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The Influence of Social Aspects of Procurement on The Sustainability of Knowledge Sharing on Telkomsel Suppliers

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Abstract: *The telecommunications industry in the current era is an important industry where most people use smartphones or hardware that requires a wi-fi or mobile internet network. Today's telecommunications companies must continue to maintain their quality in providing a network, of course, there are always efforts to develop an internet network owned by a telecommunications company to a place that does not have an internet network at all. development in terms of providing materials and expert technicians in the construction of the network. This background is the purpose of holding this research, this research wants to know whether the social aspect of procurement can affect Knowledge Sharing. Knowledge-sharing suppliers are one way for a company to maintain and manage good supply chain management by sharing experiences, knowledge, and important information. This study uses the SEM-PLS analysis method with a sampling technique using nonprobability sampling with a purposive sampling method, where sampling is by distributing questionnaires to 90 respondents. The results of this study indicate that tie strength, network stability, shared understanding and trust have a significant influence on Knowledge Sharing.*

Keywords: Supply Chain Management, Knowledge sharing, supplier

1. Introduction

In Indonesia is an archipelagic country which of course requires an internet connection so that each island can exchange information faster than before from one island to another. Internet users in Indonesia based on the latest report from We Are Social, in 2020 it was stated that internet users in Indonesia reached 175.4 million. Compared to the previous year, there was an increase of 17% or 25 million internet users in this country. Based on the total population of Indonesia, which is 272.1 million people, it means that 64% and half of Indonesia's population has experienced Internet access. Percentage of internet users aged 16 to 64 years who own each type of device, including mobile phones (96%), smartphones (94%), non-smartphone mobile phones (21%), laptops or desktop computers (66%), tables (23%), game consoles (16%), to virtual reality devices (5.1%) (Detiknet, 2020). This condition makes Indonesia a promising market for the business sector in the telecommunications sector.

Telkomsel being the best operator is proven by the number of subscribers According to Harry M. Zen, Finance Director of PT Telkom Indonesia, the number of Telkomsel subscribers in the third quarter of 2019 was recorded at 170.9 million (Pratomo, 2019), until finally a statement from the Minister of Business Entities State-Owned Enterprises (BUMN) Erick Tohir said that so far the dividends of PT Telkom Indonesia were mostly contributed by Telkomsel. For that, according to him, it is better not to have Telkom and Telkomsel to be made as a BUMN

(Liputan6, 2020) in this case it proves that Telkomsel is very serious in the telecommunications sector so that it always reaps achievements.

Improving the performance of supplier relationship management is one way to create an effective and efficient inventory. supplier relationship management includes the process that defines how a company interacts with suppliers, is only one important part of the overall supply chain management process. The aspect that is being developed is knowledge sharing because the impact has a great influence on the project planning and production process. in the study of Zimmermann et al. (2018) knowledge sharing is a way for companies to share knowledge, experiences and methods with all their suppliers. In addition, knowledge sharing also aims to increase cooperation between companies and increase the ability to achieve organizational goals. According to Zimmermann et al (2018), the knowledge sharing process makes a significant contribution to the supply chain management and supplier relationship management processes. In this study, the authors suspect the influence of 4 independent variables, namely tie strength, network stability, shared understanding and trust on knowledge sharing.

Therefore, it is important to conduct research in order to obtain certainty that network stability has an effect on the knowledge sharing process.

2. Literature Review

2.1. Supply Chain Management (SCM)

Sujono (2016) explained that Supply Chain Management is an effort to manage a supply chain in an integrated manner by involving producers-suppliers customers in a significant level of collaboration and coordination.

2.2. Supplier Relationship Management (SRM)

Mettler, Rohner (2009) defines Supplier Relationship Management as a comprehensive approach to managing an organization's interactions with the companies that supply the products and services it uses. The main objective of SRM is to streamline and make the procurement process more effective between the company and its suppliers. Indirectly, SRM also aims to improve the quality of information, products, services, and workforce capabilities.

2.3. Knowledge Sharing

The development of Knowledge sharing is a method used by companies to share knowledge, experiences with all company suppliers in order to create good SCM implementation. Knowledge sharing is also an activity that facilitates the exchange of knowledge, helps people work together, increases the ability to achieve organizational goals, and others (Zimmermann et al., 2018).

2.4. Tie Strength

Tie strength is a bonding process that exists to maintain the relationship between suppliers and fellow suppliers in a company by always interacting and understanding each role. This process is very important because it can minimize misunderstandings among suppliers by improving communication between suppliers (Zimmermann et al., 2018).

2.5. Network Stability

Network stability is a bond that exists between companies and suppliers that is used to maintain long-term relationships between companies and suppliers by always fulfilling obligations and receiving rights in accordance with the contract of each role (Zimmermann et al., 2018).

2.6. Shared Understanding

Shared understanding is a process of sharing information between a company and its suppliers by understanding each other. Coordination is good because misunderstandings between companies and suppliers can be minimized (Zimmermann et al., 2018).

2.7. Trust

Trust is a belief in work partners to maintain a relationship by always making mutually beneficial decisions that can foster trust between fellow partner companies. With trust between companies and suppliers, supply chain performance will increase and be good (Zimmermann et al., 2018).

3. Methodology

3.1. Population and Sampling

Primary data is data that is processed by an organization or individual directly from its object, In this study, primary data was obtained from the results of online questionnaires that have been disseminated and filled by Telkomsel Suppliers.

3.2. Data Collection

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3.3. Validity & Reliability

In order to determine the level of validity and reliability of the questionnaire, the researcher will use the SmartPLS program. The procedure for testing the validity that will be used is convergent validity, namely by correlating the item score (component score) with the construct score which will then give the loading factor value. The value of the loading factor can be said to be high if the component or indicator that is correlated is more than 0.70 with the construct to be measured. However, in research in the early stages of development, a loading factor of 0.5 to 0.6 can be considered sufficient (Abdillah, 2018: 258).

The data used in this study was then analyzed using the SEM-PLS model using the SmartPLS software application version 3.3.3. The usefulness of SEM-PLS itself is because this study aims to examine the relationship between independent and dependent variables according to the model used. Data analysis techniques used in this study are descriptive analysis, outer model (convergent validity, discriminant validity, reliability or internal consistency reliability), inner model (R-Square and Q-Square, and path coefficient (direct effect and indirect effect).

Table 1: Test Validity & Reliability

Latent Variables	Indikator	Loading	AVE	Composite Reliability	Cronbach Alpha
Tie Strength	TS1	0.871	0,699	0,903	0,857
	TS2	0.832			
	TS3	0.791			
	TS4	0.849			
Network Stability	NS1	0.925	0,751	0,857	0,682
	NS2	0.803			
	SU1	0.604			

Shared Understanding	SU2	0.761	0,528	0,816	0,707
	SU3	0.799			
	SU4	0.729			
Trust	TR1	0.744	0,701	0,875	0,786
	TR2	0.863			
	TR3	0.897			
Extent Of Knowledge Sharing	EK1	0.771	0.579	0,872	0,817
	EK2	0.642			
	EK3	0.752			
	EK4	0.850			
	EK5	0.776			

3.4. Data Analysis Techniques

3.4.1. Structural Equational Modeling (SEM)

Structural Equational Modeling (SEM) is a structural equation model in which the dependent and independent variables in SEM are variables that cannot be measured directly or are unobsevable (Agus Widarjono, 2015). If the hypothesis testing chooses to use regression analysis, there will be a possibility of measurement errors and the processing of the indicators used will not be measurable (Indrawati, 2015).

3.4.2. Partial Least Square (PLS)

Partial Least Square (PLS) which is part of the 52 Structural Equation Modeling (SEM) method, and this method uses the SmartPLS version 3.3.3 application. Structural Equation Modeling (SEM) is a static method used to manage research in the fields of education, biology, economics, marketing and medicine (Santoso, 2015). Partial Least Square (PLS) is also a structural equation analysis using simultaneous variants that can test the model by testing the structural model simultaneously (Abdillah, 2015).

3.4.3. Multivariate Analysis Technique

This study uses Multivariate Analysis Techniques, this is because in this study there are several variables that want to test the relationship. In addition, based on the Multivariate Analysis Technique method, this research is included in the dependent method, because in the study there is a dependent variable, namely Extent of Knowledge Sharing.

3.4.4. Assessment Of The Measurement Model (Outer Model)

An outer analysis or Measurement Model is done to describe the relationship between indicator blocks and their latent variables. There are three measurement criteria for assessing outer models, namely Convergent Validity, Discriminant Validity, and Composite Reliability

3.4.5. Assessment Of The Structural Model (Inner Model)

Assessment of The Structural Model or often also referred to as inner model test, is a test of influence between one latent variable and another latent variable. This test is performed by looking at the T value of the path value to see a significant level, as well as the R2 value for the dependent variable on the model to gain influence from the independent variable.

3.4.6. Hypothesis Testing

H1: Tie strength has a significant effect on knowledge sharing.
H2: Network stability has a significant effect on knowledge sharing.
H3: Shared understanding has a significant effect on knowledge sharing.

H4: Trust has a significant effect on knowledge sharing.

4. Discussion & Conclusion

4.1. Discussion

The questionnaire in this study was created with Google Form and then the link was distributed through social media to 90 respondents. Based on the results of the 90 respondents obtained the results of grouping respondents based on gender, age, and length of work.

The results of the outer model testing analysis in this study can be seen in Figure 1.

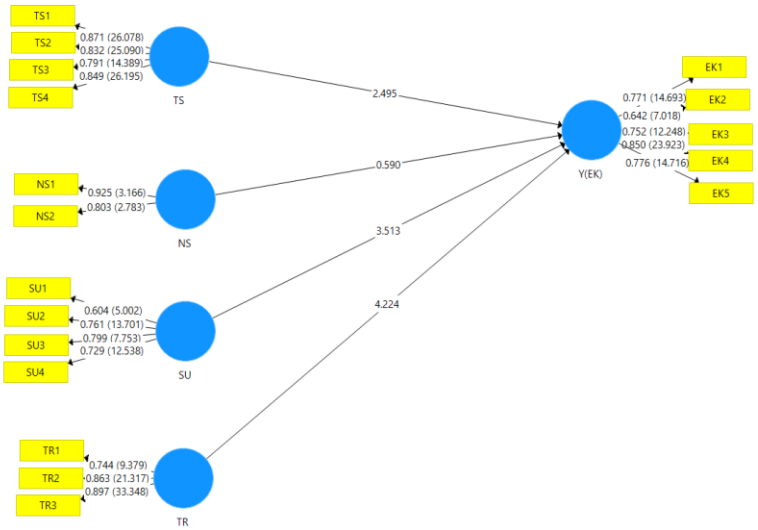

Figure 1: Outer Model Analysis Results
Source: Processed Authors

Based on Figure 1, The convergent validity value can also be seen by calculating each indicator on the average variance extracted (AVE), if the average variance extracted (AVE) value is more than 0.5 then the question item on the variable is declared valid. it can be seen that all the variables in this study have an average variance extracted (AVE) value of more than 0.5, from this it can be concluded that the questionnaire in this study meets the criteria for convergent validity.

Discriminant Validity can be measured by looking at the value of cross loading. An indicator can be said to be valid if the correlation value or cross loading with the latent variable is greater than the correlation with other latent variables. it can be seen that each item has the highest correlation value or has the highest cross loading value with its latent variable, from this it can be concluded that the variables in this study can be declared to meet the criteria of discriminant validity.

Reliability or Internal Consistancy Reliability can be seen from the value of Cronbach's Alpha (CA) or also with Composite Reliability (CR), both of which must have a value of more than 0.6 in order to be said to be good. it can be seen that each variable has a Cronbach's Alpha (CA) value or also with a Composite Reliability (CR) of more than 0.6, then this indicates that it has met the reliability test criteria or internal consistancy reliability.

The results of the Inner Model Testing analysis in this study can be seen in Figure 2.

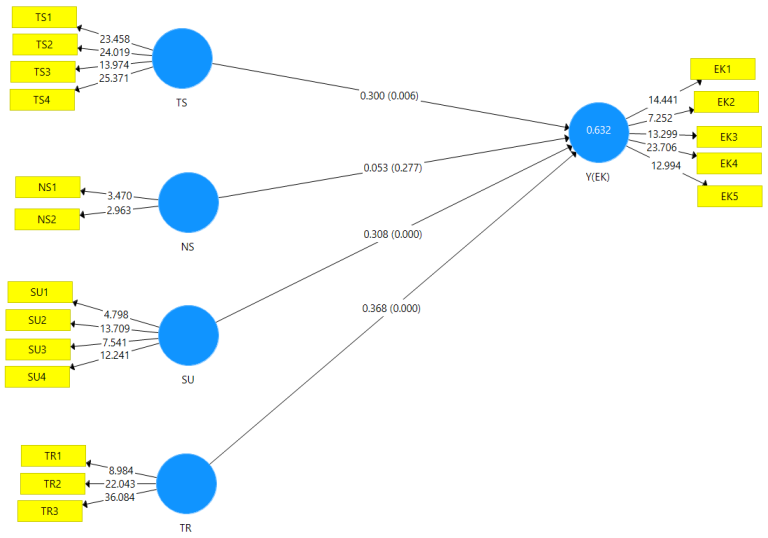

Figure 2: Inner Model Analysis Results
Source: Processed Authors

Based on Figure 2, the results of the analysis of inner model testing can be seen from the value of R-Square, R-Square is used to determine how much influence the endogenous variables have on other variables. In this case, if the R-Square has a result of more than 0.67 then it is included in the good category, then if the result is 0.33 - 0.67 then it is included in the medium category, and if the result is 0.19 - 0.33 it is included in the in the weak category.

Furthermore, the results of the analysis of inner model testing can be seen from the value of Q-Square, Q-Square is used to measure how good the value of the observations produced by the model is and also the estimated parameters. If the Q-Square value is greater than 0 (zero), it means that the model has predictive relevance, while if the Q-Square value is less than 0 (zero), it means that the model lacks predictive relevance.

Interpreted that the model shows predictive relevance, whereas if the value of Q-Square is less than 0 (zero) then it is interpreted that the model has less predictive relevance. Based on the results of the calculations above, the results obtained that Q-Square amounted to 0.341, which can be interpreted as the large diversity of research data used in this study is 34.1%, and the rest is 65.9% explained by other variables outside of this study.

The results of path coefficient analysis in this study can be seen in Table 2.

Table 2: Hypothesis Testing (Coefficient path)

Struktur Path	Original Sample	T-Statistics	P-Values	Result
NS → EK	0,053	0,59	0,278	Rejected
SU → EK	0,308	3,513	0,000	Accepted
TR → EK	0,368	4,224	0,000	Accepted
TS → EK	0,3	2,495	0,006	Accepted

Source: Processed Authors

Based on the table above, the results of hypothesis testing can be obtained, this is done by comparing the results of the T-Statistic with the T-Table (1984) and the significance level is 0.05. The results of the conclusion of the explanation are as follows:

a) Network Stability does not have a significant positive effect on Extent of Knowledge Sharing, this is because the results of T-Calculation (T-Statistics) < T-Table are 0.59 < 1.984 and the significance of P-Value is 0.278 > 0.05, then Ho accepted and Ha rejected.
b) Shared Understanding has a significant positive effect on the Extent of Knowledge Sharing, this is because the results of T-Calculation (T-Statistics) > T-Table are 3.513 > 1.984 and the significance of P-Value is 0.000 < 0.05, then Ho is rejected and Ha accepted.
c) Trust has a significant positive effect on Extent of Knowledge Sharing, this is because the results of T-Calculation (T-Statistics) > T-Table are 4.224 > 1.984 and the significance of P-Value is 0.000 <0.05, then Ho is rejected and Ha is accepted. .
d) Tie Strength has a significant positive effect on Extent of Knowledge Sharing, this is because the results of T-Calculation (T-Statistics) > T-Table are 2.495 > 1.984 and the significance of P-Value is 0.006 <0.05, then Ho is rejected and Ha accepted.

4.2. Conclusion

Based on the results of data processing and analysis that has been carried out by the author, to determine the tie strength, network stability, shared understanding, trust and knowledge sharing of Telkomsel's suppliers, as well as to determine the amount the influence of tie strength, network stability, shared understanding and trust to Telkomsel's knowledge sharing. Tie strength, network stability, shared understanding, and trust that have been implemented by Telkomsel are currently classified as good, which means the company has implemented the Tie strength, network stability and shared understanding system well, while trust is in the very good category which shows trust between Telkomsel and its suppliers is very good. The knowledge sharing implemented by Telkomsel and its suppliers is in the good category. This indicates that Telkomsel's suppliers as a whole have sufficient understanding of the knowledge sharing process.

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