MISMANAGEMENT OF HUMAN CAPITAL AT CAMPUS X IN MEDAN

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ABSTRACT

This study explores the critical role of universities in higher education, emphasizing their scientific orientation and societal impact. The investigation covers the importance of human capital and leadership in educational institutions, using Sisingamangaraja University in Medan, Indonesia, as a case study. The university's challenges, including radical student activities and ineffective human capital management, highlight the need for comprehensive strategies in leadership and human capital development. Through a qualitative approach and SWOT analysis, this research aims to provide insights into effective educational management and the implications of its failures.

KEYWORDS Human Capital Management, Leadership, Educational Institutions

INTRODUCTION

A university, as the primary face of higher education, can be distinguished from other educational institutions by its scientific orientation. Universities explore and develop science and technology, including concepts, methods, and values. The curriculum evolves based on established and autonomous academic principles.

According to Government Regulation No. 30 of 1990, the purpose of higher education is to prepare students to become members of society with academic and/or professional capabilities who can apply, develop, and disseminate knowledge and the arts. With this goal, higher education serves as a platform for students wishing to pursue higher levels of study. The Constitution of the Republic of Indonesia of 1945 includes the right to self-development. Article 28C, paragraph (1) states, "Every person has the right to develop themselves through the fulfillment of their basic needs, the right to education, and to benefit from science and
technology, arts, and culture for the purpose of improving their quality of life and for the welfare of humankind." In this self-development effort, every individual should be part of a group or community that can channel their interests and talents. Article 28E, paragraph (3), which states, "Every person has the right to freedom of association, assembly, and expression," guarantees citizens the right to exercise these freedoms.

The constitution stipulates one primary condition for all human rights: respecting the human rights of others within the orderly life of society, nation, and state. This condition is detailed in Article 28J, paragraphs (1) and (2):

1. Every person must respect the human rights of others in an orderly society, nation, and state.
2. In exercising their rights and freedoms, every person must comply with the limitations established by law to guarantee the recognition and respect for the rights and freedoms of others, as well as to fulfill fair demands based on moral considerations, religious values, security, and public order in a democratic society.

Based on these articles, individuals exercising their constitutional rights must ensure two main points: freedom from interference and freedom to express. These concepts are interconnected and parallel. Imaginarily, if Person A is free to express an opinion about education, Person B must be free from interference with Person A's opinion. When the state understands the limits of constitutional rights, synergy and collaboration of ideas can be optimally achieved. It is wise for policymakers to maximize investment in human empowerment, specifically in education. Education is integrative and comprehensive, encompassing a variety of interrelated aspects and materials. It not only targets intellectual quality but also includes ethics and mechanical or muscular intelligence. Therefore, the success of education should be measured not only by cognitive, affective, or psychomotor skills but by achieving all three domains fully and perfectly. Jean Piaget's cognitive development theory states that education should align with human development, considering both individual capabilities and societal dynamics, including science, technology, and culture.

"(Sisingamangaraja University) is an educational institution in Medan, North Sumatra, Indonesia. Founded in 1961, it offers various study programs in social sciences, computer science, health sciences, and engineering. The university aims to provide education that influences and builds students' character to become well-rounded and responsible individuals in society."

Sisingamangaraja University in Medan is a school located in Medan, North Sumatra, Indonesia. As an educational institution focused on learning and student quality development, it offers comprehensive services to meet students' educational needs. The campus provides adequate facilities, including comfortable classrooms, a library, laboratories, and sports facilities. Students receive high-quality education from expert and competent lecturers and are introduced to various interesting topics to broaden their knowledge. Student performance is often recognized and celebrated, especially for academic achievements. The campus also collaborates with other educational institutions and industries, providing students with extensive resources and networking opportunities.
In fostering good relationships with the surrounding community, Sisingamangaraja University in Medan organizes social and cultural activities to strengthen community ties and build good character in students. However, over time, Sisingamangaraja University has faced dilemmas, with some students adopting radical views and engaging in demonstrations leading to the death of Abdul Azis Angkat, the Chairman of the North Sumatra Regional House of Representatives. Radicalism, previously more prevalent among the lower class, has now infiltrated campuses, with students demonstrating with several demands.

The investigation into the anarchic demonstration at the North Sumatra Regional House of Representatives on Tuesday (February 3) led to the potential closure of two private universities: Sisingamangaraja University XII in Medan and Tapanuli University in Siborong-borong, North Tapanuli. Both universities are suspected of actively mobilizing students for the protest, which resulted in Abdul Azis Angkat's death.

Sumut Pos (Jawa Pos Group) reported that the Coordinator of Private Higher Education (Kopertis) Region One Nanggroe Aceh Darusalam-North Sumatra is conducting an investigation. If proven to have provoked the demonstration, the universities face closure.

Prof. Ir. Zainuddin, Head of Kopertis Region I NAD-North Sumatra, stated that preliminary investigations revealed the rectorate was unaware of the anarchic student protest at the North Sumatra Regional House of Representatives on Tuesday. Students only coordinated with the Vice Rector (PR) III of Sisingamangaraja University XII, Rudolf Marpaung, who consulted Chandra Panggabean, a member of the Daily Management Board of Sisingamangaraja University XII Medan. "All is still under evaluation. If the rectorate is proven to be actively involved, we will take firm action," Zainuddin said.

Meanwhile, North Sumatra Police Chief Irjen Nanan Sukarna aims to resolve the Medan riot case by March 3, 2008. In a discussion with journalists at the Grand Angkasa Hotel Medan, Nanan urged North Sumatra Regional House of Representatives members who witnessed the riot to testify to the police without waiting for the governor's permission. "We still need more accurate testimonies to uncover this case precisely," he said. Separately, Abdul Azis Angkat's family expressed anxiety and frustration over the slow police investigation into the exact cause of his death. Five days after the tragic event, the forensic expert's autopsy results remain unclear. (wan/min/jpnn/kim).

**Literature Review**

**A. Human Capital**

**1. Definition**

According to Schermerhon (2005), human capital can be understood as the economic value of human resources related to their abilities, knowledge, ideas, innovations, energy, and commitment. Human capital is a combination of knowledge, skills, innovation, and a person's ability to perform tasks, thereby creating value to achieve goals (Endri, 2010).

Human capital is a system within an organization to improve and develop an employee's performance by enhancing their intellectual capabilities, knowledge,
abilities, and experiences, ensuring that the output generated by an organization is valuable and of high quality (Yuniarsih et al., 2022).

Human capital can be considered quality human resources when the quality possessed by lecturers (teachers) is the main factor in improving the quality of higher education graduates (Rabiah, 2019).

Human capital involves developing human resources through skills, creativity, abilities, education, experience, and more (Yunita & Supriadi, 2023).

Human capital is a complex concept with many dimensions and can be acquired in various ways, including at home, in school, at work, and elsewhere. Human capital is intangible and its availability cannot be directly observed like physical capital. Therefore, all estimates of human capital stock must be built indirectly (Adriani, 2019).

According to The World Bank (2020), human capital includes the knowledge, skills, and health accumulated over a person's lifetime as the main drivers of sustainable growth and poverty reduction.

Human capital represents the characteristics of human resources (HR) determined by the knowledge they possess, which is used to create value for the organization. Effective management of human resources (human capital) can turn human resources into an asset or capital for a company or organization. Utilizing human resources (human capital) as the main capital of an organization can help achieve the organization's goals (Domili et al., 2022).

2. The Important Role of Human Capital

A person's human capital can be enhanced through the type and level of education they undergo. The higher the level of education, the greater the increase in human capital (Adriani, 2019).

Essentially, human capital is part of human resource management activities. Through human capital, companies can elevate their human resources to a higher level compared to being just ordinary resources (Sarreta, 2019).

Human capital plays a significant role in employee performance, with dimensions or indicators such as characteristics, individual capability, and individual motivation actively contributing to employee performance dimensions or indicators, including work environment, financial compensation, and work motivation (Hustia, 2020).

Human capital is crucial for economic growth and poverty alleviation. At the macro level, the accumulation of human capital increases labor productivity, facilitates technological innovation, enhances returns to capital, creates sustainable growth, and supports poverty alleviation. At the micro level, human capital built through education can increase a person's chances of securing employment in the labor market and enhance their ability to earn higher incomes (Sari et al., 2021).

B. Leadership

1. Definition

Leadership can be defined as the ability of an individual to influence others by engaging in desired activities through convincing communication to achieve goals (Sinambela, 2021).
Leadership is the ability of an individual (leader) to influence others (followers) so that they behave as the leader desires. Leadership is often associated with men because men are perceived as strong, brave, wise, and agents of social change, while women are seen as gentle and emotional, and thus not suited to leadership roles (Nurhalim et al., 2023).

Leadership involves the efforts of a leader to motivate and guide individuals to achieve mutually agreed-upon goals (Setiani et al., 2023).

Leadership is the attitude and behavior to influence subordinates to work collaboratively, forming a harmonious working relationship with considerations of efficiency and effectiveness to achieve the established productivity targets (Abijaya et al., 2021).

Leadership is the driving force behind the success of an organization. It is the process of influencing others to ensure they understand what needs to be done and how to do it correctly and effectively so that the organization's goals can be achieved. This process is crucial and is the primary task of a leader in effecting change (Pertiwi & Atmaja, 2021).

Leadership and being a leader are inseparable; they form a unity. A leader must possess leadership qualities, which are developed over time through a process that eventually crystallizes into a leadership characteristic. A person with leadership qualities, through persistent effort, can help foster leadership assertiveness in themselves (Irham, 2012, as cited in Hilyanti et al., 2022).

2. The Role of Leadership

The role of leadership in a team is defined as the process of providing direction and influence on the task-related activities of team members. They believe that a team will not succeed without combining each member's contributions to achieve the same end goal. The roles of a leader in a team include demonstrating personal style, being proactive in relationships, inspiring teamwork, providing mutual support, involving and engaging people, helping others see opportunities and achievements, seeking individuals who want to excel and work constructively, encouraging and facilitating members to work, recognizing team members' achievements, striving to maintain commitment, and placing a high value on teamwork while also bringing positive energy (Nurhalim et al., 2023).

The role of leadership in organizational change can be seen from the management functions carried out by leaders: 1) Planning a change, 2) Organizing organizational change into its implementation, and 3) Motivating and directing organizational resources to change and implement the change (Pertiwi & Atmaja, 2021).

Leadership is also a critical factor in any organization. Often, the quality of an organization largely depends on its leadership. Therefore, all organizations need leaders to guide them to achieve predetermined goals. This includes educational institutions, where the leader is usually called the principal (Sukatin et al., 2022).

C. SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)

1. Definition
SWOT analysis is based on the logic of maximizing strengths and opportunities while simultaneously minimizing weaknesses and threats (Saputra & Rodhiyah, 2016, as cited in Endarwita, 2021).

SWOT analysis is a strategic planning tool that helps organizations identify their internal strengths and weaknesses, as well as external opportunities and threats (Phadermrod et al., 2019, as cited in Zainuri & Setiadi, 2023).

SWOT analysis systematically identifies various factors to formulate company strategies. Generally, determining the right strategy for a company begins with recognizing opportunities and threats in the external environment and understanding strengths and weaknesses in the company's internal aspects (Sumarni, 2022).

SWOT analysis in educational institutions can be understood as identifying the condition of the educational institution from four perspectives: Strengths and Weaknesses from the internal environment, and Opportunities and Threats from the external environment (Maimunah et al., 2021).

SWOT analysis is a systematic and logical identification of various factors to formulate company strategies. This analysis is based on the logic of maximizing strengths and opportunities while simultaneously minimizing weaknesses and threats. Competitiveness is the company's ability to leverage the advantages it has created (Rahmawati & Sutantri, 2019).

2. The Purpose of SWOT Analysis

SWOT analysis aims to help business people better understand the actual problems. This concept not only aids business success but also simplifies its achievement. Proper implementation of company management concepts will provide twofold benefits (Zainuri & Setiadi, 2023).

The purpose of SWOT analysis is to help develop factors such as strengths, weaknesses, opportunities, and threats that will influence the company's strategic planning. For a company to run according to its objectives, it must apply the SWOT industry aspects to obtain an assessment (Rahmawati & Sutantri, 2019).

SWOT analysis plays a significant role in supporting company management in decision-making. Thus, SWOT analysis can be said to have an essential relationship and role in decision-making (Fristasya et al., 2021).

3. Factors Influencing SWOT Analysis

According to Rahmawati & Sutantri (2019), there are two factors influencing SWOT analysis: internal factors within the company's environment and external factors outside the company's environment.

a. Internal Factors

Internal factors originate from within the company, namely strengths and weaknesses. The components of internal factors include:

1. Resources
2. Company finances
3. Operational activities
4. Marketing activities
b. External Factors
External factors originate from outside the company, encompassing opportunities and threats. The components of external factors include:
1. Market aspects
2. Competitor aspects
3. Supplier aspects

RESEARCH METHOD
This article employs the library research method, a data collection technique involving the understanding and study of theories from various literatures related to the research. According to Zed (2004), there are four stages of library research: preparing the necessary equipment, preparing a working bibliography, organizing time, and reading and noting research materials. Data collection involves searching for sources and reconstructing information from various sources such as books, journals, and existing research. The analysis method used includes content analysis and descriptive analysis. The literature obtained from various references is analyzed critically and in-depth to support propositions and ideas (Fadli, 2021).

This type of research uses a descriptive method with a qualitative approach. This research provides accurate descriptions and explanations of the conditions or phenomena encountered. According to Sugiyono (2020:9), qualitative research is used to investigate natural object conditions, where the researcher acts as the key instrument. Data collection techniques are performed through triangulation (combination), data analysis is inductive, and qualitative research results emphasize meaning rather than generalization.

RESULT AND DISCUSSION
A. The Urgency of Human Capital Management on Campus
In line with the current developments in societal life, there has been a paradigm shift in the management of human resources within organizations. Employees are no longer viewed merely as resources but are now considered assets to the company (Susan, 2019). At this point, it is strongly believed that the future of a company lies in the quality of its human resources, where the company's goals and objectives cannot be achieved without strong cooperation among employees (Siagian, 2019). Hence, the concept of Human Capital Management (HCM), which primarily addresses how to manage human resources, is a relevant topic of discussion today.

Specifically, HCM refers to the measures taken by companies to gain a competitive advantage through the management of their human resources (i.e., through self-improvement activities such as training or studies). Through this management process, it is expected that the quality of life of all employees will improve, which will subsequently contribute to the achievement of organizational goals. Therefore, the concept of HCM focuses on how employees can bring significant progress to their units within the organization (Baron & Armstrong,
To ensure that an organization operates ideally, six factors need to be considered in the implementation of HCM: a. Personnel - the individuals working for the organization, their qualifications, and areas of expertise. b. Work processes - how work is handled within the organization and cooperation between units. c. Managerial structure - the maturity level of employees, the authority of managers, and work management within the organization. d. Information and knowledge - how employees interact with customers. e. Decision-making - the ability to assess the importance of a decision and the right time to take action. f. Rewards - how an organization rewards employees who have outstanding performance in their jobs.

Formulating an organizational strategy is an effort to achieve organizational goals through long-term development plans, considering the organization's strengths and weaknesses, as well as available opportunities. This strategy can be pursued by first establishing the fundamental basis of the organization, namely its vision, mission, and strategic plans based on a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis before setting the organization's work programs.

**Vision:** The vision explains what the company hopes for in the future, the level it wants to achieve, and how to reach the desired future (Taiwo, Lawal & Agwu, 2016). A strong vision helps the organization predict future events, prepare for changes and innovations, face the future boldly, forecast changes in customer demand, and enhance employee efficiency.

**Mission:** The mission highlights the reason for the organization's existence and explains the priorities and values it wants to develop. The mission also describes how the organization operates, such as what work needs to be done, etc. The mission must be formulated in line with the vision, which serves as a guide for the organization's policies and programs. Specifically, to formulate a mission, an organization needs to consider the following criteria (Adhim & Hakim, 2019): a. Product or service: the mission must meet the needs of society. b. Target: the mission needs to have a clear scope according to societal demands. c. Quality of products and services: the mission must explain or describe the quality of the organization's output and highlight its advantages over others. d. Aspirations: the mission must explain the organization's future expectations and how the organization contributes to society.

**Strategic Plan:** The strategy formulation process begins with an analysis of the organization's internal and external factors, especially regarding how to manage the organization. The analysis is conducted to determine the organization's strengths, weaknesses, opportunities, and threats. Therefore, the appropriate strategy can be deployed to ensure the organization's welfare.

Specifically, the process of formulating a strategic plan can be carried out through the following steps: (1) determining tasks and objectives, including outlining the organization's goals, (2) developing a corporate image that reflects the internal status and capabilities of the company, (3) identifying the organization's
goals and objectives, (4) conducting a SWOT analysis, (5) making strategic plan decisions, including identifying, evaluating, and selecting various feasible strategic options, (6) developing corporate strategies, (7) implementing strategies, including managing and monitoring the currently applied strategies, (8) evaluating strategies and determining whether the organization achieves its goals with the applied strategies (Irmanto & Ridwan, 2021).

B. Factors of Failure in Human Capital Management

Human Resource Management (HRM) in a company or campus is considered poor when there is a lack of order, motivation, ethics, and productivity within the organization. As a result, organizational targets, both long-term and short-term, are not met on time or at all. Furthermore, poor HRM consists of several aspects, including the failure to manage critical aspects related to employees. This includes ineffective recruitment and selection processes, lack of employee development, unfair policies, poor communication, and insufficient attention to employee needs and motivation.

For instance, in the case of Universitas Sisingamangaraja in Medan, which has closed down, several factors were identified that contributed to the failure of human capital management within the organization. These factors include:

1. **Non-Comprehensive Leadership** Leadership is one of the key functions in organizational development management, specifically regarding the organizational structure. Leadership is the primary factor in managing the human capital of an organization or company. Weak and rigid leadership tends to result in misguided organizational activities. Consequently, the main objectives of the campus are forgotten.

   A leader who is unclear in making policies and deciding on activities can lead to organizational losses. For example, Universitas Sisingamangaraja in Medan, which was supposed to be a center of enlightenment and a solution for development disparities in society, became a political power market. It misused academic and intellectual authority to promote vandalism in society.

   This non-comprehensive leadership harmed many parties, leading to the closure of the long-operating higher education institution due to mismanagement of the existing human capital on campus.

2. **Inconsistency** Inconsistency in Human Capital Management relates to the organizational culture formed. Human capital management must consistently oversee every activity implemented within the company. For example, creating a culture of regular inter-departmental meetings. If such practices are consistent, they will shape employee behavior. If not, employees will feel that these practices are insignificant and tend to dismiss them. This inconsistency will impact other activities that will not proceed as they should. Therefore, human capital management must consistently apply all employee activities within the company.
The closure of campus operations can also result from inconsistent human capital management. The campus, initially established as an educational institution focused on student learning and quality development, shifted into a hub of anarchic political movements. A campus that initially offered comprehensive services to meet students' educational needs transformed into a servant of the pragmatic interests of societal elites.

A. Negative Impacts of Failure in Human Capital Management

When the management of human capital in a campus or company is poor, it can lead to several tangible negative impacts, including:

1. **Employee or Member Conflicts** Poor management of human resources often leads to conflicts among employees. Unclear or unfair policies and procedures can create dissatisfaction and a sense of injustice among employees, potentially triggering internal conflicts that harm the company.

2. **High Employee Turnover Rates** Poor human resource management often contributes to high employee turnover rates. When employees feel undervalued, lack career development opportunities, or do not have a healthy work-life balance, they are likely to seek better job opportunities. Consequently, the company incurs high costs for recruiting and training new employees, losing valuable knowledge and experience held by dissatisfied former employees.

3. **Demotivated and Unproductive Workforce or Members** Ineffective human resource management leads to demotivated employees and reduced performance. Lack of recognition, inadequate rewards, and insufficient support for career development can hinder employees from giving their best. The absence of motivation and appreciation can negatively impact the company's overall productivity.

4. **Decline in Company or Organizational Growth** Poor human resource management can lead to a decline in the company's growth rate. Disengaged and unproductive employees affect the quality of products and services, customer satisfaction, and the company's reputation. All these factors can hinder the company's long-term growth.

5. **Dissatisfied Customers Leaving the Company’s Products** In a competitive business environment, customers have more choices. Poor human resource management can impact customer service. Employees who are not well-trained or motivated to provide a good customer experience can lead to customer disappointment and a shift to competitors.

B. Solutions for Restructuring Human Capital Management

Based on the closure case of Universitas Sisingamangaraja in Medan, there is a need for human capital restructuring in campuses to ensure every aspect of human capital management aligns with the primary goals of the campus. Several measures
that management can take to maintain a positive climate for human capital management in campuses include:

1. **Maintaining Strict Codes of Conduct and Company Policies** It is essential to have clear and firm codes of conduct and company policies. Anyone who violates these codes should face serious consequences under the strict supervision of the HR management team. This will create a more professional work environment and reduce the chances of violations.

2. **Building a Professional and Ideal Work Environment** Companies must create a positive, inclusive, and supportive work environment. Ideal work environment aspects include promoting a healthy work culture, respecting differences, and encouraging team collaboration. A good work environment can enhance employee engagement and productivity.

3. **Ensuring HR Human Capital Teams Have Good Skills** HR teams must be equipped with excellent communication, negotiation, empathy, and problem-solving skills. These abilities will help them interact with employees, resolve conflicts, and provide necessary support. Developing the skills of the HR team should be a company priority.

4. **Improving Employee Recruitment Processes** The recruitment process should be conducted seriously and professionally. The HR team should look for highly skilled and potential employees who can adapt well to the company culture. Improving the recruitment process will help in finding the right employees for the right jobs.

5. **Shaping Good Character in Employees** Human Capital Management is not just about managing administration, KPIs, SOPs, and the like. It also has the responsibility of shaping employees, students, and the academic community into individuals who are not only good at their jobs but also exhibit good behavior. While this is not an easy task, if human capital maximizes employee and student empowerment, this can be achieved. Therefore, using systems to manage administration and other personnel tasks will help human capital maximize the empowerment of human resources within the campus.

6. **Clarity on Roles and Responsibilities** Human Capital Management must provide clear job descriptions for employees, so they know their duties and positions. Many job descriptions are not well-structured, causing confusion among employees about their roles and responsibilities. Often, they do not know what their exact position is and what responsibilities it entails. This confusion triggers human capital failure in managing human resources.

7. **Reviewing and Updating Organizational Goals** The HR team needs to regularly review and discuss organizational goals. This can be done through regular meetings, employee performance assessments, and constructive feedback. By setting and monitoring clear goals, the company can ensure that employees are focused on achieving common objectives.
CONCLUSION

The study concludes that effective human capital management and leadership are crucial for the success of educational institutions. Sisingamangaraja University's challenges underscore the importance of comprehensive and consistent management strategies. The failure to manage human capital effectively can lead to significant negative impacts, including conflicts, high turnover rates, and decreased organizational growth. Recommendations for restructuring human capital management include maintaining strict codes of conduct, fostering a professional work environment, improving recruitment processes, and shaping good character in employees. These measures are essential for ensuring the long-term success and positive impact of educational institutions on society.

REFERENCES


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