Cross-Generational Transformations in Indonesia's MNC

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ABSTRACT
The arrival of a new generation in the working world today, make various communication methods and new kind of knowledge carried by each generation. Generational differences between generations bring their own conflicts. This study uses qualitative methods by interviewing employees of MNC, PT Semen Indonesia (Persero) Tbk. The results show cultural differences across generations are common because both X generation and Y generation understand and accept these differences. Furthermore, the ideology of organizational culture, CHAMPS, has not yet been considered capable of uniting generational differences. CHAMPS only acts as a motivator for a small number of employees to work harder then they do not understand well and there is no awareness the values meaning contained in the organizational culture of CHAMPS.

Keywords—Each of Cultural Generations, Organizational Culture, Communication

1. INTRODUCTION

Nowdays, Indonesia is in the state of demography surplus where the total number of productive age is more than the unproductive. 68% from total population of Indonesia. It gives varied impact on world work. One of them is the various number of different generations at the same work place. According to Ball [1], one of the result arises is the existence of different generations in the workforce which known as baby boomers (born from year 1946-1964), X generation (1965-1979), and Y generation (1980-1995).

In today's world of work, cross-generation conflicts between workers are more likely than ever before. This is largely due to the way in which communication continues to develop due to the growth of communication tools and technology and also differences in values and life experiences that shape the mindset of workers.

Differences between generations make it difficult for human resource managers to overcome differences in mindset and behavior which often lead to conflict between workers across generations. To avoid conflicts arise in the organization or decreased performance as a result of these differences, every company must be aware of all matters relating to the values, strengths, motivations and limitations possessed by each generation.

It is important for leaders to know the characteristics of this generation so companies can grow in line with company targets. PT. Semen Indonesia (Persero) Tbk experienced a time span where the company at that time did not do the recruitment long enough that is for 9 years (from 1998 to 2007), there was a gap between employees who had worked from 1993 to 1997 and also employees who works at PT. Semen Indonesia (Persero) Tbk starting in 2008.

From this phenomenon the researchers suspect cultural disparities exist between generations. This assumption is reflected in the considerable differences between generations, where ideally adaptation to transmit work culture to the next generation should be done periodically every year. So the differences in work culture between generations are not too much different where it does not require too much effort if the age range between old employees and new employees is not too much different.

This study uses a descriptive qualitative research design which is conducted with a paradigm approach or ethnographic perspective. In this study, researchers obtained primary data sources through in-depth interviews that were delivered to employees who met the criteria as research objects, namely permanent employees of PT. Semen Indonesia (Persero) Tbk. Tuban Factory Business Unit with an age range of 22 years old to 55 years old or X generation and Y generation employees.

2. THEORETICAL FOUNDATIONS

2.1. Generation

Kupperschmidt's [2] says generation is a group of individuals who identify their groups based on similarity in birth years, age, location, and events in the lives of these groups of individuals who have a significant influence in their growth phase.

The meeting of three groups of workers from Y generation or what is often called millennial generation, X generation and

baby boomers bring their own problems, because between the three generations, there are different work cultures adopted by each generation. In addition, each generation always has the characteristics of their skills, leadership style, the balance of work life balance which they believe in themselves.

Each generation has its own way and attitude to communicate, which is shaped by the cultural trends they receive in society. With this diversity on the one hand it can benefit the company and even be able to foster creativity and broaden perspectives in finding solutions to solving a problem.

Organizational culture according to Robbins and Judge [3] refers to a system of shared meanings held by members that distinguishes organizations from other organizations. Organizational culture has four functions: giving members a sense of identity, increasing their commitment, strengthening organizational values and functioning as a control mechanism to shape behavior.

2.2. Transforming Organizational Culture

Variations in the acceptance of new cultures by members of the organization must be anticipated by the organization as part of organizational change. So we need a strategy to be able to incorporate a new culture into the organization and be well received by all members of the organization. Conner and Patterson [4] defines three specific stages in the organizational change commitment process, namely the preparatory stage, the acceptance stage and the stage of understanding change. This change itself has an impact on team performance in the organization.

Rousseau, et al [5] in their research entitled Teamwork Behavior states that in teamwork arrangements, member behavior can be divided into two main categories, namely task work behavior and teamwork behavior. The first category involves operations-related activities that will be carried out by team members. This behavior contributes directly to task completion and is related to the technical aspects of the task. Teamwork behavior, by contrast, is inherent in the existence of work teams. Teamwork behavior is needed by team members for effective team performance. The collective nature of teamwork implies that team members interact and share resources to complete their tasks, which means that they are interrelated in task completion.

Diversity basically affects each group and work team. Milliken and Martins [6] state diversity in organizational group structures influences outcomes such as turnover and performance through their influence on effective, cognitive, communicative and symbolic processes. Harrison, et al. [7] assert that perceived diversity transfers the impact of real diversity into team social integration, which has an influence on performance. According to his research results, Pelled [8] states that, within the scope of work groups, the demographic diversity of work group members can have a strong influence on turnover. It also influences group performance when fulfilling cognitive tasks (tasks related to production planning, problem solving or decision making).

2.3. CHAMPS

PT. Semen Indonesia (Persero) Tbk. has a grand strategy to support the transformation process that is prepared in accordance with the new vision of being a world class engineering company or as an engineering center in the cement industry. This grand strategy is based on a vision and mission to achieve the target by 2030. The long-term policy direction is to realize the acceleration of corporate growth towards the vision of SMIG 2030, by using a grand strategy based on six critical issues. Soetjipto [9] says the long-term policy direction is oriented to "3P" harmonization, namely profit growth, the development of a clean and healthy environment (Planet), and the welfare of the people (especially) around the factory, based on GCG principles and the utilization of resources, values, culture, and SMIG code of ethics.

Along with the transformation of Semen Gresik Group (SGG) into SMIG, a new vision was built namely to become a World Class Engineering Company. To achieve this vision, SMIG still has to overcome challenges such as building leadership talents, enhancing a culture that supports learning, development, and various HR-related matters. Therefore, SMIG really needs human resources and a culture of innovation that is accommodating to change. This is where the Semen Indonesia Center of the CHAMPS (SICC) will play its role. SICC will be the bridge that connects SMIG's current competency gap, with strategic advantages that are dedicated to a world class company. CHAMPS which means is to create a clear vision that is synergistic to gain competition, Live a spirit of continuous learning, Practice tasks with high accountability, Establish efforts to meet customer expectations, Practice business ethics with high integrity, Always enhance cooperation. After the vision and mission is in line with CHAMPS, a management system is unified in this case, namely the distribution and marketing system.

CHAMPS, which was only an organizational culture, is now a guideline for GCG implementation, and as a basis for the Grand Strategy, RJPP Vision 2030. After becoming a group, Semen Indonesia became "the Center of Champs". So all technology, innovation, human resources, natural resources, and engineering from each company, namely SP, ST, SG are managed by Semen Indonesia (Soetjipto, 2014). With centralization, the findings about cement and factory affairs will be easier to study and later be applied to the entire group. Putra [10] says that way there are no more companies whose innovations or ideas are used alone for the benefit of that company alone.

3. METHODS

This study uses a descriptive qualitative research design which is conducted with a paradigm approach or ethnographic perspective. The use of ethnographic point of view in this study because is based on what is happening is currently PT Semen Indonesia (Persero) Tbk. as a cement company which has employees of two kinds of generations and each employee faces a challenge in the form of a transfer of work culture that must be integrated with the corporate culture of CHAMPS in realizing world class engineering company.

Determination of informants in this study was based on predetermined criteria and determined based on the study objectives. The criteria used as informants in this study are permanent employees of PT. Semen Indonesia (Persero) Tbk

with a minimum age range of 22 years and a maximum of 55 years, with a minimum service period of 5 years and a maximum of 30 years.

In this study, researchers obtained primary data sources through open-ended questionnaires submitted to employees who met the criteria as research objects, namely permanent employees of PT. Semen Indonesia (Persero) Tbk. Tuban Factory Business Unit with an age range of 22 years to 55 years or employees of X generation and Y generation. Data collection techniques used are observation, interviews and documentation.

4. INTERVIEWS

Interviews were conducted with informants from X generation and Y generation by in-depth interviews with each employee who became the informant. Informants consisted of 6 people from several generations including: Siswoyo (SW/47 years/Unit of Proc. Service & Inventory BU), Kusman (KM/53 Years/Unit of Proc. Service & Inventory BU), Ali Sodikin (AS/43 Years/Unit of Human Capital Opr.), Nur Alvin (NA/28 Years/Unit of General Affairs & Assets), Sotya Yogi Ramadhani (SYR/31 Years/Unit of Opr. Accounting & Finance) and Danang Jatmiko (DJ/37 Years/Unit of Opr. Human Capital).

This interview provides an overview of how each generation sees the CHAMPS cultural transformation in MNC PT Semen Indonesia (Persero) Tbk. Next how to see their perceptions with the presence of various generations who come and how they respond to these cultural differences. The process of knowledge transfer, handling conflicts between generations, the process of accepting new technologies and how they adapt to their work culture are also discussed in this study.

5. HRM PRACTICES

The process of unifying the organizational culture between the three operating companies (OpCo) in PT Semen Indonesia (Semen Gresik, Semen Padang, Semen Tonasa) until finally becoming CHAMPS began with the process of forming CHAMPS culture starting with the awareness that the company needed an adhesive to unite the entire Company Group . Each operating company has a variety of differences ranging from differences in natural resources, human resources and cultural differences culturally and ethnically because of the three different areas of the company.

Cultural differences are also because each company is located in a region which has different characteristics, characteristics and culture, making it difficult for the unification process. The cultures in the Semen Padang, Tonasa and Gresik regions have different characteristics so that if they are put together there will be an organizational culture that can be accepted and can be applied in all Operating Companies. This corporate culture is a synergy of the corporate culture that exists throughout the Company and its Subsidiaries.

CHAMPS Organizational Culture Transformation

AS as an employee in the field of human capital of PT Semen Indonesia (Persero) Tbk. states that CHAMPS was originally initiated with the aim of bringing together cultural differences both literally and cultures of different generations. Employees are slowly follow the culture and cannot be directly forced but must be penetrated slowly. In CHAMPS socialization process, AS explained that each employee was scheduled to take part in the CHAMPS training or outreach and at the end of the activity an agreement or written commitment had been signed that the employee was committed to applying the CHAMPS culture and focused on the company's vision and mission.

"I think that actually the program has actually been carried out, but for new terms to emerge, there will be new terms, even though our principles of work are the same as we carry out work that we have lived for decades. But only now there are champs, what used to be like that. The actual program was updated, maybe according to the company the program was improved or better." (KM)

For KM the CHAMPS program is the same program as the previous company program but only changed the term to CHAMPS. According to KM, CHAMPS also did not bring much change because for employees who have worked long enough, their routines, ways and principles in working remain the same as they have lived for decades regardless of the renewed program or company culture. KM explained the principles of work which remained the same for him were earnest, thorough, honesty and tenacious. These things were maintained by KM despite the changes in organizational culture that had occurred even before CHAMPS was present among Semen Indonesia employees.

5.1. Cross Generation Culural in PT Semen Indonesia (Persero) Tbk

Perceptions of each generation

The existence of X generation and Y generation in PT Semen Indonesia (Persero) Tbk. give rise to different perceptions about the two generations. According to an interview with KM the presence of Y generation brings diversity and mutual assistance and fills diversity in the process of completing work due to differences in terms of experience and knowledge gained from each generation. This is also supported by a statement from the AS which states that the gap or the distance between generations at PT Semen Indonesia is not too pronounced because X generation is still able to keep abreast of developments from Y generation. AS said the generation differences did not bring bad impact too.

"If the gap between generations here is not really felt, because in our generation we can still follow the generation of the generation below us. In general the existence of these generations does not really have a bad effect either." (AS)

For X generation diversity of generations in PT Semen Indonesia (Persero) Tbk. bring good and bad things. Good because it feels able to help each other. X generation can also still follow the changes made by Y generation.

"Yes, it definitely needs adaptation, the new generation should have the willingness to adapt. Yes, it has become one of the big tasks, a big responsibility that is quite heavy from the HR and each employee to unite it. But it sure is useful because each generation has its own advantages." (SYR)

SYR states the new generation must have the will to adjust. For SYR generation diversity is one of the big tasks, a big responsibility which is quite heavy for Human Resources bureau and each employee to unite the diversity. SYR also adds the diversity of generations has benefits because each generation has its own advantages.

Cultural Differences between generations

Differences in work culture adopted by each generation also accompany the existence of X generation and Y generation. In his theory Tolbize [11] explains X generation has strong technical skills while Y generation seeks flexibility in the process of completing work.

The view of differences in work culture between generations was expressed by the AS which explains the difference in X generation with Y generation lies in loyalty to the company. AS states Y generation is the generation that tends to move to other places if there is a better offer for them. That may be normal for Y generation Y, but for X generation it is not unusual.

As for Y generation, the difference between X generation and their generation is in the flexibility in the process of completing work. For SYR Y generation is a generation of digital minded, unlimited space and time so he thinks work activities do not have to be in the office.

"The conflict is like this, the senior generation still sees, for example, the junior are not in their place of assumption, so they deviate, don't work. But for the juniors, they can work anywhere. Difference in perception is one that causes conflict. Now the focus is on each generation or work unit, where is the result oriented or process oriented, right?" (SYR)

Transfer Knowledge

Employees of different generations have their own ways of transferring both the knowledge and culture of the organization to other employees both one generation and different generations. The X generation informants agreed in stating that in the process of transferring knowledge it would be more effectively done through practice, not only based on theory.

"Now, look at the conditions, the problem of transfer of knowledge is that we do it by working. So it's not just a theory. So there is work that does not understand well we can convey this is true. If it is possible with theory, it might be difficult, but with direct practice, it might be possible." (KM)

AS explained each generation has a different way of conveying the sciences. AS added that understanding of each generation is needed so the knowledge delivered can be conveyed properly.

The process of cultural transfer and knowledge transfer is carried out in practice in the process of the work carried out X generation argues that the transfer of knowledge based on experience is better than the knowledge gained in theory. Y generation is more open to new knowledge gained from X generation and more often gets knowledge from X generation than vice versa. This proves the theory of Tolbize [11] that X generation is the generation that has strong technical skills and Y generation who values self-development.

5.2. Conflict between Generations

For SW conflicts between generations are sometimes caused by differences in understanding when reading a work instruction or SOP. But for SW it rarely becomes a big conflict.

"If conflicts are usually only caused by ... because this is because our generation is polite, manners with parents must be good, yes, yes, mbak. Now it's a bit biased, equal to all generations by the current generation. But in the case of working, there is no trick or obstacles". (AS)

From the informant's explanation, X generation considers etiquette or ethics in communicating while working is the main cause of indirect inter-generational conflict. X generation sees the current Y generation prefers an informal style of communication between colleagues. This supports research from Basset-Jones [12] which states the negative risk of diversity in the workplace is the emergence of communication disorders caused by cultural differences.

Different from X generation which considers different styles of communication to be the cause of work conflict, Y generation assesses the difference in the process of completing tasks that are the cause of conflict. SYR explained X generation assumes Y generation is not in the workplace called deviant. Whereas for Y generation work can be done anywhere. The difference in perception is one of the things Y generation is aware of can cause conflict.

"Yes, what was stated, we could not yet understand each other with the work styles of each generation. If the younger generation is more demanding flexibility in the sense, they want the work done anywhere, if the performance can be twice as good as those who have to sit in front of the office desk, why not. But younger generation must also understand the culture of the older generation, which is good, that is, being present at work can make the bond between employees good." (DJ)

5.3. Acceptance of Information Technology

SW states the use of technology in work greatly facilitates him both in the work completion process and in communication. KM also explained that each employee must be able to learn related to the application of technology in work especially because there is a system that has been established by PT Semen Indonesia (Persero) Tbk. then all employees must be willing to participate in programs related to the use of new technology at work. Although X generation requires time to learn new technologies at work, X generation feels the effects of work become more easily and quickly felt with technology in the process of completion of work or communication.

"Obviously there is an effect because in the past for example when we invited to the meeting it was actually delivered per personnel, if not later there would be those who did not get invitations and so forth. If you don't need it like that now, you can by WhatsApp, you can e-mail like that without reducing the essence of coming. That makes it easier, and fortunately my generation can keep up with that development." (AS)

5.4. Adaptation Process of Work Culture

Tolbize [11] explain that X generation and Y generation are characterized as a generation that can and easily adapts to change. In the phenomenon which occurs at PT Semen Indonesia (Persero) Tbk. X generation views Y generation as a well adaptable generation.

"Children now are smart, they can quickly adapt. This means that wherever they are placed they can quickly adapt. It could be because of education at school. In the past when I went to school, when there were questions, we were brave, afraid. But now it's fighting over. That then makes friends now smart, because their curiosity is higher and that also makes them quickly adaptable. But yes that goes back to each individual." (AS)

6. CONCLUSION

Based on the results of the study it can be concluded that cultural differences across generations are common because both X generation and Y generation accept these differences. Although Generation considers that Y generation is not polite in daily communication. But the two generations can also understand each other and understand these differences.

One of the cultural differences for X generation is in daily communication where Y generation communicates more informally to Y generation. Another difference also lies in the work style of Y generation who prefers flexibility in the work completion process. Researchers also concluded that CHAMPS is an organizational culture that has not been able to unify generational differences.

Organizational Culture created by PT Semen Indonesia (Persero) Tbk. have not been able to be digested properly by employees. CHAMPS only acts as a motivator for a small number of employees to work harder and employees at PT Semen Indonesia (Persero) Tbk. do not understand well the values embodied in the organizational culture of CHAMPS.

There is a need for in-depth and continuing socialization of CHAMPS for employees so with ongoing socialization it is hoped that employees can remember and apply CHAMPS organizational culture well in organizational life.

7. MANAGERIAL IMPLICATION

Benefit of this study is as a reference to reveal attitude, belief, and value which consider important by baby boomers and X generation employees in their work. The result of the this study are expected to be reference as well as a role model for the company or organizations to be able to motivate baby boomers and X generations employees which can be adapted to their work culture belief.

8. FUTURE RESEARCH

After conducting research on Organizational Transformation of Inter-Generational Organizations at PT Semen Indonesia (Persero) Tbk. Based on the results of interviews and observations, researchers suggest that there is a need for in-depth and continuing socialization of CHAMPS for employees so with ongoing socialization it is expected that employees can remember and apply CHAMPS organizational culture well in organizational life. There is also a need for coworking space at work for Y generation to support the Y generation work style

that tends to be flexible. So hopefully with the coworking space, the performance of generation Y can be better.

Suggestion for the further researcher is to extend the study into Y generation and the next generation workforce needs. Since the future need is to facilitate work style more dynamic and flexible.

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