



Integrating Strategic Human Capital Management in the Digital Transformation of Telecommunications Industry Facing Disruption Era at PT Telkom Indonesia (Persero) for the 2017-2019 Period

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Abstract

Digitalization acts as a major disruptive trend of almost all business models and operations. It then leads to the Fourth Industrial Revolution. This industry has an exponential growth rate rather than a linear growth, which is disrupting nearly every industry in every country in the transformation of the entire system of production, management and corporate governance. This study aims to gain an in-depth understanding of the integration of strategic management of human capital and organizational culture in the digital transformation of the telecommunications industry in order to survive in the era of disruption. Human capital is the key to addressing the gap in business change. Importantly, digital transformation of an organization, in this case PT Telkom Indonesia (Persero) Tbk., requires organizational members to think seriously about how the organization can be a successful digital transformation, rather than being a victim of digital disruption. To face internal challenges, a company needs to build human capital equipped with digital skill-sets. The appropriate specific skills can help a company to build its human capital or human capital capabilities so that it is able to compete. In addition, digital standards must also align with global norms, encouraging collaboration between industry sectors to aid digital transformation.

Keywords: *Human Capital; Digital Transformation; Disruption Era*

1. Introduction

Digitalization acts as a major disruptive trend of almost all business models and operations. It was mentioned by Schwab (2015), *Founder and Executive Chairman* from The World Economic Forum, as the Fourth Industrial Revolution. This industry has an exponential growth rate rather than a linear growth, which is disrupting nearly every industry in every country in the transformation of the entire system of production, management and corporate governance.

The terminology of the Fourth Industrial Revolution, known as Industry 4.0, is characterized by the ability to connect digital cyberspace with the real physical world (Fatorachian & Kazemi, 2018). In other words, it is "a form of continuous communication and interaction between intelligent objects." (Fatorachian & Kazemi, 2018). This phenomenon is also called the era of 'digitization' (Drath & Horch,

2014), in which there are Cyber Physical Systems (CPS), the Internet of Things (IoT), cloud computing and big data analytics as the main triggers (Fatorachian & Kazemi, 2018). It then blurs the boundaries between the physical, digital and biological fields.

Furthermore, the increasing trend of internet and data usage as well as digitization indicate that the opportunities for the telecommunications industry are at the forefront of this transformation. It is not only as an industry witnessing massive changes in the market environment but also becomes a major driver of worldwide digitization. Referring to the Fourth Industrial Revolution, digitalization technology—combining cloud, mobile, social, data analytics, artificial intelligence, and drones—has a potential to innovatively expand the industry's digital transformation capabilities exponentially (Drath & Horch, 2014). It can be said that the Fourth Industrial Revolution has fundamentally changed the use of the digital and physical world which opens up new opportunities for the collection, use, and processing of enormous data.

Investments by the telecommunications industry in technology and interoperability have supported major shifts in information and capital flows through the global economy. It also forms completely new business models in the industrial sector. On the other hand, globally connected networks have empowered millions of people worldwide by providing access to real-time information, markets and social programs that will have long-term implications for quality of life. Thus, according to *The Research and Knowledge Management Department Strategy and Portfolio Investment Block of JSC “Samruk-Kazyna”* (2017), telecommunication company needs to change into Digital Telecom Company.

PT Telkom Indonesia (Persero) Tbk. responds to the growth of the telecommunications industry by carrying out digital transformation to strengthen its position as one of the ten telecommunications companies in Asia Pacific with the largest market capitalization (Telkom, 2017). To avoid disruption, PT Telkom Indonesia (Persero) Tbk. conducts self-disruption to fix its ‘house’ (internal organization) and everything in it. Importantly, it is conducted to make sure that the condition of the company will remain safe if there is disruption, interference, or threats from outside the ‘house’. Self-disruption is carried out by getting out of the trap of the past and disrupting itself into a healthy company. The development of telecommunication services from time to time can still be monitored, such as large and analog fixed-line telephones which later becomes smaller. In addition, nowadays, landlines are even less popular than smartphones and data services, including the use of telephone and SMS (Short Message Service) services which are growing stagnant.

Moreover, PT Telkom Indonesia (Persero) Tbk. realizes that the Indonesian telecommunications services market is unique, which means that Indonesia is dominated by the voice market due to low voice tariffs set by operators. More than 60 percent of total revenue in the cellular service sector comes from voice services, while the rest comes from non-voice or data services. However, since the growing popularity of smartphones has contributed greatly to data revenue growth, business orientation has shifted. People in Indonesia are increasingly feeling the presence of a digital era that enters various fields of life, following trends that occur at the global level.

Digitalization has changed the way humans behave, especially in the economic field because business processes are becoming faster, more efficient, and effective. At the same time, the digital era offers new economic opportunities through various creative means based on digital services. The business model in transactions also moves rapidly from conventional market systems to markets with e-commerce platforms, which no longer recognize territorial boundaries for both producers and consumers.

Therefore, Telkom has made efforts to digitize business by adapting a connectivity-based business to end-to-end digital business services and finally transforming the organization into Digital Telco. The spirit of transformation into Digital Telco comes from three paradigms including Digital

(building and strengthening digital businesses), Lean (more agile, faster, and more productive), and Customer Experience (always oriented to providing the best customer experience). Telkom's vision to become "the King of Digital in the Region" is seen as optimistic and promising in line with the potential for digital business growth, either fixed or cellular segment.

More importantly, the aforementioned Telkom digital transformation is caused by consumer drive (consumer driven), a world that is always moving dynamically, even changes in tastes in the context of fluctuating consumer behavior. Accordingly, the transformation focuses on fulfilling the needs and interests of consumers in the consumption process. Meanwhile, PT Telkom Indonesia (Persero) Tbk. cannot be separated from its existence as a State-Owned Enterprise (BUMN) in the telecommunications sector. For more than three decades having a role as the main supplier for the development of the national telephone network, Telkom has aligned its policies with the national strategy. Indonesia will also align digital standards according to global norms, encouraging collaboration between industrial sectors to help digital transformation (Ministry of Industry of the Republic of Indonesia, 2018). Therefore, transformation is carried out by PT Telkom Indonesia (Persero) Tbk. not only because of the encouragement of market needs but also as part of the organization's existence as a State-Owned Enterprise whose strategy is in line with government policies established as part of efforts to meet public needs.

2. Telkom's Digital Transformation

Netflix, a company in the DVD industry with streaming content services, is already well known. In April 2019, Netflix Inc. has 148 million paid subscribers worldwide (except China, Syria, North Korea and Crimea) including 60 million customers in the United States and over 154 million total customers of whom are free trials (Netflix, Inc., 2019). The company previously focused on DVD rental and now manages content and content creation through Netflix Originals.

Netflix, in the above example, shows the company's efforts to disrupt itself. Most organizations have stepped up their efforts to actively respond to digital disruption. The Media and Entertainment Industry in 2017 and in 2019 is at the top of the Digital Vortex (Yokoi *et al.*, 2019). Digital Vortex is a powerful vortex of exponential digital disruption that will 'suck' everything around it into the center of the vortex (Yokoi *et al.*, 2019). However, the five industries most vulnerable to digital disruption remain unchanged, including Media & Entertainment, Technology Products and Services, Telecommunications, Retail, and Financial Services.

Figure 1 shows a huge variety of industry futures that could lose their place in the Top 10 due to digital disruption. It indicates that media and entertainment industry, followed by telecommunications and retail, are industries that are quite vulnerable due to this digital disruption (Yokoi *et al.*, 2019).

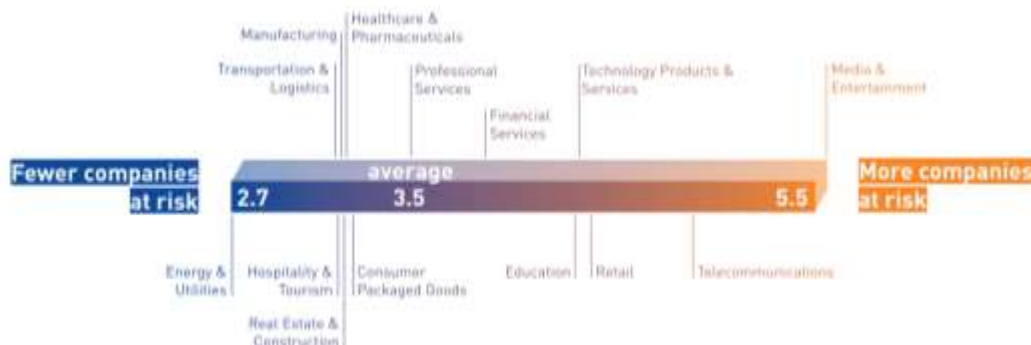


Figure 1. Huge Variety of Industry Futures that Could Lose Top 10 Position Due to Digital Disruption (Yokoi *et al.*, 2019)

Furthermore, Figure 2 shows a digital vortex. The industry in the digital vortex rotates chaotically. The closer to the center, these industries collide with each other, can be destroyed, and can form new entities (Yokoi *et al.*, 2019).

Industries closer to the center of the vortex are increasingly prone to enter into the vortex, while industries moving away from the center of the vortex are relatively more stable. In Figure 2, the telecommunications industry has shifted from number five in 2017 to number three in 2019, meaning that this industry is getting closer to the vortex of disruption.



Figure 2. Industrial Changes at Digital Vortex Center due to digital disruption from 2017 to 2019 (Yokoi *et al.*, 2019)

Based on the illustration above, PT Telkom Indonesia (Persero) Tbk. is ready to become one of the top ten telecommunication companies in Asia Pacific with the largest market capitalization. This is stated in the vision of PT Telkom Indonesia (Persero) Tbk. which is the ultimate response to changes, that can be called a revolution in the telecommunications industry, the transformation towards Digital Telco (Telkom, 2017).

Digital transformation is a big focus for the telecommunications industry due to the gradual decline in revenue from their traditional services or legacy businesses. Accordingly, the need for today's industry to transform is by increasing efficiency, and by introducing a whole lot of new services in a new base or business model.

Shifts in people's lifestyles are increasingly developing, for example in watching music and videos, smart home services, Internet of Things (IoT), e-health, smart driverless cars, security, and financial services. The transformation involves changing telecommunications companies so that they can start businesses by providing new services to compensate for the decline in traditional services. The need for digital transformation will not be selective, both large- and small-scale telecommunication companies, not only in Indonesia but also throughout the world. They all can adapt and transform if the top management of the company is committed to transformation.

Telecommunication companies are actually providing very basic services such as voice, broadband, and data when they offer new experiences to customers beyond what they expect. However, above all, customers have a much stronger closeness to Facebook, WhatsApp, Instagram, WeChat, or other services such as Google which are at the services of telecommunications companies rather than telecommunications companies. Thus, they become competitors to telecommunication companies, because the over the top (OTT) players have succeeded in developing stronger customer relationships. Companies, for example Grab, GoJek, and Airbnb are indirect competitors to telecommunications companies that provide services and are growing very fast. Additionally, it was not realized five years earlier. Development happens so fast that startups are also tough competitors for the telecommunications industry.

3. Digital Transformation Challenges

a. External Challenges

Digital transformation needs to consider digital strategies; whether corporate strategies are appropriate in the fast-changing digital world, the complex media landscape, including new risks of disruption. Products which are able to compete in this disruptive era still refer to competitiveness. To achieve this disruptive level, a product should take advantage of digital technology, both in the aspect of customer data and the platform as value drivers. In this case, the use of technology must be able to answer customer needs with a good experience (customer), be able to manage and analyze data into useful information (data), and facilitate all stakeholders to interact and collaborate (platform).

In his book *the Synergy Way of Disruption*, Sugiarto (2018) described how WhatsApp (Over the Top application) began to shift several incumbents in the technology industry in 2009 by launching Instant Messaging services. At that time, SMS services were quite expensive. It was then followed by free voice calls, free video calls, whatsapp web, as well as sending documents to peer to peer services (WhatsApp Payment). WhatsApp successfully attracted several market shares of up to \$ 100 billion. Therefore, it can be said that the dynamics of disruption are becoming more massive as information and communication technology advances rapidly (Sugiarto, 2018).

According to Sugiarto (2018), this condition is exacerbated by the results of research conducted by The Global Center for Digital Business Transformation (DBT) on the effects of digital disruption. The results show that 37 % of 17 kinds of industries from 72 countries do not know the impact of digital disruption, and most of them do not have sufficient preparation to face this disruption, especially digital disruptors who are mostly new players or start-up companies. Disruptor provides a value proposition, a platform as a disruptor to build engagement, and data as an effort to provide services. Consumer information data can be used as an opportunity to obtain important business development information if it is supported by the ability to capture, record, process and analyze consumer data.

The impact of the disruption is able to eliminate some of the big players due to changes in technology and business models. In digital transformation, it needs to be emphasized that the telecommunications business must have the courage to change, not only depending on legacy and regulations. On the other hand, the speed in adjusting regulations that accommodate changes deftly is needed to protect business certainty. Thus, new businesses must be prepared in the context of digital transformation.

A successful digital transformation should be supported by the regulation. Infrastructure development requires large costs and is required to be able to reach the entire archipelago quickly; which unfortunately is often hampered in licensing issues. Licensing tends to be slow, more than one year, only to issue one permit sheet for the data center building.

Directorate General of Resources and Equipment of Post and Information Technology, the Ministry of Communication and Information Technology, Ismail, claimed that 4G will remain the main business for telecommunications operators for the next few years even though 5G technology has begun to be developed. The quality of 4G and 5G services depend on the development of fiber optic infrastructure and networks. Remote locations certainly require even greater costs. Therefore, the Ministry of Communication and Information Technology needs to immediately complete regulations with local governments and prepare regulations so that operators are not hampered by unclear or different regulations between local governments (Tempo, 2019).

The challenges shift from technology disruption, to regulation and the existence of loopholes in translating orders or messages from the Ministry of State-Owned Enterprises. Thus, to minimize the gap between the Minister of State-Owned Enterprises and companies, regular coordination and communication must be established. Although the technology investment made by PT Telkom Indonesia (Persero) Tbk. reflected in the annual capital expenditure, the quality of data access for downloading and uploading data also has imbalances with Java Island as the largest average data access.

Stakeholder education is also a challenge in developing Indonesia's digital economy. Survey conducted by Research and Development Center for Posts and Information Technology Implementation (Puslitbang PPI) in 2015 indicated that Farmers and fishermen have low literacy in internet access. Accordingly, further education is needed in order to help them to experience convenience and benefits of digital services. On the other hand, equal distribution of data coverage and access is also a big challenge in the telecommunications industry which is very important in driving the development of the digital economy in Indonesia (Telkom, 2016).

The aforementioned challenges, as faced by PT Telkom Indonesia (Persero) Tbk. Including changes in technology, competition, regulations, consumer demands, are external environments that then shape or influence corporate strategy. It is in line with Pearce & Robinson (2013), that the external environment can be a remote environment, industrial environment, and operating environment. Moreover, Dess et al. (2012) classified the company's external environment into two: 1) general environment, which consists of population demographics, socio-cultural, political and legal, technological, economic; and 2) competitive environment, which consists of electricity buyers, providers (suppliers), the threat of new entrants, the threat of substitute products, and the same intensity of competition. The case of PT Telkom Indonesia (Persero) Tbk. relates to the external environment which describes the forces outside the company that have direct influence and interest on the company, such as the government—in the capacity of PT Telkom Indonesia (Persero) Tbk. as State-Owned Enterprises, shareholders, special interest groups, and the community around the company. The external environment is a factor outside the company's control that can affect either directly or indirectly the success or failure of the company.

Therefore, companies are required to behave in harmony with all elements to deal with the external environment as all factors or parties or dynamic variables outside the company. In many cases, this external environment is a strategic variable and has long-term dimensions that frequently determine the opportunities and challenges a business will face. These variables or external environmental factors are relatively difficult for business to control. Businesses usually follow and adapt to changes or dynamics of these external variables.

b. Internal Challenges

In its interaction process, the internal environment is organized quickly and can be controlled directly by company management. The level of control is relatively easier to do since the company has sufficiently strong bargaining power to influence these variables in accordance with the company's goals and objectives.

Pearce & Robinson (2013) divided resources into three: (1) tangible assets, including production facilities, raw materials, financial resources, and computers; (2) intangible assets including brand, reputation, company morale, technical knowledge, patents, trademarks, and accumulated company experience; (3) Organizational capabilities, including skills and abilities to combine assets, people, and processes that can be used by companies to convert inputs into outputs.

More importantly, the main focus in internal factors is human capital. It reminded the researchers of one of the walls of the Telkom Landmark Tower Jakarta office, that the main engine is not technology,

but the great people in the organization. Human capital is the key to addressing the gaps in the above business changes. It means that there are two challenges faced by Telkom in initiating this transformation, namely the human capital gap and digital culture. He then explained these challenges as well as alternative solutions that could be provided.

It is admitted that there is a gap between generations in Telkom. Lack of commitment, lack of knowledge, and different interests within the organization have the potential to cause slow digital transformation. Thus, human movements need to change. It is also important to recognize that this organizational transformation manifests in three main ways: new business propositions and models, operational improvements, and optimization of the customer experience.

More specifically, a digital culture as the soul of an organization must be built. Challenges can form a digital culture and build the capabilities of PT Telkom Indonesia (Persero) Tbk. to support the success of its digital transformation.

This culture is a soul of the organization. Unfortunately, many organizations in this period have a vision but do not prepare the "soul" to go to their digital vision. Here, top management plays a role in formulating the direction, values, spirit of the organization and preparing human resources or human capital coherently in accepting the need for change. Top management is also willing to consistently move forward together through the organization in the transformation program.

A scattershot approach is not a suggested plan for digital transformation. Top management needs to plan and implement a more coherent and cohesive strategy. Thus, digitalization is not only seen as a threat but also offers telecommunications companies the opportunity to rebuild their market position, restructure their business systems, and create innovative offerings for customers. It begins with full commitment and strong leadership from above.

Accordingly, in the context of PT Telkom Indonesia (Persero) Tbk., a change as a whole and having a quick effect on the entire group of companies are needed, for example by carrying out Business Process Re-Engineering (BPR). It is as an attempt to help Telkom to be better prepared to compete, especially in three parts, namely Financial Planning, Organizational Restructuring and Increasing Work Productivity, and Group Business Restructuring. This is an effort to prepare for competition in the industry, in which it is necessary to form a business corporation that is in line with the company's vision.

It is important to build capabilities. Reiterating what was previously stated, the readiness of human capital in facing digital transformation is important because the driving force of technology is still human. In addition, in this fast-paced, dynamic, and creative digital era, digital culture must also be built. Transformation is not necessarily easy on all fronts, but the Board of Directors and the Board of Commissioners provide full support in the transformation process into a digital telecommunication company and immediately develop a suitable Corporate Strategy Scenario.

Human Capital Management, in particular, purposed an initiative to review the strategic role of Human Capital as the company's strategic business partner. Accordingly, for PT Telkom Indonesia (Persero) Tbk., internal factors are very important. The main engine needed is human capital since it equips the company to achieve its goals. Thus, the strategy to build internal capabilities in this digital development is an important factor. The appropriate human capital strategy is necessary to accelerate this transformation immediately.

Technological resources can be prepared, considering that currently PT Telkom Indonesia (Persero) Tbk. is a very financially sound company. However, it is always emphasized that in this digital

transformation, *'the main engine is not technology anymore, but great people'*, or the readiness of human resources.

Last but not least, besides improving human capital and formulating its strategy, an environment and culture that support transformation are needed. The diffusion of organizational culture can become a problem when the application of organizational values is not the same, especially between the head office and regional offices. Even though it has been very well formulated at the top level or Top Management, an organizational culture that is not well diffused becomes an obstacle to the organization or company in achieving its goals.

In addition, human capital equipped with digital skill-sets and appropriate specific skills can help companies build their human capital capabilities so that they are able to compete. Companies are also required to instill a digital culture and relevant values in their work, including a willingness to synergize, be innovative, and be agile to fulfill the demands of digital transformation.

4. Disrupt or Be Disrupted

Discussing industrial and corporate transformation to digital, cloud computing, digital mobility, big data and analytics, Internet of Things, and artificial intelligence are becoming increasingly critical in creating company competitiveness. Digital technology that disrupts or is called digital steroid changes people's lifestyles and then forces companies to change their business models to satisfy customer experiences to create completely different values.

The wave of disruption leaves businesses faced with two choices: "Disrupt" or "Be Disrupted". A company has no other choices. To survive, it needs to make breakthroughs following PT Telkom Indonesia (Persero) Tbk. that conducts digital transformation, while at the same time disrupting itself. In this situation, PT Telkom Indonesia (Persero) Tbk. is ready to make a comprehensive organizational transformation covering strategic and important aspects such as business processes, human capital, organizational culture and even leadership. Thus, transformation is not just having technology or creating a platform or adopting artificial intelligence or advertising digitally, but it is a challenge for human capital to create digital capabilities.

The digital transformation of an organization, in this case PT Telkom Indonesia (Persero) Tbk., requires organizational members to think seriously about how the organization can be a successful digital transformation, rather than being a victim of digital disruption. They also need to consider how to use technology to increase profitability, generate profits, use digital technology to create markets and/or drive efficiency. In the context of PT Telkom Indonesia (Persero) Tbk. as State-Owned Enterprises, they need to think about how to create value (value creators) and agent of development for society and the nation.

The telecommunications industry continues to face challenges, moving two places closer to the digital vortex center. Although industry plays an important role in enabling the digital revolution by providing essential infrastructure, PT Telkom Indonesia (Persero) Tbk. vigorously launches and upgrades new business models to compete with newcomers with strong digital capabilities such as Apple, Google, and various Over the Top (OTT) applications such as WhatsApp, Line and Skype.

PT Telkom Indonesia (Persero) Tbk. needs to conduct self-disruption as an effort to maintain the existence of the company. Therefore, revisioning was carried out with the full support of Top Management, both the Board of Directors and the Board of Commissioners. In this case, one important determining factor in digital transformation is already owned, which is called leadership capability capital. It is needed to build digital capabilities, namely describing the skills and attitudes that organizations need to thrive in today's world. In the context of PT Telkom Indonesia (Persero) Tbk., it

includes improving customer experience, transforming business processes, and redefining business models.

Companies need to prepare internal capabilities in facing external challenges towards digital transformation, formulate the appropriate vision, prepare talent and employee readiness, align data-process-systems, and transform culture. Thus, state-owned companies not only generate real business value or financial performance but also become value creators and agents of development as expected by the largest shareholder.

Christensen & Raynor (2003) affirmed that incumbents must immediately transform to face digital disruption. It can be done by creating competitive products, identifying potential competitors, determining product scope, building organizational capabilities, and managing resources, processes, and values. In other words, the internal action that must be taken by incumbents is to carry out transformation to innovate. This is very possible since they have strength in terms of capital, customer, database and brand.

It is necessary for PT Telkom Indonesia (Persero) Tbk. to have a conducive climate to be agile and innovative, not only in creating excellence but also the ability and willingness to disrupt established businesses and bring the company to change, following rapid changes. Companies need to create products that are of interest to consumers (customer-centric) and follow changes in social lifestyles in their services and products. It means that the resulting innovation is a product that is useful, enjoyable or customer-based, otherwise the innovation will be useless.

Additionally, PT Telkom Indonesia (Persero) Tbk., as an incumbent, designs a great value proposition, adopts technology, acquires new skills so that it can adapt to the digital world by building leadership, transforming organizations and employees, creating effective and efficient internal processes, opening up perspectives on industry trends so as not to be disrupted by new players. According to George Westerman *et al.* (2014), the incumbent must make a transformation to become a Digital Master by developing: (1) digital capabilities and (2) leadership capabilities. Digital capabilities aim to build new skills in technology to drive customer engagement, internal operations, and business models.



Figure 3. Digital Transformation of PT Telkom Indonesia (Persero) Tbk. driven by External Dynamic Factors and Internal Business Environment Factors

Figure 3 briefly explains the discussion in the metamorphosis of PT Telkom Indonesia (Persero) Tbk. The point is that efforts to transform itself into a digital telecommunication company cannot be separated from the encouragement of changes in the external environment caused by disruption of digital technology, changes in lifestyle, and consumer demand. On the other hand, this is also due to adjustments that have to be made by PT Telkom Indonesia (Persero) Tbk. as a company whose shares are majority owned by the state, which demands adjustments of strategy and program priorities that support government programs and policies. This dynamic external environment demands PT Telkom Indonesia (Persero) Tbk. to adjust to change. These problems and opportunities are used as input for developing a corporate strategy scenario for PT Telkom Indonesia (Persero) Tbk. formulated in revisioning or adjusting the company's vision, mission, strategy, and goals.

Another important point is that digital capabilities aim to build new skills in the technology sector to encourage customer engagement, internal operations, and business models. To become a leading organization, a company is not afraid to lose its comfort and stability zone, innovates, has the best human capital to fill important positions; supported by the organizational culture and values needed.

Human capital is the key to addressing the gap in business change. It means that to initiate this transformation, Telkom faces two challenges including the human capital gap and digital culture, which are formulated in strategic human capital management. In the end, digital transformation is a big focus for the telecommunications industry due to the gradual decline in revenue from their traditional services or legacy businesses. PT Telkom Indonesia (Persero) Tbk. has conducted self-disruption. Apart from what has been mentioned above, self-disruption also includes a corporate mindset and culture or an organizational culture that becomes completely disruptive, or remains agile on the waves of disruption. Changes are made for a faster future change.

Conclusion

Shifts in people's lifestyles are increasingly developing, for example in watching music and videos, smart home services, Internet of Things (IoT), e-health, smart driverless cars, security, and financial services. In this case, the use of technology must be able to answer customer needs with a good experience (customer), be able to manage and analyze data into useful information (data), and facilitate all stakeholders to interact and collaborate (platform). Human capital is the key to addressing the gap in future business changes. In dealing with the external environment and all external factors or parties or dynamic variables, the company is required to behave in harmony with all the elements in it. To face internal challenges, a company needs to build human capital equipped with digital skill-sets. The appropriate specific skills can help a company to build its human capital or human capital capabilities so that it is able to compete. Importantly, a company must also instill a digital culture and relevant values in their work, including a willingness to synergize, be innovative and agile to respond to the demands of digital transformation.

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