

The Increase of Employee Learn and Growth by Maximizing Peoplesoft Oracle Technology in the Context of Learning and Development at PT. Indo-Rama Synthetics Tbk

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Abstract. The purpose of this research is to maximize the use of Peoplesoft Oracle Software in Learning and Development on PT. Indo-Rama Synthetics Tbk. Corporate HR & OD will have an integration HR processes, especially for L&D aspects. L&D aspects can be simplified using fully online courses and its integration process. This research is using Digital Maturity Model from Deloitte in cooperation with TM Forum. This research uses mix methods, Qualitative (in-depth interviews) and Quantitative (online questionnaire). The researcher will provide business plan includes gap analysis, roadmap for company's digital transformation and a new SOP procedure in accordance to findings. As a result, the company is able to evaluate the use of Peoplesoft Oracle to implement the digital transformational process. For business practitioners, this research helps managers in making decision regarding the readiness of the company, along with all its supporting aspects in implementing digital transformation on L&D aspects.

Keywords: Industry 4.0, Peoplesoft Oracle, Digital Maturity Model, Learning and Development, Digital Transformation Project.

1 Introduction

The need for digital transformation is now starting to be widely used, especially by companies, as a way to get opportunities in its existing business process. Digital technology in this context have an important role in various aspects such as HR and creating a more comprehensive communication between all the stakeholders that is involved in the project [1]. Since 2016, PT. Indo-Rama Synthetics Tbk has produced 33 potential per year employees that were qualified to gain promotions. On the contrary, the company has initiated many training and learning for all of its employees respectively. Learning and Development (L&D) is one of the central aspects for employee growths. L&D aspects in the company has been using various methods to deliver the knowledge to the employees, mainly by using mixed methods such as online (for administration purposes) and offline. All processes for Learning and Development are being done manually in the company's Learning Center such as Training are done in the Training Classroom and knowledge storage are being kept in the office library. Innovation involves the "creation of new knowledge and ideas to facilitate new business outcomes [2]. Based on the users feedbacks and evaluation, Corporate HR & OD has decided to start planning by monetize the use of Peoplesoft Oracle as company Management Information Systems (MIS) by spending the investment on more HR sub function. Until now, Peoplesoft has only been used by the company as part of administration and storage data

related to HR Aspects, such as employee personal data, employee's KPI and performance appraisal.

This research is focusing on current L&D process in the company and the needs to go from manual to digital ways, by using existing MIS technology Peoplesoft Oracle. Throughout the analysis, the authors analyze and giving suggestions to the company respectively by analyzing its gap analysis from current and future maturity findings and road map for the process and readiness of digital transformation.

2. Literature Review

2.1 Digital Transformation Context

Prior studies indicated that there are some researchers who are trying to define digital transformation and its various aspects. Such antecedents have drawn generous attention, particularly in the company's ability to perform innovation capabilities [3]. In this research, the authors are using Digital Maturity Model (DMM) as a means to find the existing (current) maturity and to analyze the company's readiness to the digital transformation process. The authors analyzed based on 5 main variables and sub-dimensions in accordance with the objective of this study. Lastly, the company has to make sure that these innovations can be used as a reference for organization in making a measurable approach, such as the right investment at the right time [4].

2.2 Digital Transformation Initiatives

2.2.1 Problem Findings

PT. Indo-Rama Synthetics Tbk through its top management has decided that the company need to change its Learning and Development methods to be fully online in its process. L&D is one of the important aspects in the employee's growth and have many implications such as in talent management aspects and long-term succession planning. Since the company has invested in long-term for its MIS software, the authors noted that the existing technology can be maximize by monetizing more of its HR sub-function, in Human Capital Management and Learning Management Systems.

2.2.2 Business Capabilities

For this aspects, the authors try to analyze the company's current business capabilities by using Business Capabilities Map in Archimate 3.0 [5] and ciopages.com for HR operational perspectives [6]. The analysis was conducted by selecting related variables to this research and using top-bottom approach. The authors analyze each variables based on the findings.

2.3 Digital Maturity Model and Digital Transformation Roadmap

The Term "Maturity" from Digital Maturity Model, refers to a state of complete, ready or perfect [7]. From the definition of "maturity", it can be concluded that "Digital Maturity" as a term, is related to digital transformation and reflects the condition of the company and the efforts carried out by the companies [7].

In analyzing the Digital Maturity Model, the authors try to fill the gap on the findings between current maturity (by using questionnaire) and future maturity (in-depth interview). After the gap has been analyzed, the next step is to design roadmap for digital transformation initiatives in L&D aspects for the company.

3. Methodology and Data Analysis

This research was conducted in PT. Indo-Rama Synthetics Tbk, a manufacturing company in textile product. There are 2 methods that are used, quantitative and qualitative methods.

3.1 Sampling and Data Collection

For Quantitative method, the population in this study consists of employee from management office in PT. Indo-Rama Synthetics Tbk. The sample data from this research consists of 31 employees ranging from Officer – Supervisor. The questionnaire constructed by using Digital Maturity Model (DMM) from Deloitte Consultant and TM Forum [8]. The questionnaire designed and developed before it was sent to the selected respondent for a pilot study. Then, the questionnaire was revised by rewording and being sent out again for the selected respondent. The data was collected on March – April 2020.

The Questionnaire was made and given out through online platform, google forms. All items in each variables of the questionnaires were measured using 5 maturity level of the proposed Digital Maturity Model (in order : Initiating, Emerging, Performing, Advancing and Leading). After the respondents fill out the questionnaire, the authors analyze the results using Statistical Package for the Social Science ver. 23 to scale the validity using Pearson-Correlation and reliability using Cronbach's Alpha.

In Qualitative method, the authors carry out in-depth interview with 2 selected respondents respectively from the company. The author received confirmation related to the findings from the quantitative methods and receive additional information related to the strategic planning, particularly in the company's effort to the on-going process of digital transformation. Both respondents are selected based on their ranks in the company and they have a knowledge related to company's future strategies.

3.2 Variables and Dimensions of Digital Maturity Model



Fig. 1. Digital Maturity Model [8]

The author selected dimension from variables that are connected to this research. The purpose of this step is to describe the aspects that have been carried out to the company's main objectives so the company will be more competitive and can compete with other companies to

achieve digital transformation, also for the readiness for company to adapt to the digital transformation [7]. In this research, the variables and each of the selected dimensions are :

Customer : Customer Trust and Perceptions.
Strategy : Ecosystem Management & Strategic Management.
Technology : Delivery Governance.
Operations and Data : Smart Process Management.
Culture : Leadership and Culture & Employee Enablement.

4. Case Study – PT. Indorama Synthetics Tbk and Its Effort on Digital Transformation

This company for this research is PT. Indo-Rama Synthetics Tbk, a manufacturing company that is located in Purwakarta, West Java, Indonesia. This company was founded by the Lohia family from India, namely Mr. Mohanlal Lohia as founder and his son, Mr. Sri Prakash Lohia. The company begun its operation in Indonesia since 1975 [9].

Based on the information from Otoritas Jasa Keuangan (OJK), PT. Indo-Rama Synthetics Tbk is one of the top 5 companies in manufacturing industries that has the biggest revenue streams in Indonesia [10]. Throughout the process, the company has been using Peoplesoft Oracle as part of their Management Information Systems. This strategy aligned with the company’s value “People, Technology, Excellence” that is stated in the corporate shield as a guidelines for all employees (Corporate HR & OD).



Fig. 2. Corporate Shield PT. Indo-Rama Synthetics Tbk

Since 2010, the company has been using Management Information System (MIS) from Peoplesoft Oracle as part of the integration between divisions and activities in daily operational. However, up until now, the use of Peoplesoft Oracle was strictly in administration processes only, such as inputting data as a form of daily and annual reporting.

In the early 2020, top management has decided that in the year 2030 and in accordance to the government long-term plan for “industry 4.0” [11], the company is expected to shift its business process to become fully digitalized. Also, there is a growing concern for the talent management especially in company’s talent pool to produce more talented employees as a means for long-term succession planning. Therefore, to minimize the costs and to fully maximize the use of the digital technology that has been invested for long-term, the topic for this research is to use Peoplesoft Oracle by monetizing its Learning Management System (LMS) and Human Capital Management (HCM) sub-function.

All processes of Learning and Development such as Training, Development and Courses are being done manually in the company's Learning Center, such as training classes and library. In the learning processes, there are several methods that the company usually undertake. Usually, all invited employees who become a participant have to attend the learning process in the selected classrooms. As for the trainers, the company uses its internal trainer such as head of certain divisions and officers who are qualified to be a trainer (formal and informal). On certain occasions, external trainers that were invited for more than one-day training.

After careful consideration and evaluation from various aspects such as working times, training budgets, training effectiveness and talent management, the company needs to change its Learning and Development method into more simple, effective, efficient and user-friendly to all employees. Included in the proposed Learning and Development in LMS sub-function processes are integrated video-conferencing, access to all modules of learning, can be accessed anywhere and at any time.

From the needs of the company and in line with Company's long-term plan, the author tries to give a recommendation to the company on how to select the best form of monetizing the HR sub-function of Peoplesoft Oracle. Through the author recommendations, the company will have an option on how to prepare for the next steps of their digitalization process such as road-map, business capabilities, gap analysis from the findings, and estimated financial planning.

Furthermore, digital transformation in the company is crucial for the next phase of development plan in regards to the organization's middle-long term plan, succession planning (also, talent management), learning and development and more importantly, PT. Indo-Rama Synthetics Tbk will be a benchmark for its competitors and also adjusting to the central government long-term plan related to "Industry 4.0".

5. Research Result and Discussion

Based on the findings, the company has invested in a long-term planning to the usage of MIS Peoplesoft Oracle. The purpose of implementing the process by online is that employee can be more flexible in participating on Learning and Development activity, the results can be assessed at any time and employee assessments from pre – post learning can be assessed at that time. As a guidelines in implementing learning processes, the company follows the steps that has been formulize in the flow chart as stated in the figures below:

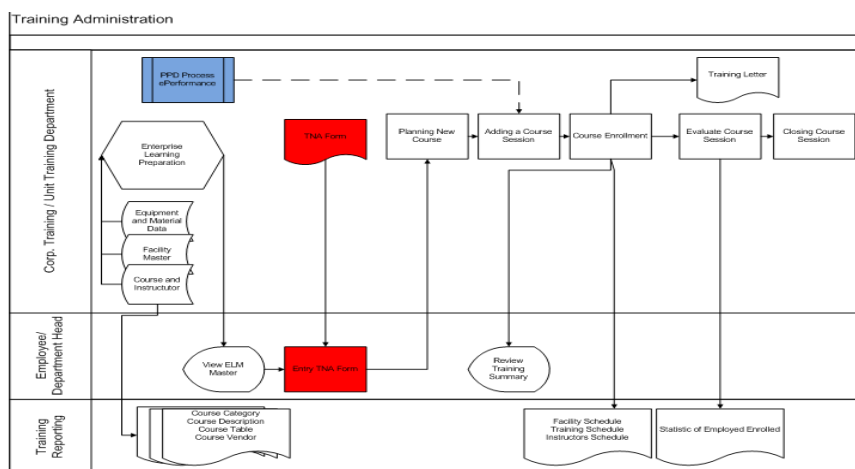


Fig.3. Flow Chart Learning and Development

Based on Fig.3, the flow chart is a reference used by PT. Indo-Rama Synthetics Tbk in preparing – implementing learning and development for all of its employee. The workflow starts from the needs of learning and development (preparation) such as scheduling the learning time, supporting facilities and materials, instructors/trainers and lastly, the evaluation process. Until now, Learning and Development processes are being maintained and monitored continuously so that collaboration and cooperation between divisions can always be improved. To summarize, the process of Learning and Development as mentioned in the previous paragraph will be simplified and less costly such as in operational costs, training costs and the complexity of workflows. From the findings by using qualitative and quantitative methods, the current and future Digital Maturity Model from the company are analyzed from the figures below:

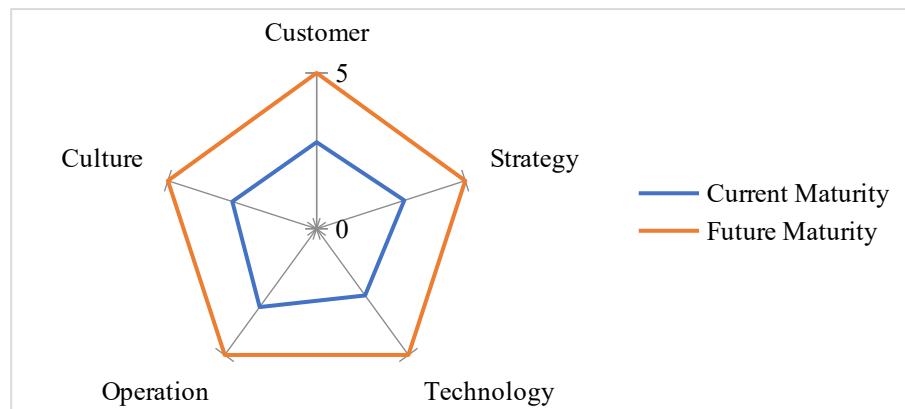


Fig. 4. Digital Current and Future Maturity Model

Based on Fig.4, variables Customers, Strategy, Technology and Culture are in the state of “Emerging”, while variables “operation” are in the state of “Performing”. The company needs to focus on the score that has the lowest, that is technology. Throughout the findings from in-depth interview, both respondents acknowledged the current DMM findings. The findings from DMM are confirmed with in-depth Interview from Head of Function (Deputy General Manager) and Corporate HR Manager. There are several findings that matched with the current findings.

- (1) The use of Peoplesoft Oracle is the only digital technology that the company uses. Only employees from the ranks “officer” are able to used Peoplesoft with limited access.
- (2) The customers (internal employee as users) agree that the use of Peoplesoft Oracle is helping them in their daily activities, and they believe that all information (personal, work-related) that is stored in Peoplesoft are safe and trusted.
- (3) There is a need for change related to HR aspects in the company, particularly in L&D aspects because the top management believes the use of technology can be expanded and will have positive impacts to all employees.
- (4) Up until now, there has been no new innovations related to digital processes. The company is still focusing on upgrading its operational assets such as machines. The use of Peoplesoft

Oracle is just for administrative purposes. To monetize the use of other functions, the company needs to incur additional costs.

(5) Regarding “Industry 4.0”, both respondents stated that open collaboration has become a culture in the company’s daily activities. They believed that through open collaborations, regular training and open discussion are a few aspects to get employees on the same mindset and perspectives.

After confirming all of the findings, the authors then analyze the need for a roadmap for the company’s digital transformation. The authors suggested that the span of years is 2 years since the project started until the full implementation of LMS in Peoplesoft Oracle software. There are 5 aspects related to the variables in DMM, and 5 stages as a timeframe for the process. Stage 1 started as formulating strategies, stage 2 as defining and setting targets for each aspect, stage 3 for preparations needed, stage 4 as trial and evaluation of the usage of digital processes, and stage 5 is the stage that the digital transformation project is fully established and implemented (with the continuous supervising and evaluation periodically). On the roadmap processes, between one variable and the others have a relationship (connected) and cannot be separated.

Lastly, to help the company achieve this digital transformation, the authors suggest a new design for the company’s SOP as a guideline in monetizing each L&D process, such as steps in navigating L&D preparations up to closing L&D sessions (including employee individual’s assessment and feedbacks).

6. Conclusion

The results and findings of this research indicate that the company has sufficient resources to initiate the changes related to the digital transformation project. Before this research started, the company has already been using a digital technology in their MIS system, even if it is only for administrative purposes. In this regard, the digital transformation project will take place in monetizing some of the HR sub-functions. The authors have made a recommendation for the company that has been stated in the previous chapters. As a result, there are some stages that the company needs to go through until the implementation process.

7. Further Research and Limitations

From the academic perspective, this paper serves as a means to gain knowledge and as a basis to analyze the information needed for the company. For business practitioners, this research helps managers in making decisions regarding the readiness of the company, along with all its supporting aspects, to shifting in implementing digital transformation on L&D aspects.

The current study still has its limitations. Firstly, the limited number of respondents that has been surveyed by using questionnaires and in-depth interviews. Therefore, future research in this context needs to use a larger number of samples taken from the company. Other limitations are this concept of Digital Transformation Project, provided by the authors, has not been used by the company due to time limitations. If in the future, this concept is approved and the company uses it, future research activities may develop and focus on the future maturity of digital technology. Finally, future researchers may consider to develop a research on other subsidiaries from Indo-Rama Corporation, such as PT. Indo-Rama Polychem Indonesia.

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