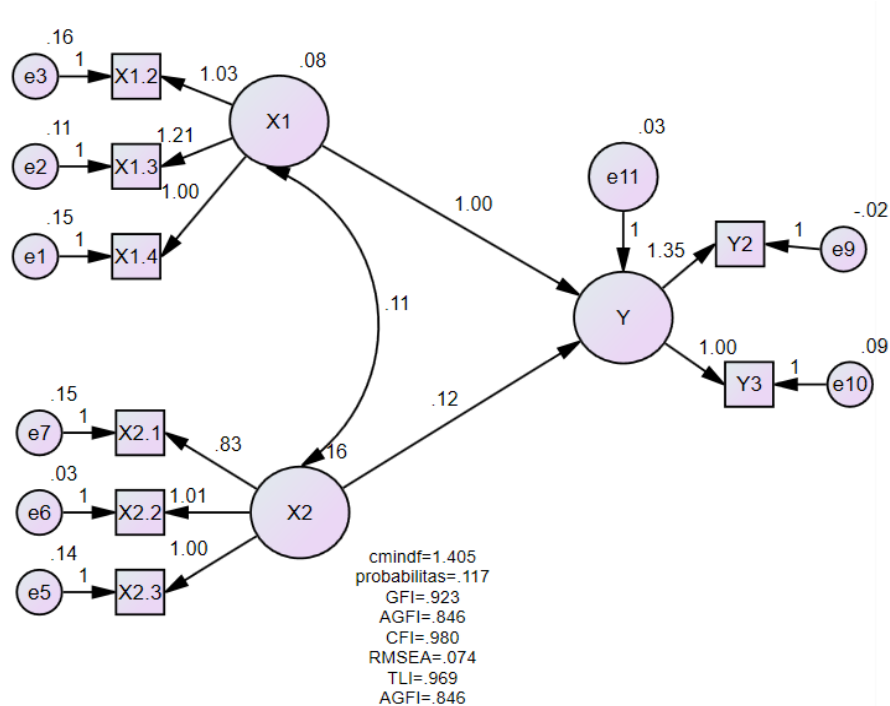


FIG 1. MEASUREMENT AND STRUCTURAL MODEL

DISCUSSION

Based on the results of the research that has been obtained, it is known that social media has no influence on organizational sustainability even though it is known that the communication process that occurs in social media has a fairly important role in sustainability. Some virtual communities are the perfect means of interaction to reach the desired audience. Strategic thinking is one of the important keys in the interaction of organizational sustainability through social media. Recognizing the audience, the social media used, and what a network community wants and providing it, are things that organizational sustainability must be able to do to succeed in utilizing social media as a communication medium for organizational sustainability (Borwn, 2012; Wu et al., 2020). According to Safko (2012) there are four pillars supporting strategies through social media, namely communication, collaboration, education, and entertainment. The selection of the right strategy and media can affect various aspects of the company or organization, one of which is in terms of building and maintaining the image of the company or organization in the eyes of external audiences. Image is a picture of an object in the minds of audiences or consumers (Kriyantono, 2006).

While Intellectual capital has mediation on Organizational Sustainability with an estimate value of 0.117, this is because the role of Intellectual capital is also related to knowledge-based materials or university assets, or the result of the knowledge transformation process that can be in the form of higher education intellectual assets.

The intellectual assets can be in the form of information, intellectual property, leadership skills, patents, trademarks, brand equity, databases. Intellectual capital is recognized as an intangible asset of great value, but until now there are not many universities that involve the role of social media and the application of intellectual capital to the sustainability of the organization. Research focusing on the relationship between IC and sustainability was presented by Predini (2007) who stated that the relationship between IC and sustainability is manifested by improving corporate reputation and image as well as supporting technological innovation. In contrast to other researchers, Mehralian et al., (2012) explained that IC has no effect on market value so it cannot be used to predict sustainability. Regarding the inconsistent research results, Dumay (2009) explains that in practice IC is not used as much as expected by academics.

CONCLUSION

This research was conducted at Private Universities in East Java Region, so the concept of sustainability referred to in this study is the Sustainability of Private Universities in East Java. The results of the research can be generalized in a limited way only to other private universities in Indonesia, not to state universities. Sustainability of an organization is the biggest challenge faced by a leader of Private Universities in East Java Success is not only talking about how an organization or university can win the competition, but also how to build partnerships. Partnership requires a communication within an organization that involves individual knowledge and Intellectual Capital. Knowledge is the lifeblood of an organization and can be identified as a crucial element for organizational survival in today's dynamic and competitive era. The conclusion of this study is that there is a significant influence between social media as a means of communication and intellectual capital on the sustainability of private higher education organizations in the East Java region.

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