Factors Analysis of Basic Human Values at Indonesian Insurance Company

Alini Gilang1 , Syarifuddin Syarifuddin2 , Mahir Pradana3 , Mahendra Fakhri4 , Nabila Maisarah5

1,2,3,4,5 Telkom University, School of Communication and Business,

Jalan Terusan Buah Batu, Bandung, Indonesia

Abstract

Abstract: Human capital is a major factor to support the productivity of the company. Value desired to motivate themselves to reach a goal. This research used descriptive type with quantitative method. The population used in this research are employees of PT. Asuransi Jiwa Bumiputera Bandung with amount of 100 employees. The data analysis technique used in this research are descriptive analysis and factor analysis. Descriptive analysis showed that basic human values are in good category and factor analysis showed that there are two new factors formed in the basic human values on employees of PT. Asuransi Jiwa Bumiputera Bandung. These factors are named as the harmony and self-enhancement factors. Harmony factors are represented by universalism, conformity, tradition, security, benevolence and self-direction variables and these factors are the highest contribution in the basic human value.

Keywords: basic human values, factor analysis, human capital, personnel management

1. Introduction

The era of globalization requires companies to make changes and retain assets owned. One of the company's valuable assets are human resources (Setiani, 2013: 38). The company tried to engage their employees with many ways such as compensation, training and career development (Dajani, 2015: 140), unconsciously that individual values are the decision makers on employee. This is a key function of value for evaluating and making decisions by employees (Schwartz in Rospiani, 2016: 7). Individual value is beliefs and refer to desirable goals to motivate action (Schwartz, 2012: 3).

Every human being has different values and that value becomes part of the individual's behavior. Before inculcating the organizational value, managers should recognize the values that are already existed in people (Fakhri et al., 2014). When employees find mismatch between their values and organizational values, it will affect their overall satisfaction on workplace culture, wihich it can affect the overall organization performance (Kanchana, 2013: 43). Human resources are the main factor to support the productivity on PT. Asuransi Jiwa Bumiputera. Human Resource Management PT. Asuransi Jiwa Bumiputera has important role in directing and managing employees who have diverse characteristics. Employees are directed by the job description and target revenue that has been set. Each employee has the ability in themselves, based on their value. Value desired to motivate them to reach a goal. There are 10 components that exist in each human. There are benevolence, universalism, power, achievement, hedonism, self-direction, stimulation, conformity, tradition, and security (Schwartz, 2012: 5).

Figure 1

Description: condition basic human values on employee PT. Asuransi Jiwa Bumiputera Bandung

Source: interview result

As figure 1 shows, the results from early observations with some employees of PT. Asuransi Jiwa Bumiputera Bandung , the highest value is stimulation; it shows that employees like the challenge in their work to motivate themselves to work better. And the lowest value is self-direction where employees have not optimized their creativity in workplace, especially creative in marketing techniques. PT. Asuransi Jiwa Bumiputera Bandung promote employees value by reward, training, gatheing and workshop (Pradana, 2016).

Research on the basic human values on employees are rare. In fact, the values on employees can influence their attitude and how they socialize in the company (Rospiani, 2016). Based on the phenomenon that occurred above, the researcher is interested to do the research of the basic human values on employees and know the most dominant value factor, with the result that can promote the dominant value owned by the employees, entitled "Factors Analysis Basic Human Values on Employees PT. Asuransi Jiwa Bumiputera Bandung".

Based on the background research that has been described previously, the formulation of the problem in this study is as follows:

- How are the basic human values on employees of PT. Asuransi Jiwa Bumiputera Bandung?

- What factors become the basic human values on employees of PT. Asuransi Jiwa Bumiputera Bandung?

- Which factors are the most dominant of the basic human values on employees in

- PT. Asuransi Jiwa Bumiputera Bandung?

2. LITERATURE REVIEW

Humans have different characteristics, one of the different factors are the values that become life beliefs to behave. Values are a belief about how individuals behave and are used as principles or standards in their lives (Pangarso, 2016). According to Schwartz (2012) value is what we think important in life, a certain value may be very important to one person but unimportant to another. There are 10 value factors of the basic human values. These values are benevolence, universalism, power, achievement, hedonism, self-direction, stimulation, conformity, tradition, and security (Schwartz, 2012).

- Benevolence: Benevolence are value that preserving and enhancing the welfare of those with whom one is in frequent personal contact such as family, friends and other groups. Benevolence values emphasize voluntary concern for others' welfare.

- Universalism: Universalism are the type of value that prioritizes understanding, appreciation, tolerance, and protection for the welfare of all people and for nature. Universalism combines two subtypes of concern that are the type of welfare of those in the larger society and world and for nature.

- Power: Power or power are value that prioritizes social status and prestige, control or dominance over people and resources.

- Achievement: Achievement are value that prioritizes personal success through demonstrating competence according to social standards. The value of achievement emphasize demonstrating competence in terms of prevailing cultural standards, thereby obtaining social approval.

- Hedonism: Hedonism are value that prioritizes the pleasure and satisfaction of one's own needs.

- Self-direction: Self-direction are value that prioritizes unrelated thoughts and actions such as creating something, exploring.

- Stimulation: Stimulation are value that emphasizes joy, novelty, and challenges in life.

- Conformity: Conformity are value that is concerned with restraint of actions, inclinations, and impulses likely to upset or harm others and violate social expectations or norms.

- Tradition: Tradition are value that cares about the respect, commitment, and acceptance of customs and ideas given by one's culture or religion.

- Security: Security are value that emphasizes the safety, harmony, and stability of society, of relationships, and of self.

- According to Schwartz (2012), values are in line with each other resulting in a system of relationships among them:

- Power and Achievement: Social superiority and esteem.

- Achievement and Hedonism: Self centered statisfaction.

- Hedonism and Stimulation: a desire for affectively pleasant arousal.

- Stimulation and Self-direction: Intrinsic interest in novelty and mastery.

- Self-direction and Universalism: Reliance upon one's own judgment and comfort with the diversity of existence.

- Universalism and Benevolence: Enhancement of others and transcendence of selfish interests.

- Benevolence and Conformity: Normative behavior that promotes close relationships.

- Benevolence and Tradition: Devotion to one's in-group.

- Conformity and Tradition: Subordination of self in favor of socially imposed expectations.

- Tradition and Security: preserving existing social arrangements that give certainty to life.

- Conformity and Security: Protection of order and harmony in relations.

- Security and Power: Avoiding or overcoming threats by controlling relationships and resources.

Figure 2
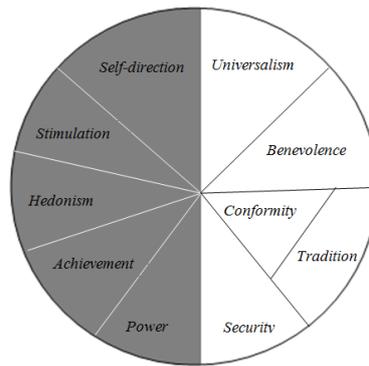
Description: The Structure of Value Relations

Source: Kreitner dan Kinicki (2014)

Based on Figure 2 above shows the relationship proposed among the ten values. The circular pattern shows which values are most closely related and which values are contradictory. In general, adjacent values, such as self-direction and universalism, are positively connected (Kreitner and Kinicki, 2014: 153).

This research used descriptive analysis and factor analysis on the basic human values of employees at PT. Asuransi Jiwa Bumiputera Bandung. Based on the problems that have been described in the background we need to know the values exised on employees and the dominant value owned by them. It is useful for employees to contribute to reach the company's strategic goals (Gashi, et al, 2017). Factors of the basic human values are benevolence, universalism, power, achievement, hedonism, self-direction, stimulation, conformity, tradition, and security (Schwartz, 2012: 5).

Based on the description above, it can be described as the following framework:
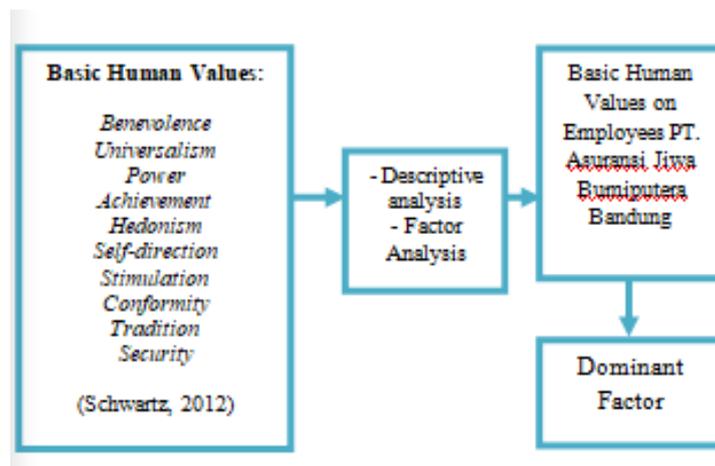
3.1 Descriptive Analysis

Based on the results of the average percentage of responses of respondents that is equal to 76.02%, the position of the continuum line of variables basic human values are in the good category. This shows that the basic human values have been applied to employees well. Found the highest percentage of conformity variable equal to 85.25% and the lowest percentage of power variable equal to 59.27%.

3.2 Factor Analysis

The total factor variable used in this research are 10 variables, namely benevolence (X1), universalism (X2), power (X3), achievement (X4), hedonism (X5), self-direction (X6), stimulation (X7), conformity (X8), tradition (X9), and security (X10) described in 40 statements on the questionnaire. The results of the test variables can be seen in table 1 below:

Table 1

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.737
Bartlett's Test of Sphericity	Approx. Chi-Square	247.087
	df	45
	Sig.	.000

Description: KMO and Barlett Test of Sphericity

Based on table 1, it shows that the value of KMO of 0.737 and significance of 0.000. So it can be concluded that the existing variables and samples are actually able and feasible to be analyzed by factor analysis. After viewing the KMO and Barlett Test Sphericity results, then find out the correlation between factors that can be seen in the Anti Image Matrices table by looking at the Measure of Sampling Adequacy (MSA).

Table 2

VARIABLE	MSA
Benevolence (X1)	0,812
Universalism (X2)	0,748
Power (X3)	0,637
Achievement (X4)	0,661
Hedonism (X5)	0,789
Self-direction (X6)	0,760
Stimulation (X7)	0,734
Conformity (X8)	0,709
Tradition (X9)	0,834
Security (X10)	0,690

Description: Anti Image Matrices

Based on table table 2, it shows that 10 variables have MSA value > 0,5. This shows that all variables can be analyzed further and there is no need for re-analysis. To know the contribution of a variable factor on the factors formed can be seen in the table Communalities.

Table 3

VARIABLE	INITIAL	EXTRACTION
Benevolence (X1)	1,000	0,447
Universalism (X2)	1,000	0,583
Power (X3)	1,000	0,562
Achievement (X4)	1,000	0,705
Hedonism (X5)	1,000	0,515
Self-direction (X6)	1,000	0,347
Stimulation (X7)	1,000	0,289
Conformity (X8)	1,000	0,593
Tradition (X9)	1,000	0,525
Security (X10)	1,000	0,473

Description: Communalities

Based on table 3, the highest contribution on the factors formed is variable achievement, equal to 70,5% and the lowest is variable stimulation equal to 28,9%. To know how many factor are formed in this research, it shows on table Total Variance Explained.

Table 4

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.293	32.926	32.926	3.293	32.926	32.926	2.949	29.492	29.492
2	1.746	17.464	50.390	1.746	17.464	50.390	2.090	20.898	50.390
3	.925	9.253	59.643						
4	.884	8.839	68.482						
5	.769	7.692	76.174						
6	.644	6.441	82.615						
7	.588	5.879	88.494						
8	.453	4.530	93.024						
9	.400	4.000	97.024						
10	.298	2.976	100.000						

Description: Total Variance Explained

From table 4 it appears that only two factors are formed, since both of these factors have eigenvalues over 1. While for the other factors having eigenvalues below 1 will be excluded, the factoring process stops at two factors / components only. Of these two factors, would be able to explain 50.39% of human basic values on employee PT. Asuransi Jiwa Bumiputera Bandung.

Component Matrix table functions to distribution variable into a factor that has been formed. To see the variables that will go into the factors that have been formed can be seen in the table below:

Table 5

Component Matrix[a]

	Component	
	1	2
Benevolence	.620	-.250
Universalism	.644	-.409
Power	.337	.670
Achievement	.398	.740
Hedonism	.489	.525
Selfdirection	.589	-.017
Stimulation	.453	.290
Conformity	.733	-.235
Tradition	.687	-.232
Security	.649	-.228

Extraction Method: Principal Component Analysis.

Based on table 5, it shows that there are two factors that are formed and the numbers in the table are factor loading. The greater the factor of loading factor, the closer the relationship between variables and factors. To clarify the variable will go into factor 1 or 2, this process need rotation.

Rotated component matrix is the result of rotation of component matrix. The rotated component matrix table can show the right variable to enter into a factor of one or two, so this is to grouping the factors.

Table 6

Rotated Component Matrix[a]

	Component	
	1	2
Benevolence	.665	.071
Universalism	.761	-.057
Power	-.018	.750
Achievement	.002	.840
Hedonism	.184	.694
Selfdirection	.527	.263
Stimulation	.263	.469
Conformity	.757	.138
Tradition	.715	.119
Security	.680	.105

Based on table 6, it can be seen that the rotated component matrix is to clarify the number of variables and determine to go into component 1 or 2. After the factors are formed, then groupings of factors and labeling. Labeling factors based on the subjectivity of the researcher, this is because the factors that formed has value relations, so the name on formed factors are harmony and self-enhancement.

3. RESULT AND DISCUSSION

Factor	Variables	Factor Loading
Harmony	Universalism	0,761
	Conformity	0,757
	Tradition	0,715
	Security	0,680
	Benevolence	0,665
	Self-direction	0,527
Self-enhancement	Achievement	0,840
	Power	0,750
	Hedonism	0,694
	Stimulation	0,469

Based on table 7, the result of factors analysis basic human values on employees PT. Asuransi Jiwa Bumiputera Bandung can be described as follows:

1. Harmony

The meaning of the word harmony according to Big Indonesian Dictionary (KBBI) is statement of taste, action, idea and interest of harmony (KBBI, 2007: 390). This factor is called harmony because of the tendency of the universalism factor. The universalism factor emphasizes tolerance, the understanding of others and the protection of the welfare of all people and for nature (Schwartz, 2012: 5). Harmony factor represented by universalism variable with factor loading equal to 0,761, conformity with factor loading equal to 0,757, tradition with factor loading equal to 0,715, security with factor loading equal to 0,680, benevolence with factor loading equal to 0,665 and self-direction with factor loading equal to 0.527.

These variables have a relationship and produce a system of relationships between values. According to Schwartz (2012: 9) the value of universalism with benevolence enhancement of others, the value of benevolence with conformity emphasizes the relationship of mutual support, the value of conformity with tradition emphasizes normative behavior that encourages close relationships, the value of universalism with self-direction comfort with the diversity of existence, the value of conformity with security emphasizes harmony in social relationships. Harmony factor is very important in the employees because this factor will build good relationships with other individuals by behaving well, improve the welfare of others, have the attitude of respect and prevent the occurrence of conflict.

Based on the above description, the factor of harmony is the value factor that corresponds to the employees of PT. Asuransi Jiwa Bumiputera Bandung, because this factor is related to social interaction both with fellow employees, customers and the community. This value is also reflected in the organizational culture of PT. Asuransi Jiwa Bumiputera, Empati, Nationalist, Apresiatif, and Teladan. Empati means to understand the desire of the customer by providing services according to what the customer wants, Nationalist means employees work for the ideals of raising and strengthening the nation and state of Indonesia, Apresiatif means mutual respect and Tedadan means learning of goodness through real action.

2. Self-Enhancement

This factor is called self-enhancement because of the tendency of achievement factor. The achievement value factor prioritizes personal success through demonstrating competence according to social standards (Schwartz, 2012: 5). Self improvement factor is represented by achievement variable with factor loading equal to 0.840, power with factor loading equal to 0.750, hedonism with factor loading equal to 0.694, and stimulation with factor loading equal to 0.469.

These variables have a relationship and produce a system of relationships between values. According to Schwartz (2012: 9) achievement values with power emphasize self-esteem and social superiority, achievement values with hedonism self centered satisfaction, and the value of hedonism with stimulation a desire for affectively pleasant arousal. Self-enhancement factor is very important in the employees because this factor will motivate employee performance to be better than which are expected by the company.

Based on the above description, self-enhancement factor are the value factor that corresponds to the employees to motivate themselves. Employees with self-enhancement factors tend to work better to achieve the expectations they desire. These expectations include receiving promotions from leaders, reward and praise.

4. CONCLUSION

Based on the results of research "Factors Analysis Basic Human Values on Employee PT. Asuransi Jiwa Bumiputera Bandung" which has been done, the conclusions that can be drawn as follow. The result of descriptive analysis shows, variable of basic human values are in good category, it shows that the basic human values have been applied well by employees. Found the highest percentage of the variable conformity and the lowest percentage of power. The result of factor analysis shows, there are two factors formed from the basic human values, two factors are named harmony factor and self-enhancement factor. Harmony factors are represented by universalism, conformity, tradition, security, benevolence, and self-direction. Self-enhancement factors are represented by achievement, power, hedonism and stimulation. Harmony factor is the most influential and dominant factor of the basic human values.

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