

## Developing Local Wisdom Capacity on Socio-Cultural Conflict and Inequality in The Digital Era

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### ABSTRACT

The replacement of human resource by robots in the industrial revolution 4.0 has an impact on several important issues especially in the economic sector in various countries including Indonesia. Technological development has a significant influence on the change of human behavior, leading to socio-cultural conflict and inequality. The possible solution that can be done to solve such a problem is by expanding local wisdom capacity. In Indonesia, there is an organizational culture called “*berbagi*” or sharing and this value is embedded in the local wisdom. The values contained in “sharing” culture are expected to be able to develop human resource capacity in minimizing social cultural conflicts and inequalities that occur in the digital era. The study utilized Policy Research in which the researcher analyzed social problems based on theoretical study and relevant literature analysis with the goal that the findings of this study can be recommended to decision makers as a basis for solving the problems. The results of this study show that the organizational culture of “sharing” is able to improve the economic competitiveness of Indonesia. The increasing competitiveness is viewed as the impact of the increasing human resource capabilities in various sectors in both public and private.

Keywords : Sharing, Characteristics of Organizational Culture, Local Wisdom, Digital Culture

### 1. INTRODUCTION

The replacement of human resource by robots in the industrial revolution 4.0 has an impact on human resource issues in various sectors. The process of replacing human resources by robots is known as digital transformation (Foerster-metz, Marquardt, Golowko, Kompalla, & Hell, 2018). This process often called as human digital has taken place throughout the world including in Indonesia. This can be seen from the fact that online transactions can be done only by using devices such as laptops, cellphones and etc. As long as there is an internet network, people from various parts of the world, with various interests, can get connected to each other (Nadem, Abedin, Cerpa, & Chew, 2018).

Digital transformation occurs as the digitization process is viewed to be more efficient and accurate. It is said to be efficient because one can do various things at the same time such as buying and selling transactions, watching movies, and etc only by using a smartphone. In terms of accuracy, technology is more reliable because it will not experience boredom, fatigue, and etc like humans will (Gast, Gundolf, Harms, & Matos, 2019).

Despite having positive effects, the digital development also has negative

effects (Matt, Hess, & Benlian, 2015). The misuse of technology to reap personal benefits such as theft, robbery, fraud, terrorism and etc is often occurred. The credit/debit card holders who use EDC machines must be more careful about their personal data as there have been frequent cases of burglary through credit / debit cards (Yang & Wu, 2008; Dick, Ciampa, & Liang, 2017).

Some studies related to digital transformation, including Nwaiwu (2018), explain that digital transformation does not merely concern with the use of technology that is suitable for achieving a goal, but it is more about an approach in dealing with managerial problems. Goerzig and Bauernhansl (2018) argue that digital transformation involves the application of digital technology with the aim of changing key business operations, products, processes, organizational structures, and management concepts.

Digitalization of human resources occurs through digital transformation. In the digital transformation process, organizations are required to flexibly adjust to the occurring changes. This is because the process of change takes place continuously and will probably never stop. What needs to be done by the organization is to balance these changes with the development of skills and capabilities of the human resource (Daniel Rowles and Thomas Brown, 2017). In other words, it is not solely related to marketing strategies. Furthermore, digital transformation has an impact on the core of organizational behavior, namely the interaction between two important things: technology and people. In other words, the use of technology will ultimately shape human behavior (Foerster-metz et al., 2018).

In the context of national culture, digital transformation affects the personality of a nation. When there is a digital transformation, there are values that also change. They are not only positive values, but also negative excesses, which ultimately lead to a cultural crisis, an issue that should be aware of and sought for solution. It is important to be done in order to help the sustainability not only of the business sector, but also of the attitude and behavior of human resource in facing the excesses of globalization and competitiveness (Mulyaningsih, 2018).

The development of Indonesian human resource, which aims to improve the capabilities and competencies in facing 2020, builds a characteristic of organizational cultural values. The values in question must be based on Pancasila philosophy and local wisdom at Sundanese level, such as: "*sareundeuk saigel sabobot saphanean, silih asah, silih asih, silih asuh, silih simbeuh*" which in Indonesian is called the concept of "berbagi" or sharing (Mulyaningsih, 2015). The organizational culture of sharing is expected to be able to solve social cultural conflict and inequality in the community.

## **2. CHARACTERISTICS OF ORGANIZATIONAL CULTURE OF "SHARING"**

Digital culture is a state of cultural change that happens rapidly through social media. As a result, more and more problems are exposed. This in turn has implications for social, cultural and economic inequalities that lead to the high level of competition in the community, both regional and international (Wibowo, 2016). Through social media, new values that are previously not in accordance with the national personality are adopted and eventually transformed into a culture (Abdul-jalal, Toulson, & Tweed, 2013).

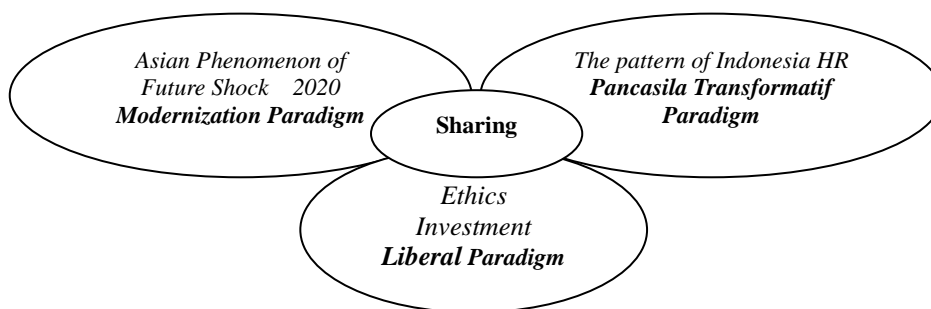
Culture is a pattern of human activity that is systematically passed down from one generation to another through a learning process to create a particular way of living that best fits the environment (Wibowo, 2016). Organizational culture contributes more than the bureaucratic behavior (Mulyaningsih, 2015). Therefore, the re-introduction of Indonesian culture is considered necessary in fortifying the influx of foreign cultures that intersperse the local culture.

The "Sharing" culture is a characteristic of organizational culture in Indonesia that is produced from the local culture and can be used as a tool to develop human resource in various activities. This is in line with the efforts of Indonesia in increasing the capabilities and competencies of human resource to face 2020, which is to build an organizational cultural value that will influence how to work and behave (Mulyaningsih, 2015; Abdul-jalal et al., 2013).

The characteristics of organizational culture of "sharing" in Indonesia can be used as a basis of behaving particularly in dealing with issues of the nation and doing business with other countries /organizations in various parts of the world. This can be proven from how history has recorded the efficacy of "Sharing" culture in Indonesia. In the context of investment, the culture of sharing in Indonesia is based on ethical investment values (Kusmiati et al., 2019). This is certainly different from other countries.

Moreover, "sharing" culture is a characteristic of organizational culture that can be applied to various forms of institutions, circles and sectors except politics in Indonesia, considering that political parties are only run among parties (Mulyaningsih, 2018). The absence of sharing culture within the party causes internal conflict which can only be resolved by establishing a new political party.

One of the challenges faced by Indonesia is to build an organizational culture that bases the characteristics of the nation on the culture and local wisdom, namely the the culture of "Sharing". The challenge is also to be able to maintain the values in the era of globalization. The paradigm of thinking in improving the competency of human resource behavior in Indonesia in the future is as follows (Mulyaningsih, 2018):

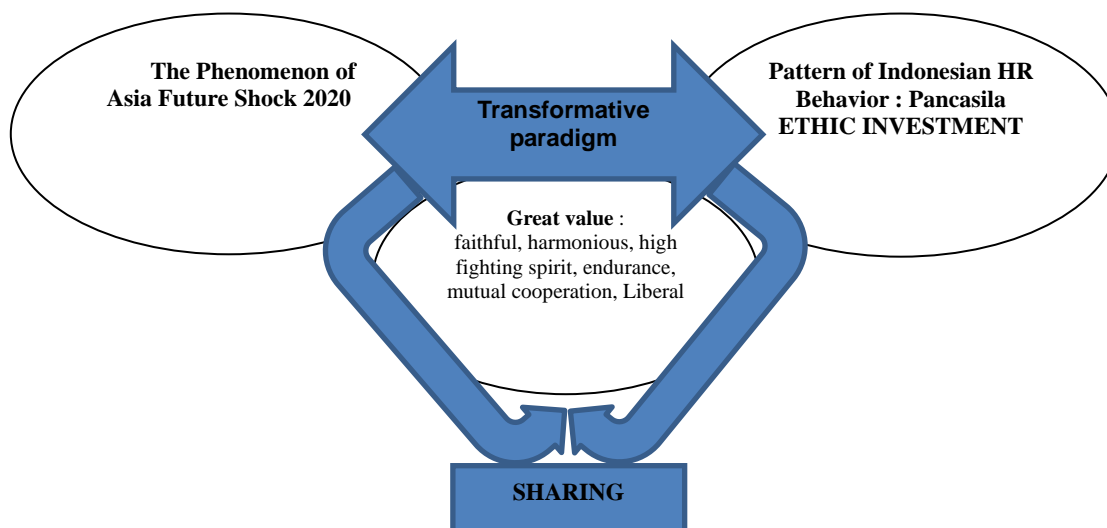


**Figure 1**  
**Paradigm Characteristics of Organizational Culture "Sharing" Behavior of human resources in Indonesia**

"Sharing" culture in Indonesia has been carried out long ago, not only in the business world but also in various aspects of life. This proves that Indonesia already upholds the culture of "sharing" to face of the changes that occur so far (Y. R. Chen et al., 2018).

### 3. REBOUNding

The cultural changes caused by the industrial revolution have caused various conflicts and social problems internally, externally, nationally, and internationally through digital humans. This condition requires rebounding on the characteristics of the organization culture of “sharing” as follows:



**Figure 2**  
**Sharing Model**

Rebounding is the effort to restructure the behavior of a capable community component who could implement organizational culture of sharing characteristics in the form of attitude, value, norms and rules both nationally and internationally becoming a necessity implemented as professional Human Resources (HR) based on the three basic components that integratively shapes the social work profile and approach of social work: the framework of knowledge, skill framework and value framework (Mulyaningsih, 2018).

The intertwined and developed cultural sector is the result of the collaboration of the philosophical values of Pancasila and the characteristics of local culture. It will be able to boost the pattern of thinking and action, to develop good and right behaviour, and enable the people to become professional. It is the impact of the process of the rebounding on the characteristics of organizational culture. Rebounding process is collaboration between the local culture accepted by the internal environment and the external culture that have been adapted to local culture.

### 4. COMMUNITY OF INQUIRY (COI)

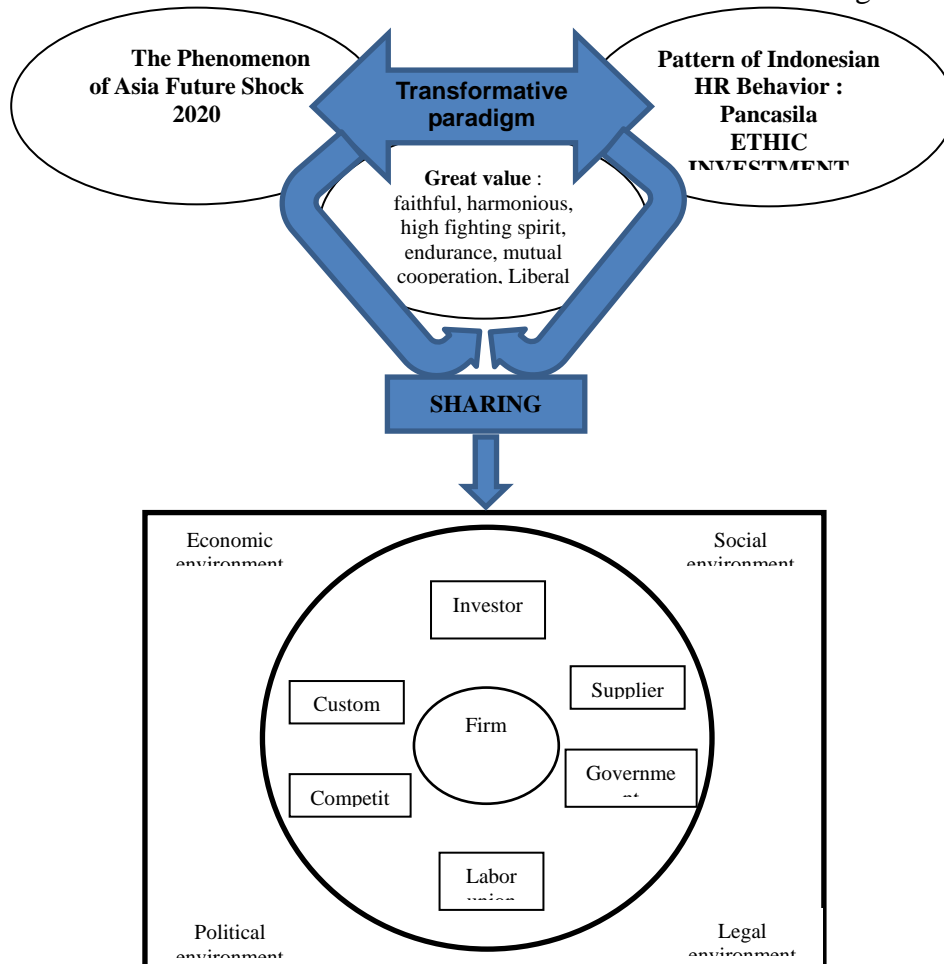
Community of Inquiry (CoI) is a learning model that incorporates various elements of activity. It is an online learning system that collaborates various elements such as: mind, material, critical thinking, positive attitude, social and group cohesion in teaching activities (Coun, Peters, & Blomme, 2018; Defosset, Gase, Lu, Bell, & Kuo, 2018).

It is in line with Yeh (2014) who states that “collaborative learning involves sharing of thoughts, material, critical thinking, positive attitudes, group cohesion and social relationships. In other words, collaboration involves social interactions”. It is

added by Garrison et al. (2000) who explains that there is no collaboration without social interaction. Every online collaborative teaching and learning activity requires supervision of effective teachers (Koh et al., 2010). Then, grouping students without proper instruction does not guarantee the collaboration (Palloff & Pratt, 2010). For this reason, the presence of the teacher is important in online teaching and learning activities. In collaborative learning environment, teacher is the facilitator, while teaching and learning activities are shared experiences (Anderson et al., 2001). Moreover, Garrison et al. (2000) exclaims that an online learning model can encourage interaction between teachers and students and aim to build, facilitate, and validate the understanding among students and teachers-students.

Certainly, Community of Inquiry has to be controlled by the government (Koiranen, Koivula, Keipi, & Saarinen, 2018). In this case, the government of the Republic of Indonesia can control the community in finding the accurate data or material in accordance with the content of the Law, the Nation Philosophy, and the character of the Indonesian based on local wisdom. It is intended to get students away from social and cultural deviations.

The characteristics of the organizational culture of “sharing” formed from local wisdom and collaborated with the CoI model can be seen in the following description:



**Figure 3.**  
**"Sharing" Organizational Culture with The CoI Model**

The aforementioned model is the form of the Community of Inquiry that combines the organizational culture of “sharing” with the institutional environment including political, economic, social, and legal environment. The combination is expected to be able to control and recover the socio-cultural imbalances caused by globalization in the digital era. The object of the CoI model is the behavior of society based on the wisdom of the local culture as fundamental values, norms and customs of the Indonesian’s life at the ideological, political, economic, social and cultural levels (Leung, Xue, & Wen, 2019).

Beside the CoI model as a tool to overcome socio-cultural imbalances in the digital culture era, other instruments are also needed. They are: (a) *Commitment and agility to experiment* (Li, Zhang, Zhang, & Zhou, 2016); (b) *Measurement framework* (Mair & Reischauer, 2017); (c) *Single Customer View & Process Review* (Mody, Suess, & Lehto, 2018); (d) *Ongoing Skills Development* (Nesheim & Jarle, 2014); (e) *Broad Insights* (Ruuska & Vartiainen, 2005); dan (f) *Leadership* (Pitelis & Wagner, 2018; Ma et al., 2019).

## 5. RESEARCH METHOD

The method of this study was descriptive qualitative. The study took several steps as follows: (1) Policy Research, it was done by analyzing basic social problems so that the findings can be recommended to decision makers to act practically in solving the problem; (2) The main objective of this research was action research, namely changing the situation, behavior, organization including the structure of the working mechanism, work climate and institutions; and (3) The implementation of the data processing in this research focused on solving the actual problems that are recently faced.

## 6. RESULTS

In this digital culture era, working at the capacity of local wisdom in the level of socio-cultural conflict in Indonesia is not impossible. The digital era is a driving factor causing the socio-cultural imbalance in Indonesia. Therefore, it is necessary to set up the fundamental values in the society including the government and private institutions. The values and norms that guide the society (cultural symbol) will be able to ward off and make the organization effective (Su, Liu, & Mcleod, 2018).

The following table presents the transformation of the characteristics of organizational culture of “sharing” as the rebounding results of the local wisdom value in several studies in various institutions and sectors in Indonesia:

**Table 1.**  
**Matrix of Transformation of Characteristics of Organizational Sharing Culture as a Result of Re-bounding of Local Wisdom Values**

Transformation in	Silih Simbeuh		Silih Asah Silih Asih Silih Asuh		Research results		Research in the application of ethic	
	Types of Sharing Characteristics Values	Attitudes and Mindset	Types of Sharing Characteristics Values	Attitudes and Mindset	Types of Sharing Characteristics Values	Attitudes and Mindset	Types of Sharing Characteristics Values	Attitudes and Mindset
Economy	Work together	establish relationships with "safeguards" and other business	Loyal and survive	- The large number of workers from low education groups and abundant raw materials - Relationship relations between subcontractors	Loyal	work according to their duties	have loyalty and high enthusiasm	provide quality service, increase production capacity and seek resources
Culture	Faithful and survive	the use of Chinese trading culture	have fighting spirit	the influence of gender (male) on the scale of production	have fighting spirit	organizational culture with dimensions; involvement		
Social	have fighting spirit	relationship between business actors and sources of capital and suppliers of raw materials	Work together	Anti-monopoly	Work together, Survive	Adapt, the ability of members to adjust the senate program activities	Work together, loyal	aspects of organizational culture have an influence on organizational performance
Politic							Work together, loyal	Leadership attitudes are expected to minimize gaps
Education							Work together, fighting spirit	Implementation of business strategies related to strategic plans in using resources

Source : Mulyaningsih, 2018

## 7. DISCUSSIONS AND CONCLUSIONS

Many researchers have conducted the research on organizational culture of “sharing”. One of which is Yang and Maxwell (2011) who conducted the research on information sharing, which discusses the factors that influence information sharing activities and identifies key factors in successful information sharing activities. Besides, Chen, Lin, and Yen (2014) accomplished the research on knowledge sharing activities between organizations, which involved 226 managers of the main industrial zones in Taiwan. The results of the research showed that the knowledge sharing activities have an impact of trusting between organizations which leads to greater collaboration between organizations. In addition, Oyemomi, Liu, Neaga, Chen, & Nakpodia (2018) did the research on the organizational culture that supports knowledge sharing activities to improve performance, innovation and organizational strategy. The results showed that the role of organizational culture with innovative strategies in sharing knowledge directly contributes to the improvement of organizational performance. Meanwhile, Ma et al. (2019) conducted a research on the changes in consumer – producer – government relations and the emerged process of sharing economic activities that is rapidly developed in China based on the perspective of shared value creation.

Different from the previous studies, the organizational culture of “sharing” in this study was explored from the values of Pancasila and local wisdom of the Indonesian culture. The organizational cultural value refers to Sundanese, namely: “*sareundeuk saigel sabobot sapihanean, silih asah, silih asih, silih asuh, silih simbeuh*” which is called as the concept of “sharing” in Indonesian.

Sharing as the characteristic of organizational culture based on the values of local wisdom that is implemented in the form of CoI and carried out through the online learning process get succeed in enhancing the economic competitiveness of Indonesian. This enhancement of competitiveness is the impact of increasing human resource capabilities in various sectors both government and private.

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