

CHAPTER I

INTRODUCTION

Nowadays, competition and globalization have forced public and private organizations to increase their information dissemination to achieve greater business efficiency. In achieving the desired outcomes, organizations require a well-defined corporate strategy, even structural changes. Therefore, organizations must obtain a comprehensive view, not only from employees' perspectives but also from top management's viewpoint. The implementation and use of human resources within an organization are efficient but also very inefficient. Inefficiency is often due to overloaded tasks, inaccurate information flow, and lack of certainty in decisions. These barriers potentially to act as a bottleneck for the whole organization instead of being the driving force (N. Rogovsky et al, 2005). In an organization, a comprehensive view and defining strategy is a viable way to continue its business activities. One way to alter a company's strategy is through restructuring, which entails significant changes in operations, including the strategy and structure, with the goal of improving the company's financial and economic performance while ensuring its survival (P. Slaska et al, 2019).

The implementation of restructuring is challenging and require precise outcomes. However, restructuring can be approached through various methodologies: network analysis and digital reputation. Both models are suitable for defining key actors and accelerating information flow through interaction between nodes (A Kurgat, 2016). Previous research on organizational restructuring has revealed that it is far from efficient. This requires further research to comprehend the methods of implementing organizational restructuring (P. Slaska et al, 2019). The utilization of the network analysis method as an implementation shows the accuracy of results and the speed of processing large datasets. Similarly, network analysis helps organizations understand the structure of their workplace networks and identify communication and collaboration barriers between individuals and groups (A Kurgat, 2016). The primary metric in network analysis

is centrality (G. Canright, & K. Engø-Monsen, 2008). However, modularity and density are also equally essential. Centrality helps identify the most connected node in a network, which is useful for determining key individuals or important actors within organizations. Modularity helps identify distinct communities within a network, indicating the number and sizes of interconnected groups. Density, on the other hand, measures the strength of relationships between groups in a network (L. C. Freeman, 2014).

Despite the significant role of network analysis, in today's highly interconnected global landscape, the perception of an individual to others is primarily influenced by their online presence (Sugiono, 2020). Therefore, digital reputation is also vital in implementing organizational restructuring. Social media platforms and online communities are omnipresent. It facilitates interactions, leaving a lasting impression on social structures, ideas, knowledge, attitudes, and behaviours. An individual with a favourable online presence can significantly advance their digital reputation and affect their personal and professional life (A. Garg and R. Battiti, 2007). A person's digital reputation can be perceived as a valuable asset that supports successful collaboration within a company. Hence, both individuals and organizations must manage and maintain a positive digital reputation (P. Minh Hoang and H. Pham, 2022). The utilization of network analysis and digital reputation in organizational restructuring is limited. One of the primary challenges is the methodological complexity associated with integrating data from diverse sources. This combination necessitates bringing together information from network analysis, examines relationships and interactions within an organization, and digital reputation, which assesses online perceptions and evaluations. Integrating these distinct data sets presents a significant hurdle that must be overcome for effective implementation and utilization of these approaches in organizational restructuring efforts (S. P. Borgatti et al, 2009).

Previous research has employed network analysis and digital reputation to map digital talent by identifying key nodes with strong knowledge management capabilities (A. Alamsyah, & M. Syawiluna, 2018). Our contribution is in the

organizational restructuring field to identify potential leaders, high-quality divisions, and measuring organization effective working activities. Our case study examines an IT organization based in Indonesia that recently shifted its focus to providing agency services specifically for social media platforms. Specifically, we seek to address the following research question: How does the organizational network analysis model and digital reputation construction can influence the identification of potential leaders, assessment of high-quality divisions, and measurement of effective working activities in the IT organization based in Indonesia.