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Investigating Factors Affecting Value Creation and Its Distribution on Company's Performance

Ahmad FIRMAN¹, Muhammad HIDAYAT²

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Abstract

Purpose: This study aims to determine the effect of business processes, quality of human resources and organizational culture and its distribution in creating value to achieve competitive advantage. **Research Design, Data, and Methodology:** Data collection in this study was carried out by distributing questionnaires to 90 employees of Delivery service companies in Makassar City. Partial Least Square (PLS) analysis was used as data analysis. **Result:** this study indicates that business processes do not directly affect competitive advantage, but business processes will have an effect if they go through the value creation process as an intervening variable, while the quality of human resources and work environment have a direct effect on competitive advantage and have a direct effect on Value creation. The quality of human resources and organizational culture also have an indirect effect on competitive advantage through the value creation process. This research also indicates that value creation has an effect on competitive advantage. **Conclusion:** Competitive advantage will be realized if organizational processes run well, company management that able to carry out good organizational processes and able to create a conducive organizational culture, will be able to distribute company resources to create value that leads to achieving competitive advantage for companies in the future.

Keywords : Business Process, HR Quality, Organizational Culture, Value Creation, Competitive Advantage

JEL Classification Code : E30, L11, L25

1. Introduction

During the current development of increasingly turbulent world, crucial things faced by the company are to continue to have a strategy to continue to exist in the competition while maintaining the company's growth and value creation. Its growth and value creation depend on the interaction and combination of several circumstances, including its manageability, the development and use of its intellectual capital (IC), its financial assets, its investments

in research and development (R&D) and innovation, and its sector and geographic location. Hristov et al. (2019). Thus, it is clear that the management of resources in an organization will be greatly influenced by the business processes developed and owned by the company. Bititci et al. (2011) stated that building a performance-oriented business process is very important, in action a company's business processes will be reduced to the company's operational activities that generate added value and focus on creating value in the future. Thus, paying more concern

1 First Author and Corresponding Author. Lecturer of Post Graduate Program Institut Teknologi dan Bisnis Nobel Indonesia.
 Email: firman_itbnobel@yahoo.com
 2 Second Author. Lecturer of Post Graduate Program Institut Teknologi dan Bisnis Nobel Indonesia.
 Email: hidayat2401@yahoo.com

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toward management of business process becomes urgent for the company because it is the place where value added of the company may come from. The important thing for management is to be able to analyze these operational factors. In general, process activities can be measured through 4 dimensions, namely: cost, time (delivery) quality and flexibility in building and gaining competitive advantage.

In order to be able to survive and compete, strategically it is important for companies to have effective and efficient business processes and have the ability to be able to create superior value so that the company achieves a good competitive position compared to existing competitors. Thus, value as a competitive advantage is highly needed to create. According to (Geissdoerfer et al., 2016) Value creation is a transformation of the results of creativity and innovation through discovery or development in producing a product or service. In terms of value creation, Goedart and Tim Koller cited by Hidayat (2022) states that competitive advantage can be achieved through extra value creation efforts aimed at customers, employees, supplier communities (including the physical environment) and shareholders, so that value creation must involve all components of the organization. and organizational operations, as stated by Bititci et al. (2011) which states that a company's business processes will be derived into the company's operational activities that generate added value and focus on creating business value in the future. Activities on that process could be seen on realization, cost, time (delivery) quality and flexibility aimed at building competitive advantage. Value creation must be seen as a long-term and strategy development to achieve the organization value creation Evans et al. (2017) stating that companies need to prepare the concept of value creation as seen from the main ideas on system thinking, whole system design, systems innovation and business models as the key concepts for value creation.

Value creation is also strongly influenced by business process operations because with business processes the company will automatically seek to build and create values that are in line with the business faced by the company from time to time, the ability to have flexibility in understanding contemporary business will be one of the factors for companies to be able to maintain business competitiveness tightly. This was also conveyed by Badurdeen and Jawahir (2017) who said that good manufacturing process can be the basis to create value creation.

A very important factor that companies need more concern in business processes in order to create value is the readiness of human resources. The readiness of these human resources is certainly very dependent on the quality of the resources of the company because there is no denying that humans are the brainware of the organization (Hidayat &

Latief, 2018). Otherwise, operational success is highly dependent on the culture that develops in an organization, according to Krietner and Kinicki (2016) saying "Organizational culture is a form of assumption that is owned, accepted implicitly by the group and determines how the group feels, thinks, and reacts. to its diverse environment. If the developed organizational culture can lead to a positive impact to support organizational policies, then the company's value will be realized because basically organizational culture is also part of the value creation process.

From all the explanations above, the key to successful management lies in the ability of the organization to distribute resources, both tangible and intangible resources, to achieve organizational goals.

The management task of distributing resources involves allocating resources such as time, money, personnel, and materials as well as Intangible resources to different projects or departments within an organization. Effective resource distribution is crucial for the success of any organization, as it ensures that resources are used efficiently and effectively to achieve organizational goals. Management typically distributes intangible resources such as quality of human resources, business processes, and organizational culture in a way that aligns with the company's overall strategy and goals. Distributing intangible resources to create value and reach competitive advantage, management must consider a range of factors when allocating resources, including:

1. Human Resources: Management must attract, retain, and develop the best talent in order to create a competitive advantage. This means investing in recruitment, training, development, and retention programs that build a high-performance culture.
2. Business Processes: Management must also focus on improving and optimizing business processes to enhance efficiency, reduce costs, and improve overall performance. This can involve investing in new technology, streamlining processes, and improving communication and collaboration across teams.
3. Organizational Culture: Management must create a positive and supportive organizational culture that fosters innovation, creativity, and collaboration. This can involve investing in initiatives such as employee engagement programs, diversity and inclusion efforts, and leadership development programs.

Overall, management must balance their allocation of resources across these different areas to create competitive advantage. This requires ongoing monitoring and evaluation of the effectiveness of their investments in each area, as well as a willingness to adapt and evolve their strategies as needed.

Through this research, it will be analyzed to what extent delivery service companies are able to distribute their

intangible resources as seen from the distribution of human resources, distribution of business process management and distribution of management through the creation of organizational culture so that it has an impact on value creation to achieve competitive advantage

One of the industries that is currently growing rapidly along with the rise of business in the digital era is the delivery service industry along with its growth. Currently competition in the delivery industry is getting higher, not only in traditional delivery service companies driven by delivery services owned by the government. Long before the digitalization era, competition was also enlivened by delivery services that grew as a response to the digitalization era which encouraged the rise of online business which relies on the presence of delivery services as one of the pillars to ensure on time delivery which is also one of the important promos for service and online business actors. These demands lead the delivery service company to show superior performance and provide guarantees for users to ensure that the user's business is optimally supported to increase customer trust and satisfaction.

Business in the delivery service industry is currently growing at an average of 5-10% per year. This condition shows that Indonesia in the future will become a very potential courier service market, for that various strategies to dominate market share need to be explored in accordance with the characteristics of the company, the environment and the level of competition they are facing. One approach to win the competition that can be done by the company is through the creation of new values and innovation.

A few years ago, the delivery service business, especially in Makassar City, Indonesia, was still carried out with traditional management focused on providing goods delivery services that relied on the availability of delivery couriers. Most customers came to the company counter with the goods to be sent. It also happened to government-owned delivery services (PT Pos Indonesia). There are professional goods delivery services such as DHL Elteha and UPS. Nevertheless, these delivery services are focused on providing services to large companies or certain circles that require high-class services. The presence of modern application-based delivery services companies such as Gojek, Grab, JNE, JNT, and Lion Parcel that target all groups and provide excellent services based on technology and extra services, including picking up goods to be sent by customers, traditional delivery services must begin to improve to survive and exist in increasingly competitive competition. Modern application-based delivery services companies such as Gojek Grab JNE, JNT, and Lion Parcel must prepare their strategies to market their service products to the general public, who have been the target of traditional delivery services as well as for traditional delivery services must begin to learn to adapt to the use of technology to

support their business processes to compete with other companies to meet the demands and needs of today's society. In general, the problem faced by delivery service companies is the problem of human resources because most of delivery service couriers still need to be equipped with competencies and knowledge related to services that are the company's main business and the use of technology that is the main support for the company's business processes. In addition, this transformation from traditional management to modern management requires commitment and strong adaptation of the organizational culture that has been formed. These two things are very important factors for companies to create value to realize the company's competitiveness

2. Literature Review

2.1. Business Process

From the previous description about value creation, the principles of implementing value creation cannot be separated from the business processes owned by the company, it can even be stated that value creation is basically the implementation or result of the business processes carried out by the company and is also influenced by the perception of the customers as stated by Gummerus (2013). This is also reinforced by Hidayat (2022) which states that a business process is a set of interrelated activities that use inputs and change them to produce an output. Business processes must be linked to the strategy for achieving growth because basically business processes are company activities in achieving the main goal of growing in line with efforts to achieve the goals, Magdaleno et al. (2016). More specific, Nilsson et al. (2001) states that business processes are a better way to deliver and distribute goods and services to customers while Dumas et al. (2018) argues that business processes are a collection of structured activities to generate value for the organization, shareholders and consumers. This business process is then reduced to operational activities that indicate what work must be done and what technology must be used to deliver goods and services to customers.

Based on the results of previous studies as well as theories and arguments about the business process, hypothesis 1 (**H1**) of this research is to suspect that the business process will have an effect on competitive advantage. Business processes that are carried out consistently, continuously and are carried out based on the principles of quality and continuous improvement are expected to have an effect on value creation, Hypothesis 4 (**H4**). Furthermore, business processes that are carried out by taking into account the principle of value creation will further strengthen the organization to be able to create

competitive advantage, Hypothesis 8 (H8).

2.2. Quality of Human Resources

Quality human resources are human resources capable of creating not only comparative value, but also competitive, generative and innovative values using the highest energies such as intelligence, creativity, and imagination. Quality of human resources are able to turn vision into reality. Becker and Gerhart, (1996) noted that As an organization's brain ware, the quality of human resources will inevitably have an impact on the quality of the organization and the performance it can achieve.

Saha (2018) stated with such a vital role, the quality of resources is considered a key role in developing competitiveness and value for the organization. It is impossible for an organization to create value without the support and participation of the existing human resources in the organization. However, there is an organization's interest in having quality of human resources who will contribute their mind and strength in order to support the organization to achieve goals, because not all resources of the organization play a role as the key to organizational success. It is only competent human resources will be a key role for the organization to support it in creating value and achieving the expected performance, as stated by Mayo (2012), and Hidayat and Latief (2018).

Good human resource management will greatly determine the company's success in using these core resources to support the company. Thus, a critical study of the existence of human resources is highly needed. Companies need to develop the quality of human resources comprehensively and systematically. According to (Jiang et al., 2012) the quality of human resources can be observed through three things, namely (1) Skill Enhancing (2) Motivation Enhancing and (3) Opportunity Enhancing. These three things are important so that the company can direct its human resources to create value for the company.

Based on these arguments, Hypothesis 2 (H2) of this study assumes that the quality of human resources will affect competitive advantage. The quality of human resources will also affect value creation, Hypothesis 5 (H5) and the quality of human resources through value creation will increasingly affect competitive advantage, Hypothesis 9 (H9)

2.3. Organizational culture

Organizational culture is the collection of values, expectations, and practices that guide and inform the actions of all team members. Organizational Culture is also a reflection of the set of values that made the company the way it is today. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional

corporate culture exemplifies qualities that can hinder even the most successful organizations.

Ravasi et al. (2012) said organizational culture is also often shown through the organizational atmosphere that describes the relationship between behavior and the atmosphere of the organization itself. Thus, organizational success in the form of performance achievement can be influenced by its organizational culture (Le Pennec & Raufflet, 2018). Organizational culture will create shared values among members of the organization as a commitment that directs the organization to move towards the expected goals (Nikpour, 2017). In accordance with organizational culture, Arayesh et al. (2017) stated that organizational culture also greatly influences strategic initiatives including the creation of corporate value

Organizational culture can be identified through four dimensions, namely (1) Norms developed by the organization (2) Clarity of roles among the resources used by the organization (3) Development of observed superior habits (4) Coordination and integration between existing functions in the organization, four if it is implemented consistently and can be internalized properly to become a mutually agreed habit, it will be able to support value creation by the organization.

Based on these arguments, Hypothesis 3 (H3) of this study suspects if organizational culture affects competitive advantage, then organizational culture will affect value creation, Hypothesis 6 (H6) and organizational culture that continues to support value creation will affect competitive advantage, Hypothesis 10 (H10)

2.4. Value Creation

Value creation requires efforts from the company so that value creation can run as expected. It requires management understanding that the value creation process is included in its business processes. There are several things that need to be considered in value creation in the context of value creation is obtained from premium profit while premium profit is obtained from the company's ability to create margin improvement and revenue growth. This value creation is more likely to see value creation from the financial side so that value is considered as the company's success to get premium profit (Matinheikki et al., 2017). Evans et al. (2017) have a slightly different view from that stated by Matinheikki et al. (2017). Evans et al. (2017) view value from the management process side where in value creation a company needs to concern on System Thinking where the system is owned by the company that manages various things in a complex manner that allows the company to utilize the resources of the company. The system must be able to identify and utilize relationships and linkages related to various matters within the company. Value creation must

also concern on Whole System Design. In this context value will be greatly influenced by the company's overall system. This thinking shows that the existing systems in the company actually have an inseparable relationship with one another. Two other things that need to be considered in value creation according to Evans et al. (2017) are the system of innovation, business model and the business process.

In relation to the importance of value creation in companies, many researchers and experts have proposed value creation models that make a very good contribution to companies in order to develop the most appropriate value creation model. Some of them are models proposed by Short et al. (2017) which reveal that value creation is strongly influenced by three important things, namely (1) Opportunities for new value creation (2) Value Missed and (3) Value Destroyer.

Oliver (1997) views that value creation requires an in-depth analysis related to value which states that the company needs to identify its value proposition. The identification can be seen from three forms of value, namely value absence and value surplus. This analysis is carried out to determine the suitability between the two results. This results of analysis then needs to be analyzed further namely the analysis of value destroyed and value missed. The results of this analysis will produce value opportunities that can be taken by the company which will be realized in value opportunities that can be developed later. This analysis requires several stages of analysis so that this model is referred to as the Multiple form of value model.

Whereas Matinheikk et al. (2017) describes a value creation model through financial approach which states that the company's value creation is basically the company's ability to be able to achieve a profit premium that is degenerated by the company's ability to increase margins and revenue growth.

All organizations and companies are very interested in value creation, especially in the very dynamic and increasing competitive conditions nowadays in the current digitalization era, the importance of value creation also occurs in e-business as a very real example is the use of technology in transactions through social media. Yang (2001) states that "we enter the twenty-first century, business conducted over the Internet (which we refer to as 'e-business'), with its dynamic, rapidly growing, and highly competitive characteristics, promises new avenues for the creation of wealth. Established firms are creating new online businesses" this condition is increasingly felt today, especially in the Indonesian context so that the value creation presented Yang (2001) becomes a model that needs to be taken into account for companies that inevitably enter the era of digitalization as it is today.

Yang (2001) emphasizes that value creation in e-business is determined by four important factors, namely (1)

efficiency where through the efficiency of company will be able to streamline costs by selecting the right costs and being able to use information, so that it can provide simple but effective services to target consumers (2) Complementarities, able to create adaptive products among various consumer needs both online and offline and can also harmonize the use of technology and activities carried out (3) Lock in, which is seen from two things, namely Switching costs which directed to loyalty programs, dominant design, trust and customization and (4) Novelty, ability to create something new

Based on the models that have been presented and the arguments related to value creation, hypothesis 7 (H7) of this study assumes that value creation has an effect on competitive advantage.

2.5. Competitive Advantage

Day and Wensley (1988) stated that competitive advantage is a form of strategy to help companies maintain their survival. This opinion is supported by Ferdinand (2003) which states that in a competitive market, the company's ability to produce performance, especially financial performance, is highly dependent on the degree of its competitive advantage. To perpetuate its existence, the company's competitive advantage must be managed properly because basically the company wants to perpetuate its existence. Competitive advantage is the company's strategy to achieve its main goal, namely performance that generates high profits.

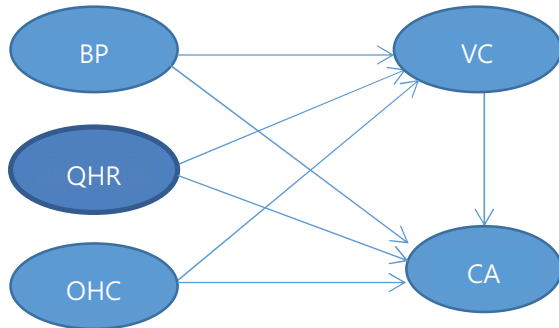
It explains that competitive advantage is not the end goal, but is a means to achieve the company's ultimate goal, namely high performance. Based on resource-based theory. Barney (1991) proposes a formal definition that is closer to the definition of competitive advantage that is often used today, namely excellence that is achieved continuously by implementing strategies for achieving unique value that competitors do not have. Furthermore, it is said that a company have a competitive advantage if it is able to create value which is not being carried at the time by either competitors or potential competitors and other companies are not able to imitate the advantages of this strategy.

Company resources have the potential for competitive advantage if they have four attributes, namely: (1) Scarcity (2) Value (3) Cannot be imitated (4) Cannot be replaced. Day & Wensley (1988) argues that there are two factors that can influence the company's efforts in order to create their competitive advantage, namely: (1) superior capabilities. (2) Superior Resources.

The above opinion is supported by Ferdinand (2003) which states that based on resource-based theory, the essence of competitive advantage is a unique combination of resources and capabilities. Meanwhile, to perpetuate this

competitive advantage, the company should have company specific resources and capabilities. Based on all the opinions above, competitive advantage is defined as an advantage that is achieved continuously by implementing a strategy of achieving unique values that is not being implemented by either competitors or potential competitors due to their inability to imitate the strategy.

Based on the description of the background, theoretical framework and hypotheses that have been presented above, the conceptual framework of this research can be described in Figure 1 as follows:



Note
 BP : Business Process
 QHR : Quality Of Human Resources
 OC : Organizational Culture
 VC : Value Creation
 CA : Competitive Advantage

Figure 1: Conceptual Framework

Based on Figure 1 above, the components of the research's hypothesis are as follows:

1. It is hypothesized that business processes affect competitive advantage
2. It is hypothesized that quality of human resources effect competitive advantage

3. It is hypothesized that organizational culture affect competitive advantage
4. It is hypothesized that business processes affect value creation
5. It is hypothesized that quality of human resources effect value creation
6. It is hypothesized that organizational culture affect value creation
7. It is hypothesized that value creation affect competitive advantage
8. It is hypothesized that business processes affect competitive advantage through value creation
9. It is hypothesized that quality of human resources effect competitive advantage through value creation
10. It is hypothesized that organizational culture affect competitive advantage through value creation

3. Research Design and Methodology

This study uses a survey method. The survey was conducted to collect primary data directly from the respondents through a questionnaire prepared to obtain responses to the variables used in this study. The dependent variable of this study is Competitive Advantage. This study uses three independent variables, namely: Business Process, quality of human resources, and Organizational Culture, using Value Creation as an intervening variable.

3.1. Research Variables and Indicators

These variables are defined and measured according to the indicators set by taking into account the main reference sources used in this study. The building of research questioner structure as illustrated in table 1 as follow:

Table 1: Research Questionnaire Structure Guide

| Variable | Item Questionnaire | | Major References |
|----------------------------|--|-----|----------------------|
| Business process | Level of understanding of the company's business processes | BP1 | Andréa et al. (2016) |
| | Level of suitability of the field work | BP2 | |
| | Fulfillment of Employee Needs | BP3 | |
| | Level of Understanding of Employee Duties | BP4 | |
| | Effective communication developed | BP5 | |
| Quality Of Human Resources | Skill Enhancing | QH1 | Jiang et al. (2012) |
| | Motivation Enhancing | QH2 | |
| | Opportunity Enhancing | QH3 | |
| Organizational Culture | Norms of the Company | OC1 | Shahzad (2012) |
| | Role Clarity | OC2 | |
| | Superior habit development | OC3 | |
| | Coordination and Integration | OC4 | |

| Variable | Item Questionnaire | | Major References |
|-----------------------|--|-----|------------------|
| Value Creation | Level of Cost Efficiency of Company Work Process | VC1 | Yang (2001) |
| | Company Response Power Level | VC2 | |
| | Level of Enterprise Flexibility | VC3 | |
| | Enterprise Innovation Rate | VC4 | |
| | Service delivery accuracy rate | VC5 | |
| Competitive Advantage | A rarity that only companies have | CA1 | Barney (1991) |
| | Trusted company value | CA2 | |
| | Unrepeatable program | CA3 | |
| | Non-replaceable program of company | CA4 | |

3.2. Samples

The sample in this study are employees who work for Delivery service companies operating in South Sulawesi with a proportional distribution. There are 9 representative Delivery service companies to be used as the main data source of this research, so this research assigns 10 people for each company in total sample of 90 people. The sample was determined purposively by selecting employees with managerial positions with the consideration that these positions have knowledge and are directly related to determining the company's strategy. Based on the determination of the sample demographically, the complete respondent information is presented in table 2 as follows:

Table 2: Respondent Demography

| Attributes | Item | F | % |
|------------------|---------------|----|-----|
| Gender | Men | 37 | 41% |
| | Women | 53 | 59% |
| Age (Years) | 20 – 25 years | 20 | 22% |
| | 26 – 30 years | 49 | 54% |
| | 31 – 35 years | 15 | 17% |
| | >36 years | 6 | 7% |
| Work Experiences | 1 – 5 years | 56 | 62% |
| | 6 – 10 years | 24 | 27% |
| | 11 – 15 years | 10 | 11% |

From table 2, it can be seen that this study was dominated by female employees as many as 53 people or 59% of the respondents' age, dominated by respondents aged between 26-30 years, there were 49 people or 54%. Meanwhile, in terms of work experience, it is dominated by employees who have worked between 1 to 5 years, there were 56 people or 62%.

3.3. Measurement

In determining the quality of the data, the first step is analyzing research data through CFA (Confirmatory Factor Analysis) analysis which is intended to determine the validity and reliability of the data. Evaluation of construct validity, comparison of response patterns, and comparison

of competing models are the three main applications of CFA in psychometric evaluation research (Alavi et al., 2020). The reliability test in this study was carried out through Cronbach Alfa and Composite Reliability for the validity test using a validity construct analysis. The main criteria in the reliability test are as follows: when the Alpha coefficient is less than 0.60 it indicates a low level of reliability. But when the Alpha coefficient is more than 0.60 or close to 1.00. It can be said to be high reliability, while for construct validity analysis, it is by paying attention to the loading factor value if its value is above 0.6 then the construct is considered valid.

All data analysis was processed by smart partial least square (PLS) through two calculation stages. The first is an algorithm analysis to measure the feasibility of sizes on dimensions such as; validity and reliability (AVE, Cronbach alpha, and Critical Ratio). Algorithm analysis is very important to ensure the quality of all data, in this process if the data does not meet the criteria then the data is removed and re-analysis is carried out after all data is declared to meet the criteria then further analysis can be carried out. The second part; bootstrapping analysis is used to determine the significance of the influences between the variables studied in this study so that the hypotheses used in this study can be answered.

4. Result & Discussion

4.1. Statistics Test Results

Data analysis using PLS smart software was carried out in two stages. The first stage is the algorithm analysis stage to determine the quality of the research data, especially the results of the analysis of validity and reliability of the data and the value of the variance of inflation factors (VIF), while the second stage is the bootstrapping analysis stage which is used to determine the significance of the study and answer the research hypothesis.

The construct validity test was carried out by looking at the value of loading factor, good data is data that meets the

required criteria, namely the fulfillment of the loading factor standard with a value of $(\lambda) > : 0.7$. From the results of the algorithm analysis that has been carried out, it can be seen that all the loading factors generated are at values above 0.7

which shows the quality of the data meets the criteria. In further analysis in this study the result of algorithm analysis is shown in figure 2 as follow:

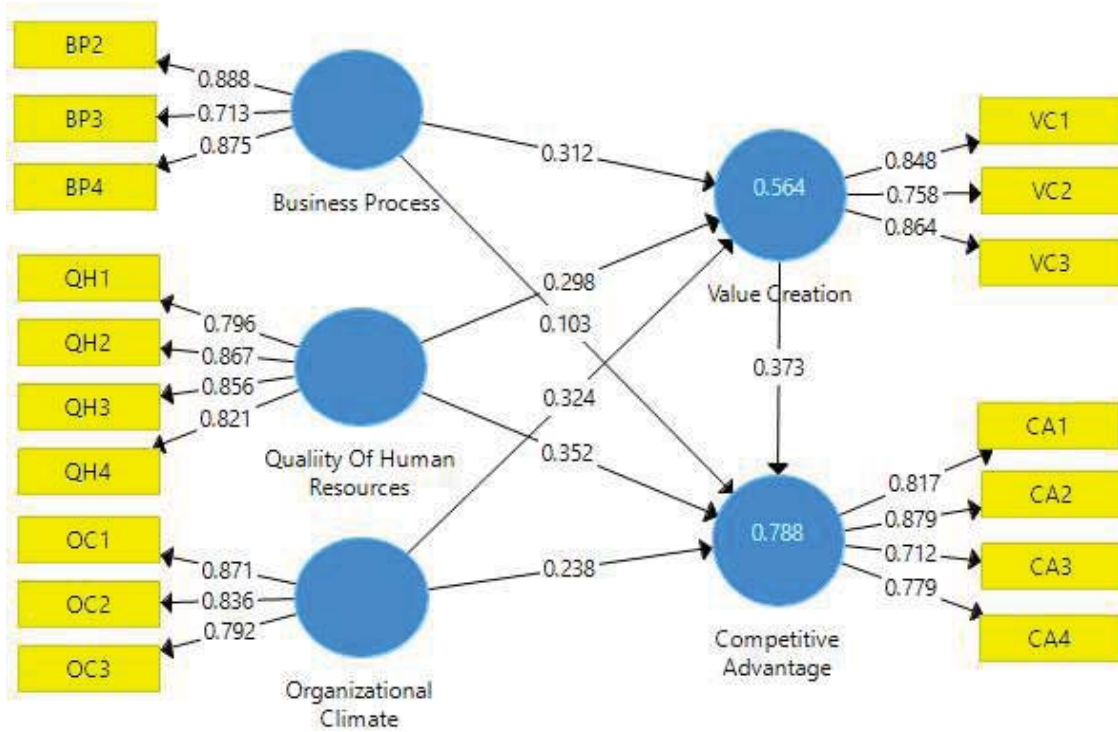


Figure 2: PLS Analysis

Data reliability analysis is carried out by looking at the Cronbach alpha value, the data is considered to have good reliability if the calculation results show the Cronbach alpha value above 0.6 from the results of the analysis that has been carried out. Reliability is also seen from the value of composite reliability. This research data shows that all composite reliability values are above the value of 0.7. From the results of validity and reliability test, all indicators in this study are declared valid and reliable. Variant Inflation Factor (VIF) value to determine whether there is a multicollinearity problem seen by looking at the VIF value is considered to have no multicollinearity problem if the VIF value is below 10. The results of this study show that the largest VIF value of the research data is 2.990, which is much smaller than 10, so this research is free from the problem of multicollinearity the detail of VIF data shown at Table 3.

Table 3: Variance Inflation Factors (VIF)

| No | Indicator | VIF |
|----|-----------|-------|
| 1 | BP2 | 3.199 |
| 2 | BP3 | 1.185 |
| 3 | BP4 | 3.100 |
| 4 | CA1 | 1.728 |
| 5 | CA2 | 2.482 |
| 6 | CA3 | 1.401 |
| 7 | CA4 | 1.881 |
| 8 | OC1 | 2.248 |
| 9 | OC2 | 2.142 |
| 10 | OC3 | 1.321 |
| 11 | QHR1 | 1.497 |
| 12 | QHR2 | 2.961 |
| 13 | QHR3 | 2.935 |
| 14 | QHR4 | 1.973 |
| 15 | VC1 | 1.602 |
| 16 | VC2 | 1.436 |
| 17 | VC3 | 1.749 |

In general, the data quality test is presented in Table 3 that describe the good of fit test of the data as follows.

Table 4: The Good of Fit Model

| Variable | Items | Validity | AVE | Composite Reliability | Cronbach Alfa |
|----------------------------|-------|----------|-------|-----------------------|---------------|
| Business Process | BP2 | 0,888 | 0,688 | 0,868 | 0,766 |
| | BP3 | 0,713 | | | |
| | BP4 | 0,875 | | | |
| Quality of Human Resources | QH1 | 0,796 | 0,698 | 0,902 | 0,857 |
| | QH2 | 0,867 | | | |
| | QH3 | 0,856 | | | |
| | QH4 | 0,821 | | | |
| Organizational Culture | OC1 | 0,871 | 0,695 | 0,872 | 0,782 |
| | OC2 | 0,836 | | | |
| | OC3 | 0,792 | | | |
| Value Creation | VC1 | 0,848 | 0,680 | 0,864 | 0,765 |
| | VC2 | 0,758 | | | |
| | CV3 | 0,864 | | | |
| Competitive Advantage | CA1 | 0,817 | 0,638 | 0,875 | 0,810 |
| | CA2 | 0,879 | | | |
| | CA3 | 0,712 | | | |
| | CA3 | 0,779 | | | |

4.2. Hypothesis Result

The results of hypothesis testing for each of the latent variable relationships presented in Table 4 show that business process has no significant effect on competitive advantage (sig. p-value 0,171 > 0.05. means hypothesis H1 = rejected). Empirical facts show that business processes in Delivery service companies have become commonplace and every company has business processes that are almost the same for that business process seems to flow just like that if there is no process that triggers creativity and innovation in it, the business process has no power. enough to be able to improve performance

Business Process has positive and significant effect on value creation (H4). The development of today's dynamic business environment requires flexibility from every company to adapt to changes that occur in practice in the field, this change is followed by changes in business patterns, these adjustments lead companies to create value from their business processes, this is evidenced from the results of this study if The business processes that occur at this time of delivery service companies affect the value creation process carried out by the company. The results of this research found (sig. p-value 0.000 < 0.05 means hypothesis H4 = accepted).

Business process has a significant effect on competitive advantage through value creation (p-value 0.007 < 0.05, means hypothesis H8 =accepted).

Quality of Human Resources has a positive and significant effect on competitive advantage (sig. p-value 0,000 < 0.05. means hypothesis H2 = accepted). The facts

show that the quality of human resources is a key factor for every organization. The quality of human resources becomes a very strong capital for organizations to continue to improve their competitiveness. The quality of human resources is also the most important factor for organizations to foster creativity and innovation that supports companies in the value creation process. This argument is in line with the proof of Hypothesis 5 that indicated quality of human resources has a significant effect on value creation (sig. p-value 0.001 < 0.05 means hypothesis H5 = accepted).

Quality of human resources has a positive and significant effect on competitive advantage through value creation (p-value 0.016 < 0.05, means hypothesis H9 = accepted). The quality of human resources will increasingly affect the company's competitiveness if the quality of these resources is also able to drive the value creation process by the company

Organizational Culture has a positive and significant effect on competitive advantage (sig. p-value 0,000 < 0.05. means hypothesis H3 = accepted). Organizational culture has a significant effect on value creation (sig. p-value 0.000 < 0.05 means hypothesis H6 = accepted). Organizational culture has a positive and significant effect on competitive advantage through value creation (p-value 0.002 < 0.05, means hypothesis H10=accepted). The proof of this research hypothesis shows that a conducive organizational culture will foster a work atmosphere that supports the company's value creation process and this will greatly affect the achievement of competitiveness by the company.

The last hypothesis for direct effect indicated that value creation has a significant effect on competitive advantage (sig. p-value 0.000 < 0.05 means hypothesis H7 = accepted).

Table 5: Hypothesis Result

| | Direct Effect | | | | |
|---|---------------|---------------|-------------|---------|----------|
| | Sample Mean | Std.Deviation | T Statistic | P.Value | Result |
| Business Process on Competitive Advantage (H1) | 0,109 | 0,075 | 1,371 | 0,171 | Rejected |
| Quality of Human Resources on Competitive Advantage (H2) | 0,346 | 0,072 | 4,884 | 0,000 | Accepted |
| Organizational Culture on Competitive Advantage (H3) | 0,239 | 0,062 | 3,805 | 0,000 | Accepted |
| Business Process on Value Creation (H4) | 0,304 | 0,103 | 3,036 | 0,003 | Accepted |
| Quality Of Human Resources on Value Creation (H5) | 0,307 | 0,091 | 3,260 | 0,001 | Accepted |
| Organizational Culture on Value Creation (H6) | 0,333 | 0,081 | 4,024 | 0,000 | Accepted |
| Value Creation on Competitive Advantage (H7) | 0,371 | 0,079 | 4,741 | 0,000 | Accepted |
| Business Process on Competitive Advantage Through Value Creation (H8) | 0,112 | 0,043 | 2,704 | 0,007 | Accepted |
| Quality of Human Resources on Competitive Advantage Through Value Creation (H9) | 0,114 | 0,043 | 2,565 | 0,011 | Accepted |
| Organizational Culture on Competitive Advantage Through Value Creation (H10) | 0,123 | 0,040 | 3,044 | 0,002 | Accepted |

5. Discussion

Value creation carried out by a company is not an instant process, the process is an accumulation of all activities experienced by the organization, there are routine organizational activities and some are strategic which will ultimately realize the output produced by the organization whether it is goods or services, the quality of this output is then able to increase the value of the company which will be directly felt by customers. Gummerus (2013) states that the value of the company is not only seen from the statement of the company itself which may feel that it has tried to create value, but the true value of the company is what is stated by customers who feel that the product or service they receive provides added value or quite the opposite.

Foltean et al. (2019) stated that the influence of customers is a very important thing for companies to concern because basically in the context of customer business and competitor pressure is unavoidable. Thus, extra effort in creating value becomes something that must be seen as a routine process, continuously dynamic and flexible so that the value sought will have an impact on achieving competitiveness.

In order to make the idealism of value creation to be a continuous improvement process, organizations need to look at the factors that greatly influence the process. Among these factors, three important things are raised in this study, namely the quality of the company's business processes, the quality of resources and organizational culture. This research indicates that business processes do not have a direct effect on competitive advantage. This indicates that the business process is an ordinary routine so that the impact on competitive advantage is not very visible, but if this business process is directed to create value with seriousness of management to direct process so that it is oriented to

value creation. This will have an effect on competitive advantage. This is evidenced by the results of this study if business processes affect competitive advantage through the creation of company value.

This study also indicates two other variables, namely the quality of human resources and organizational culture have a direct or indirect effect on competitive advantage and value creation. Of course, this further confirms that the success of the organization will depend on the human resources it has and as the brain ware of the organization, human resources are a very decisive factor, especially human resources who have high competence and capability as stated by Mayo (2012), and Hidayat and Latief (2018).

5.1. Practical Implication

This research provides practical implications for company managers to consider the proper use of human resources including how to develop them based on the fact that the quality of human resources will greatly affect the quality of the output produced by the company. This research also shows the importance of a conducive work environment creating a positive work culture to support programs and efforts of the organization. With sufficient and quality resources and a conducive organizational culture, the value creation process will be carried out properly so that the competitive advantage can be realized.

The findings in this study can be used to develop strategies to increase competitiveness through value creation. Meanwhile, management must also pay attention to the factors that influence value creation, namely the business processes owned by the company, the quality of existing human resources and the organizational culture developed by the company.

Management must be able to direct and distributed the

three factors that influence the company's value creation process by directing them so that these factors can realize the company's programs including increasing cost efficiency, operational flexibility, especially in the face of today's very dynamic changes, as well as the creation of creativity and innovation that will become support for companies in value creation to achieve the desired competitive advantage

5.2. Theoretical Implication

This research provides scientific contributions, especially related to the problems of organizational operational theories to achieve performance. Many factors are considered to be able to influence the creation of company value in addition to the three variables and one intervening variable used in this study.

The results of this study can show the application of theory in real organizational or business management practices, especially related to the importance of companies to have the ability to adapt to a dynamically changing environment. The results of this study can also be used as examples of the application of management theories including plan behavior theory, resource based view theory and also theories related to strategic management, all of which are directed to achieve competitive advantage in an organization. Results of this study can be used as a reference in conducting further research especially related to the efforts of the entire organization in achieving competitive advantage.

6. Conclusion

Competitive advantage is one of the goals of every organization today, many factors influence efforts to achieve these goals as evidenced by the results of this study which indicate competitive advantage is influenced directly or indirectly by the quality of business processes, the quality of human resources and the organizational environment and the value creation that exists in the company. Companies need to direct the organization's operational activities to run in harmony and be carried out within the principles of value creation so that the desired competitive advantage can be realized properly.

This study also concludes if every organization today needs to have the ability to create competitive advantage to face changes in the business environment that continues to change dynamically in this effort, the organization must be able to direct and distributes all resources and every organizational activity in the process to create value that is intended to strengthen the organization's positioning and definitely build value. competitive advantage to maintain the existence of the organization, several things that are very

important to be considered by the organization are the adaptive ability and flexibility in the face of change and always strive to improve the organizational in develop the ability think and act creative and innovative so that the organization appears in line with the needs and expectations of the consumers it serves.

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