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The Importance of Human Capital in the Indonesian Life Insurance Industry as a Competitive Advantage

Assoc. Prof. Dr. Suhardi¹, S.E., M.M.^{1*}, Nur Aisyah², Titik Purwati³, Ida Bagus Udayana Putra⁴, Ida Aju Brahmasari⁵, Nur Elfi Husda⁶

Abstract

The purpose of this research is to look at Human Capital inside enhancement performance employees and performance organizations in industry life insurance, a more special objective whole paper. This is to describe related literature to help increase knowledge about Human Capital Management implications. Findings from this research show that the best practice for increasing production at the company is insurance. Indonesia's soul is to create effective Human Capital management. Production levels (output obtained by the company) depend on Human Capital as a production factor because just an intense insurance agent's intertwined relationships with prospects' customers can close. Human Capital is reflected in the TASK (Talent, Attitude, Skill, Knowledge) possessed. Agents who act as human capital play an important role in the production process at the company insurance company. For the company to continue to compete long-term, they can take advantage of the sustainable talent, attitude, skills, and knowledge of their employees; invest in the development quality of agents (employees) by making them human capital.

Keywords: Life Insurance; Human Capital; Competitive Advantage.

Abstract

Armanca vê lêkolîné ev e ku meriv li Sermayeya Mirovan di hundurê xebatkarên performansê zêdekirina û rêxistinên performansê de di bîmeya jîyanê ya pêşesaziyê de, kaxezêkê tevahî armançêkê taybetîtir binêre. Ev ji bo danasîna wêjeya têkildar e ku ji bo zêdekirina zanîné di derheqê bandorên Rêvebiriya Sermaya Mirovan de bibe alîkar. Encamên vê lêkolîné nîşan didin ku ji bo zêdekirina hilberîné li pargîdaniyê çetirîn pratîka sîgorteyê ye. Rûbê Endonezyayê ew e ku rêvebiriya Sermaya Mirovan a bi bandor biafirîne. Asta hilberîné (hilberîna ku ji hêla pargîdaniyê ve hatî wergerandin) bi Sermayeya Mirovî ve wekî faktorekê hilberîné ve girêdayî ye ji ber ku tenê têkiliyên navbirî yê sîgorteyêkê hîşk bi xerîdarên perspektîf re dikare bigire. Sermayeya Mirovî di TASK (Talent, Helwest, Skills, Knowledge) de xwedan xuyang dike. Nûnerên ku wekî sermayeya mirovî tevdiqerin di pêvajoya hilberîné ya pargîdaniya bîmeya pargîdaniyê de rolekê girîng dilîzînin. Ji bo ku pargîdaniya pêşbazîya dirêj-dirêjê bidomîne, ew dikarin ji jêhatîbûna domdar, helwest, jêhatîbûn û zanîna karmendên xwe sûd werbigirin; bi çêkirina sermayeya mirovî di qalîteya pêşkeftina ajanan (karmendan) de veberhênan bikin.

¹ Correspondence author Email: suhardi@puterabatam.ac.id – ORCID ID: <https://orcid.org/0000-0001-5595-8361>

² Email: nuraisyah@staff.uma.ac.id – ORCID ID: <https://orcid.org/0000-0001-9005-2055>

³ Email: titikpurwati62@gmail.com – ORCID ID: <https://orcid.org/0000-0002-9918-1336>

⁴ Email: udayanap10@gmail.com – ORCID ID: <https://orcid.org/0000-0002-4375-916X>

⁵ Email: brahmasari@untag-sby.ac.id – ORCID ID: <https://orcid.org/0000-0001-7711-1700>

⁶ Email: nurelfi@puterabatam.ac.id – ORCID ID: <https://orcid.org/0000-0001-7548-7480>

Introduction

Business competition in any industry in the last few decades has become increasingly tight. Moreover, the existence of information and communication technology in the current era of information society requires companies to continue to create competitive advantages so that they can continue to exist in the business world. (Suhardi; Ratih, Ida Aju Brahma; Sari, 2018; Suhardi, Banjarnahor et al., 2018; Suhardi; Nainggolan, Nora, 2021; Suhardi, 2019) Competitive advantage is often put forward by researchers by looking at it from a financial perspective: if an organization or company can produce greater economic benefits than its competitors, then the company or organization is believed to be able to survive longer. (Adamson, 2009; Ali et al., 2018; Kucharčíková et al., 2015) call it Economic Rent by comparing the economic value produced to be greater than the costs incurred.

In other research (Boon et al., 2018: 35) (Philip, 2018) (Hidayat et al., 2018) competitive advantage can also be formed by emphasizing Human Resource Management practices because Humans (employees) are willing to spend most of their time in the company to achieve targets. organization (company) has been established. The following are the fundamental ideas about Human Resources that have the potential to become a competitive advantage and a valuable source of power:

1. Human resources are already available in an organization or company; from there, that's what determines the main level of output quality and efficiency in company production and operations.
2. Human resources in the organization seldom find the same (nature heterogeneous), heterogeneous that's potential to become an organization's competitive advantage.

However, the minimum worker skill is considered an inhibitory factor in improving company production, and human resource problems still exist. They are not yet considered enough to overcome such an organizational complex in the current era of modern globalization. According to (Marimuthu et al., 2009) view competitive advantage is also determined by the realization of Human Capital. This along with expert views on field management strategy (Boon et al., 2018; Noe, Raymond A., John R. Hollenbeck., 2011), views Human Capital as a source of strategic power. The results of the research support the theory of strategic Human Capital, with the conclusion:

1. Human Capital Resources are positively related to company performance.
2. The effect of Human Capital on the performance of a company is significant and will be stronger when there is uniqueness. Uniqueness because every individual can get company value, for example, by help the company improve its output value, increase service, negotiate, and so on.

According to (Boon et al., 2018:36; Hasanuddin et al., 2020; Lin et al., 2021) at least two important factors in protecting the company's Human Capital from easily imitated competitors, namely: a specific company and compact social.

- Specifics: create what can make something specific to that company, which is a creation not found in other companies or competitors. So that specific thing can become a barrier for an employee to move to another company. For example, with more compensation from other companies.
- Compact social This can work as company-specific as well, i.e., related to the extent to which individuals in a company can embed compact relationships in a way together with colleagues. As it becomes more difficult for competitors to imitate Human Capital, for example, system-dependent, to reach a certain level of performance, there must exist a social compactness between teamwork.

Currently, organizations are trying to do their best to develop human capital by prioritizing the interests of employees and the organization. One of the current trends is Human Capital, which places employee interests as part of the investment. Recent studies show that Human Capital is at the level of individuals and collectives in a way that is qualitatively different (Adamson, 2009; Marginson, 2017; Prayetno, 2017) combination of Knowledge, Skill, and Attitude forms the possibility of collective Human Capital which will become complicated because elements have mutual roles and complements (Endri, 2017; Venkatesh Ganapathy, 2019). Human Capital can help increase knowledge about the processes that connect Human Capital at the individual level with Human Capital at the unit level, ultimately increasing company performance.

Specifically, the focus of human resource management lies on synergy between certain Human Resource practices that benefit from certain Human Resource practices that can be improved and can be applied to other related Human Resource practices. Perspective: This offers interesting ideas on researching strategic Human Capital where to source mutually specific human capital, such as quality managers with colleagues (Kucharcikova, 2011; Simanjuntak & Suhardi, 2022) often considered isolated. An example is when employees develop skills in a special company, whether that later can increase their commitment. Possible: yes, this can relate to commitment continuation; however, it is a matter of whether it will impact commitment negatively (Hossain & Roy, 2016; Jamal, 2011)? And if not, how can this be translated into behavior and productivity in an individual? Still necessary for study to carry on again, like the case phenomenon in insurance companies, the soul that becomes the background behind study This will see AAJI's 35th Top Agent Award (TAA) in 2022 in Bali, Indonesia, as follows:(Asosiasi Asuransi Jiwa Indonesia, 2022)

Table 1: AAJI Top Agent Award (TAA) 2022

Categories	No	Life Insurance Agent	Insurance Company	Ownership (Foreign/National)
Top Rookie Agent by Premium 2021	1	Samuel David Gozali	AXA Financial Indonesia	Foreign
	2	Lyly Zainab	AIA Financial	Foreign
	3	Nathan Aliver Teguh I	Manulife Indonesia	Foreign
	4	Vera Litandy	Generali Indonesia	Foreign
	5	Agus Salim S	Sequis Life	Foreign
	6	M. Lace Adianto	BNI Life Insurance	Foreign
	7	Donald Junardy	Panin Dai-Ichi Life	Foreign
	8	Ni Wayan Ira Astuti	Sun Life Financial Indonesia	Foreign
	9	Julius Jatmico Harsanto	Equity Life Indonesia	National
Top Rookie Agent by Policy 2021	1	M. Lace Adianto	BNI Life Insurance	Foreign
	2	Nyoman Sudiarte	Prudential Life Assurance	Foreign
	3	Ni Wayan Ira Astuti	Sun Life Financial Indonesia	Foreign
	4	Satria Adi Setiawan	AXA Financial Indonesia	Foreign
	5	Elly Guna	Panin Dai-Ichi Life	Foreign
	6	Sadika Nuraini Hamid	Allianz Life Indonesia	Foreign
	7	Agus Salim S	Sequis Life	Foreign
	8	Christine Koka Mimi	AIA Financial	Foreign

Categories	No	Life Insurance Agent	Insurance Company	Ownership (Foreign/National)
Top Agent by Group Premium 2021	9	Dedava Oki Vidian	Generali Indonesia	Foreign
	10	Nur Susilo	PT Asuranai BRI Life	National
	1	Maya Romantir	CIGNA Insurance	Foreign
	2	Jeremia F Marhaposan	AXA Financial Indonesia	Foreign
	3	Dermawati	AXA Mandiri Financial	Foreign
Top Agent by Group Premium 2021	1	Maya Lesmana	Inhealth Indonesia	Foreign
	2	Marina Sri Wanti	FWD Insurance Indonesia	Foreign
	3	Dimas Yocky Purwahyo	Equity Life Indonesia	Foreign
	4	Yudha Caprilya	Prudential Life Assurance	Foreign
	5	Tubagus Hadi Wibisana	BNI Life Indonesia	Foreign
Top Leader by Premium 2021	1	Prajogo Warning	AIA Financial	Foreign
	2	Loresnia Philly	Sequis Life	Foreign
	3	Oei Kee Ing	Manulife Indonesia	Foreign
	4	Herman Tio	Generali Indonesia	Foreign
	5	Tati Supatmo	Equity Life Indonesia	National
Top Agent of the Year 2021	1	Budi Purnama Dewi	Generali Indonesia	Foreign
	2	Margaret Y Arifin	Sequis Life	Foreign
	3	Lidyawati	Prudential Life Assurance	Foreign
Top Agent by Production 2021	1	Meriyanti	Panin Dai-Ichi Life	Foreign
	2	Dewi Tirta Sadikin	Greater Central Asia	National
	3	Linus Guskia , Dra.	AIA Financial	Foreign
	4	Urges Ketut Catur I	Equity Life Indonesia	Foreign
Agent in Bancassurance 2021	1	Nurliana Yusmirani Haty	AXA Mandiri Financial Services	Foreign
	2	Niken Dwi Kinasih Putri	Astra	Foreign
	3	Eka Juliana	Manulife Indonesia	Foreign
Top Leader by Recruitment 2021	1	Prajogo Warning	AIA Financial	Foreign
	2	Renaldo Puspodjolo	Allianz Life Indonesia	Foreign
	3	M. Abdan Syakur B	BRI Life Insurance	National
	4	Lilyana	Prudential Life Assurance	Foreign
	5	Trisnawati	Generali Indonesia	Foreign
Top Agent by Premium 2021	1	Dewi Tirta Sadikin	Greater Central Asia	Foreign
	2	Lily Soeliati Citra	Manulife Indonesia	Foreign
	3	Margaret Yunita Arifin	Sequis Life	Foreign
	4	Yuli Handayani	AIA Financial	Foreign
	5	Suriana	Avrist Assurance	Foreign
	6	Hanny Fitriani Gunawan	Equity Life Indonesia	National
	7	Budi Purnama Dewi	Generali Indonesia	Foreign
	8	Ir. Kadek Lesmawati	Bhinneka Life Indonesia	Foreign
	9	I Febriani L	Panin Dai-Ichi Life	Foreign
	10	Vicky Monica Dengah	Allianz Life Indonesia	Foreign

Source: <https://aaji.or.id/file/Data-Pemenang-TAA-2022.pdf> (accessed July 24, 2023)

Table 1: Overview of the winners of AAJI's 35th Top Agent Award (TAA) in 2022 in Bali: Indonesia dominated from insurance soul ownership foreign, medium from insurance soul ownership national, classified as still very minimal once. And, as seen by MDRT (Million Dollars Round Table), which became the award-winning agent insurance world professional spirit. To be able to enter MDRT, an agent must be able to generate policy sales of at least IDR 585 million a year (Suhardi, 2021). In 2021, Prudential (foreign ownership) will be able to deliver 1,940 agents to MDRT (Kompas.com., 2021), or 53% of the total MDRT in Indonesia(mdrtindonesia.org, 2021).

An interesting question: What is the Human Resources Department model built by a foreign-owned life insurance company so that it can win TAA AAJI and even enter MDRT? This phenomenon requires further research related to Human Capital issues.

Overall, it can be seen from Table 1 that the level of national life insurance companies is still inadequate, both in theoretical and practical aspects. Human Capital in increasing sustainable production as a determinant of achieving company goals and creating a culture where employees can truly be utilized optimally, needs to be supported. competitive advantage strategy by utilizing labor as a competitive weapon. To achieve this effort, companies need to invest resources to ensure that employees have the Talent, Attitude, Skill, and Knowledge (TASK) and competence needed to work effectively in the organization. However, in our research, we do not intend to review it systematically; rather, we emphasize looking at the phenomena that we have discovered above that are of concern to us in the life insurance industry.

Even though there is a view that Human Capital has a positive effect on company performance, the Human Capital view still needs to be tested again. Therefore, this research was conducted to look at Human Capital in improving employee performance and organizational performance in the Life Insurance Industry. More specifically, the overall aim of this paper is to outline related literature to help increase knowledge about the implications of Human Capital Management on Company performance within a conceptual framework (Figure 1).

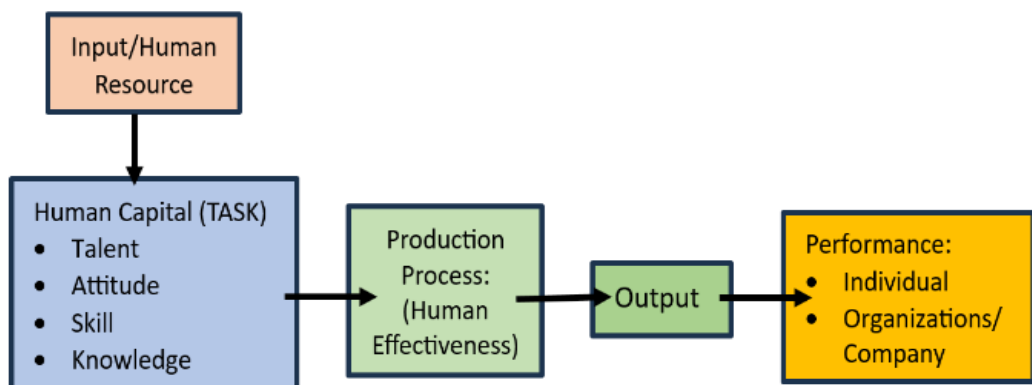


Figure 1: Link to the Human Capital Conceptual Model of the Life Insurance Industry

Literature

Human Resource Management

Human Resource Management is defined as human resource activities for people that have been planned with the meaning of reaching an objective organization. In practice, human

resource Management is considered a system that collectively increases skills and motivation through power work (Endri, 2017)(Venkatesh Ganapathy, 2019), meaning people who are gathered as human resources maintained like that appearance are given motivation to create it and enhance the human resource system effectively and comprehensively (Djojo, 2010). If compared to the approach traditionally, human resources focus on the process of recruitment, selection, training, development, assessment performance, and awards, but in Human Resource Management, it focuses on whether and how system human resource practices can help organizations reach an objective strategic goal and increase performance.

Human Capital

Many experts say that the concept of Human Capital was first popularized in 1964 by (G. S. Becker, n.d.), so he was named the founder of the Human Capital theory, which focuses on differences in a person's Knowledge, Skills and Abilities in driving development and economic growth.

Human Capital is seen as part of Human Resources related to the ability of a person or work unit to produce the company's economic value (B. Becker et al., 1999). The human capital perspective emphasizes the value of Knowledge, Skills, and Abilities (KSA) as well as the characteristics of a person or work unit. Character, personality, and interests are the basis of the Human Capital of an organization or company. As view (Jamal, 2011; Lin et al., 2021; Piva & Rossi-Lamastra, 2018) only Knowledge, Skills, Abilities (KSA) are related to the enhancement mark economy and are considered Human Capital Management. This means that Human Capital Management emphasizes how companies can utilize their Human Capital to increase production output and achieve outcomes that are oriented towards company performance.

(Diebolt & Hippe, 2019): Good Human Capital direct or indirect, is significant to growth economics for the following reasons:

- a. That an individual with talent can contribute to progress in technology if they have the required access to facility education.
- b. The work force can influence technology because Human Capital can change and improve income to invest more in technology. Example: Technology can be profitable if there are capable workers who have the required skills.
- c. Progress in technology influenced collaboration between Human Capital skills in the workforce.

So that it is said that education has an influence significant to growth, in line with the view of (Marginson, 2017) in Human Capital Theory that education encourages productivity, power work, and productivity pushes company or organization income. The value of investment in education is determined by the income from an educated workforce. Education, employment, productivity, and income are seen on a linear continuum. An educated person can have high productivity in the company (employer), and the company or organization will perform well because it earns a high income. So that Human Capital is used as an investment to develop learning opportunities and increase knowledge that has the potential to be highly knowledgeable (education), with education reflecting the professional level at work.

(Onsardi, 2017; Piva & Rossi-Lamastra, 2018) have done research that focuses on synergistic factors that increase Human Capital values and roles managers apply to individuals to help organizations maintain Human Capital-based competitive advantage. They agree that

increasing the company's Human Capital performance is considered significant. (Di Fabio & Peiró, 2018; Piva & Rossi-Lamastra, 2018; Sima et al., 2020) Researchers in the field of Human Resource Management have studied Human Capital: how managing people within related organizations results in results for the organization or company. Generally, researchers say that in managing and developing as well as increasing company performance, organizations focus on human capital investment. (B. Becker et al., 1999; G. S. Becker, n.d.; Endri, 2017; Venkatesh Ganapathy, 2019), describing in the form of Human Resource Management strategy on human capital (Knowledge, Skills, and Abilities) and abilities cognitive as well as personality, can be used by big companies in various industries. Special knowledge and skills possessed by a person or work unit in an organization or company are limited for competitors and supported with specialist additions, like ideas specific, level quality, and efficiency of output produced by individuals or work units, which can increase creation mark economics and become something Company-specific and not easy to imitate by other companies or organizations is the company's competitive advantage (Lin et al., 2021; Noe, Raymond A., John R. Hollenbeck., 2011; Piva & Rossi-Lamastra, 2018). Specific Human Capital can help increase the creation mark of a company or organization economics because specific companies can only apply to that company. At the company-level, when deep-employing employees, the company is reluctant to give higher wages compared to other companies or organizations so that employees will not move to other competitors (Onsardi, 2017; Pasban & Nojehdeh, 2016; Putiri Bhuana Katili, 2017; Zeb et al., 2018).

Relationship between Human Resource Management and Human Capital Management

Human Capital forms an understanding connection between education and work: Insightful achievement, as well as learned abilities, can become strength. Human Capital succeeded. No, because of their born and existing connection; however, because of their capabilities and strengths in the application that has superior social (Alnacheh et al., 2017; Cahyaningsih, Sensuse, & Noprisson, 2017).

Although studies confess the potential of Human Capital to influence performance companies, they focus mainly not on the nature of Human Capital themselves but rather on the roles that Human Resource Management practices play as well as the management line that implements Human Resource Management to obtain and develop Human Capital (Boon et al., 2018; Taylor Stephen, 2014). In line with this, based on general human capital theory, enhancement Skills influence performance through opportunities to increase Human Capital (Knowledge, Skills, and Abilities). improve performance with empower him optimally (Antamoshkina et al., 2020; Cahyaningsih, Sensuse, Arymurthy, et al., 2017; Marimuthu et al., 2009).

(Suhardi, 2023) level of intellectual tall reflected from TASK (Talent, Attitude, Skill, and Knowledge) to superiority competitiveness in company program development. Not just that TASK, just look at the characteristic that Human Capital has being comprehensive, encompassing practice work and management strategies to increase performance. In improving performance, the management company's philosophy is HRM (Human Resource Management) has shifted to Human Capital Management (Diebolt & Hippe, 2019; Gerasimov et al., 2019; Sima et al., 2020). If Human Resource Management leads to the process of improving company and employee performance with an approach specifically focused on employment (recruitment, selection, training, placement, etc., time for layoffs), Human Capital Management directs and highlights competencies, skills, and abilities as well as experience of employees who can increase the mark of the company or organization. Improved management

program career, rules flexible work, compensation of employees for maintain or develop a performing workforce. To reach superiority, competitiveness is considered Investment No as cost. (Diebolt & Hippe, 2019; Marimuthu et al., 2009; Sima et al., 2020).

If compared function, function Human Capital Management is far away exceeded from Human Resource Management function because Human Capital Management includes human strategy in a way comprehensiveness in the organization (Sinambela, 2019). The abilities that exist within oneself, both visible and not visible (still hidden), can be reflected when they finish work every day; that's possible assessed at the time up to date; anything can be done; he does it in various tasks or work organizations (Lin et al., 2021). The role of human capital in creating riches Intellectual assets are very strategic because Human Capital can create knowledge, and at the same time, if he has knowledge, that's what it is, and most importantly, the creation process activities that mark the company can materialize.

Relatedness: Human Capital Management with an element of importance. As has been found above (includes TASK), power creation, which is the end, will become characteristics and components of that Human Capital myself, thereby drafting Human Capital Management. It's not considered a replacement for the concept of Human Resource Management but rather works to complement and strengthen the Human Resource Management concept (Hossain & Roy, 2016; Venkatesh Ganapathy, 2019). Human Capital Management and Human Resource Management can be considered vital components in the management process. Employees are more productive and contribute significantly to the organization in a way that is comprehensive. I became the base strategy for reaching superiority and competing (Cahyaningsih, Senses, Arymurthy, et al., 2017; Jamal, 2011; Zeb et al., 2018).

Method

Do studies Human Resource Management and Human Capital Management literature whose objectives are to find draft related models to the industry of life insurance using several method analyses from several AAJI and MDRT Top Agent Awards (TAA) documents and results. Then, we evaluate the theoretical model with purpose, object, and justification expert from each model, with details Stage: Equalize Human Capital Study Issues Study Previous; Develop theoretical models based on results from a review of literature and research related to previous studies; evaluate verification theory and model validation; and develop human capital models based on the results of the evaluation of theoretical models. Final development of a Human Capital management model in the industry of life insurance.

Data collection was carried out with method interviews and surveys at companies' insurance souls included in the Top Agent Awards and MDRT categories. There were 77 people who responded to the survey to identify HCM elements. Whereas the number of respondents' interviews for identify job analysis based on identification problems with the Human Capital Management element is as many as 8 experts. For analyzing data and identifying strategic issues, we use several methods, including reviewing literature, developing theoretical models, evaluating theoretical models, and using expert judgment. Whereas validation is done with the expert judgment method through discussion group focused Whereas validation is done through FGD with six experts.

Discussion

As a framework, the conceptual production process in the industry of life insurance can be seen in Figure 2 below.

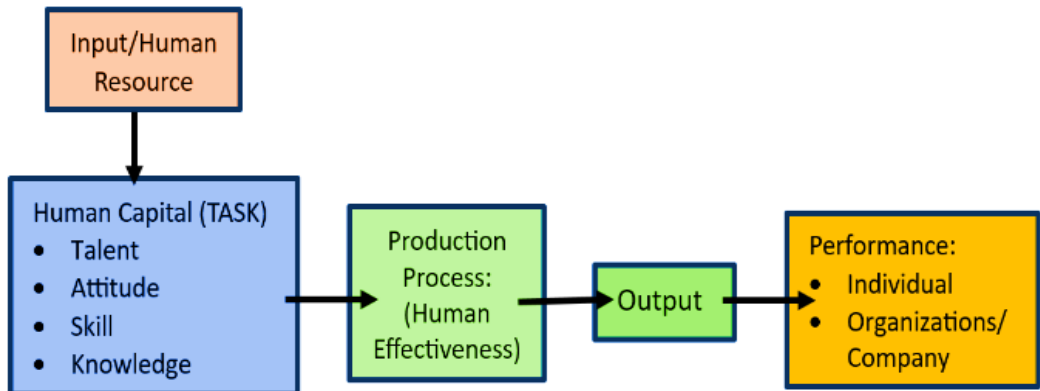


Figure 2: Link to the Conceptual Model of the Production Process Industry Life Insurance

Description Figure 2:

Input/Human Resources provided training (education) as an investment (Education, Training) will can produce upgrade learning.

Learning that is attached to human (human capital): TASK (Talent, Attitude, Skill, and Knowledge) in Production Processes) can increasing Human Effectiveness and, in fact, produce enhancement output (result production), i.e., in the form of an insurance policy soul.

Output (insurance policy soul) is produced by the employee (human). Enhancement of production in individuals (individual performance) is also a reflection of industry performance.

Output (insurance policy soul) obtained more lots from every Life Insurance Agent that is enhancement production reflects the actual performance of agents and employees is performance company too.

The Role of Human Capital in Industry: Life Insurance

In general, companies measure efficiency with output and input ratios. Because of output and input, every company No, the measures of level of productivity in organizations are also different; there are company-important measures of increasing customer satisfaction; there is also a measure of enhancement in income; some measure of how well lots of employees are capable of handling complaint customers; and so on. So indeed, it depends on variables and indicators of measurement effectiveness in the company. That's it for measuring human capital, not only seen from knowledge alone, skill alone, or ability possessed, but also from attitude, behavior, and proportional output that has been generated by someone.

Remember, still not yet. There are calculation standards that can be used for size, standard measurement level, efficiency, and effectiveness of human capital. The stages we carried out in this research refer to the recommendations of (Kucharčíková et al., 2015), namely: 1) Identify indicator base measurement related to Human Capital performance in life insurance industry companies (indicators used focus quantitative, which must be valid and reliable); 2) Determination indicator as a benchmark that is truly required by the company as standard company insurance; 3) We compare benchmark standards used by the company, industry insurance, another Indonesian soul, deep We compare this with the TAA (Top Agent Awards) standards for Indonesian life insurance agents. 4) Identify the return specification human capital required for the position's performance; 5) Evaluate, in a way, objectively, the employee's own good performance, standard, or bad; 6) Provide correct

recommendations to increase efficiency in human capital and improve effectiveness related to the performance of the company.

From the results of in-depth interviews with informants and experts, our research found that the existence of human capital in the insurance industry is already considered important, as is the importance of other factors in production: Labor, Land, Capital, and Entrepreneurship. Because human capital is knowledgeable (Knowledge), professional staff is appropriate in the field (Skills), and communication plays a very dominant role in the improvement of production companies in the industry of life insurance, human capital can integrate problem production, the transformational process, creating draft contracts, and designing new, more strategic strategies so that production truly increases from time to time. The existence of human capital contributed significantly to the increase in production in the insurance industry, so Figure 3 above can be developed to become like Figure 4.



Figure 3 Factors of Production Model

Source: (<https://www.toppr.com/guides/business-economics-cs/theory-of-consumer-behavior/factors-of-production/>, n.d). (accessed July 26, 2023)

From the results of the research, we conducted in the insurance industry in Indonesia, it appears that the production factor is not only dependent on Capital, Labor, Land, and Enterprise but also depends on Human Capital, as in Figure 4.

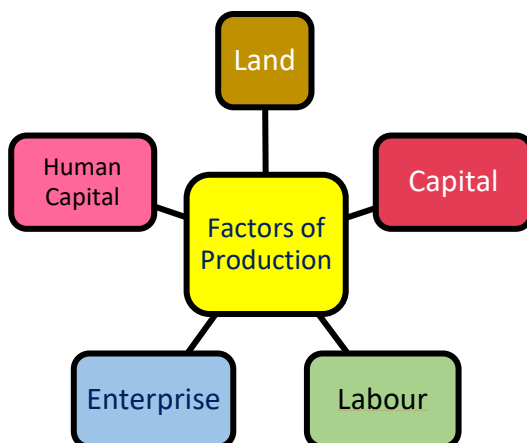


Figure 4: Human Capital: New Production Factors (case in Indonesian Life Insurance)

Production Process Industry: Indonesian Life Insurance

The entry of human capital into factors section, production is shown in figure 4 because production process activities in the industry of life insurance are produced from agent activities whose output is closing insurance policies in the form of a policy and the amount of premium money (year first) entered the account company. The elements that become important in industrial production processes for insurance are acquisition policy sales (output), how many can be produced (output) by an insurance agent in the form of an insurance policy, and how much yearly premium money is first entered into by the company from an insurance agent. Only insurance agents who have a strong connection with the suspect can increase the likelihood of becoming a prospect, then communicate well and offer superior programs that are useful for prospects, and those prospects can buy product insurance life (closing insurance policy) and become customer. (Suhardi, 2023:374)

The decision of a prospect (potential customer) to become a customer (buying an insurance policy) really depends on the relationship between skills, work ethics, communication, emotions, and the benefits of the product being sold. Skills of an insurance agent soul can convince the prospect to decide buy (product insurance soul), start explaining the benefits of the product (communication), motivate you to get it buy (emotional), and carry out sales after service to customers (work ethics) so that you can keep going and continuously paying premium insurance until the end of the contract is really needed, so that the human capital attached to the agent (Talent, Attitude, Skill, and Knowledge) takes on an important role in the achievement of company targets. Performance results that individual agents accumulate become many insurance policies that are also accompanied by incoming premium money. Company accounts become performance-oriented, which is good for insurance companies' souls.

More carry-on stages of the production process in the insurance industry are shown in Figure 5.



Figure 5. Production Process in the Life Insurance Industry

Caption: Figure 5

Human Capital becomes a factor. First-owned insurance agents are: Self-Confident; Product Knowledge; Infrastructure; Target Market. This is obtained during Orientation Training Education (OTE) at the company insurance soul. During orientation, these prospective agents

are given education and training. How can you develop Self-Confidence (Talent and Attitude)? good communication, selling techniques (Skills), knowledge of product benefits insurance soul (Knowledge), infrastructure as support, as well as the target market objective marketer.

Self-Confidence

Profession: Whatever self-confidence constitutes matters; I see it as important to become a Life Insurance agent; strong self-confidence will make it difficult to become a professional; the Top Agent Award (TAA); or the Million Dollar Round Table (MDRT).

Product Knowledge

Knowing about the benefits of the products being sold will make it easier for an agent to sell a product insurance policy because of the benefits of buying an insurance policy. This is for when the future comes. If you don't know the benefits and functions of the product being sold, how can you buy the product?

Infrastructure

To support the sales process for life insurance products, infrastructure needs to be supported, such as a paper, pen, calculator, sales kit, premium table, and authentic proof of insurance claims that have been paid, so that prospects feel strong confidence in buying a life insurance policy.

Target Market

This target market is a group of people who are willing to buy life insurance products and are the target of visits to be offered products for sale. The main priority target market is the middle class and above. because based on the MDRT category, it can collect a minimum of IDR 524 million in premiums per year (mdrtindonesia.org., 2021), or an average of IDR 50 million every month, which must go into the company account.

Suspect

The people who make it possible to buy product insurance will be offered This suspect entered the customer's estimated potential to purchase an insurance policy. The best suspect has already identified characteristics such as name, hobby, gender, likes and favorites, address, and HP/WA number.

How to Get Suspect: Every agent has a one-time Optimal work of 8 hours is enough to meet 8 people per day multiplied by the optimal work of 25 days per month, and then the number of suspects = 200 people per month who have encountered - (meeting suspect only just meeting light, introductory early, and not yet meeting offer product).

Prospect

People who have a trend buy product insurance. From the list of names of 200 suspects, it's estimated that the people who came in categorize their own trend to buy product life insurance. Projection if 50% of the number of suspects (200 suspects x 50% = 100 prospects) Agent stays arrange the time for visits to offer products during a month (25 days of work) from 100 prospects. It means the average agent offers a Life Insurance program to four prospects per day.

Customer

When an insurance agent is capable of offering product insurance to four people per day x 25 days of optimal work, 100 existing prospects get offered product Life Insurance. A work

pattern like this is what the winners of the Top Agent Awards and MDRT do. And from my confession, they are always consistent in the stages of the production process. This is their average success rate in closing the insurance policy (output) = five customers each month.

The roadmap shown in Figure 5 The production process in the life insurance industry is based on results obtained from the winning agent, TAA/MDRT. With commitment, consistency, sustainability, and carrying out the production process continuously, the output results will experience improvement and can bring the company to high performance. The relationship between 'Human Capital: A New Factor of Production has 'been implemented at several life insurance companies in Indonesia to help their agents enter the Top Agent Awards (TAA) and Million Dollar Round Table (MDRT) categories.(Republika.co.id., 2021) President Director of Prudential (Jen Reisch, 2021): "Prudential's MDRT increase (1940 agents joined MDRT) is because we continue to focus on investing in the development of quality marketing staff."(Kompas.com., 2021).

The success of a life insurance agent in entering the Top Agent Awards (TAA), AAJI, and MDRT will enhance individual and collective performance directly, which will elevate the performance of the organization. Prudential Indonesia Insurance, for example, is ranked 9th in MDRT Global (70 countries, 500+ companies), World Life Insurance. (Suhardi, 2023: 377-378)

Conclusion

Human Resource Management considers employees as 'costs', while Human Capital Management assumes employees as future wealth and investments. Human Resource Management (HRM) is the process of managing, acquiring, and maintaining employees to contribute in a way that is effective in the production process, with the goal of increasing performance by optimizing human resources and functioning Human Capital Management (HCM). complete function of Human Resource Management (HRM) in increasing human resource potential as humans approach wealth and investment in the future to produce income.

Findings important to this research are that practice best increases production at the company insurance The soul of Indonesia is to create conditions for effective management of Human Capital Management due to activities involving main production in industry company Life Insurance, which produces output in the form of closing an insurance policy and collecting the insurance premium money deposited by customers to account company insurance soul. The more that can be produced by an insurance agent in the form of an insurance policy (output), the more You can get lots of premium money saved for the insurance company by focusing on individual productivity (performance). Production level (the output obtained by the company) depends on human capital as a production factor, because just an intense insurance agent who intertwine relationships with prospects (candidates) can close human capital is reflected in TASK (Talent, Attitude, Skill, Knowledge) and work ethics, as well as useful product benefits. So, agents who act as human capital play an important role in the production process at the company insurance company. can continue to compete in the long run. Companies can take advantage of the sustainable talent, attitude, skills, and knowledge of their employees and invest in the development quality of their agents (employees) by making them human capital.

Future Research

We expect a study. This can add inspiration and make you more awake. Again, other researchers in the field of human resources in general and human capital in particular are interested in

overcoming complex organizational problems because the main aspect of human capital in generating competitive advantage is related to how to navigate the dynamics of individuals and groups with a method of increased creation that marks an emerging economy from human capital. And you can make it. This human capital reference is in a broader corporate/organizational context, as in agencies, government, the service industry, and other related human capital and human resource issues that require more attention.

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