The Urgency of Education as a Human Investment in Improving the Quality of Education at SMP Negeri 8 Langsa City

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Abstract: This article's topic is centered on elements of basic education that can enhance the human development index's quality. The significance of discussing is connected to investing in education or using it as a major source of capital to achieve a country's development objectives. The discussion in this article has led to a classification of the four characteristics of students, educators, education staff, and parents or the community as human resources as investment capital in education at SMP Negeri 8 Langsa. Government support still holds a disproportionate amount of the investment in education funding in SMP Negeri 8 Langsa. The return on investment in education, in the form of graduates, can rise even further, enhancing peoples' quality of life. At SMP Negeri 8 Langsa, the use of human resources as educational investment capital is divided into four categories. Aspects relating to students, teachers, employees, parents, or the community. Based on the school's potential, these four elements serve as the total capital for implementing, growing, and improving the quality of education.

Keywords: education, human, investment


Kata kunci: pendidikan, investasi, konsumsi
INTRODUCTION

The accelerated growth of each citizen's skills is necessary for the advancement of globalization technology (Skare & Riberio Soriano, 2021). The government has a number of difficulties today as the sole entity with the authority to oversee the development of a country (Gravina & Lanzafame, 2021). One of these is the increasing degree of global engagement that transcends national boundaries and is facilitated by each nation's increasingly advanced technology. This evolution can be observed in the trade formation communities at the international level, such as the ASEAN Economic Community (AEC) and ASEAN Free Trade Area (AFTA), as well as several other international roles and stages (Shimizu, 2021).

The concept of human resource investment that can assist economic growth is becoming more widely recognized. Human beings are positioned as a form of capital like other forms of capital (such as technology, machines, land, money, etc.) that are decisive for a nation's productivity growth (Adriani, 2019). Through self-investment, a person can expand alternatives to choose a profession, job, or other activities to improve his well-being. This human capital can be applied through various forms of human resource investment, including education, health and nutrition improvement, population application, and so on. Therefore, human resource (HR) investment is not the responsibility of one development sector but a multisectoral responsibility within an integral whole. However, in the various forms of HR investment, education is the main catalyst for human resource development, assuming that the more educated a person is, the higher his awareness of health, political participation, and other activities. The following are some arguments for why investing in education has a competitive edge over investing in other areas (Trstenjak et al., 2022).

The government then makes some efforts by introducing various development-based programs. The Millennium Development Goals (MDGs), often known as Indonesia’s MDGs, are one of them (Lomazzi et al., 2014). The program is an effort by the international community, especially Indonesia, to look out for the welfare of the community, which includes addressing poverty and hunger, achieving basic education for everyone, encouraging gender equality and women's empowerment, reducing child mortality, improving maternal health, fighting HIV/AIDS, malaria, and other infectious diseases, ensuring environmental sustainability, and fostering international cooperation. Based on the 2014 report, the MDGs’ accomplishments can be summarized as follows. Fighting hunger and poverty as a first priority has yet to produce any promising results (Solikatun et al., 2018).

The second goal, basic education for all, must reveal appreciable progress. It looks at the school enrolment rate for students between 13 and 15 (SMP/MTs), which has yet to achieve 100%. The Third goal, promoting gender equality and women's empowerment, has been almost totally accomplished. The fourth goal, lowering child mortality, still needs to be worked hard to accomplish. It will still take effort to accomplish the fifth goal, improving maternal health. Fighting HIV/AIDS, malaria, and other infectious diseases is the sixth goal, and achieving it still takes significant, creative, and innovative effort. The seventh goal, maintaining environmental sustainability, demonstrates that most achievement plans still need
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much effort to be completed. A rise in the export-to-import ratio and a decline in
the ratio of foreign loans in 2014 indicate that the 8th goal, creating a global
partnership for development, is being met (Waruwu, 2016).

First, education can be perceived as an investment with financial
consequences. Educational efforts will produce an educated workforce that will fill
a variety of job sectors, which can directly contribute to the growth of state income
by enhancing the workforce’s productivity and skill levels (Yusfiarto et al., 2022).
The average social price or return for primary, secondary, and higher education is
18.4%, followed by 13.1% and 10.9% for secondary education and 29.1%, 18.1%, and
20.3% for the private price of return, according to data from different countries.
Based on the advanced industrial countries’ experience, the role of labor (HR) in
boosting industrial productivity is very significant or highest than other factors such
as capital and technology. Laborers in Korea and the US mostly contributed 40%
and 32% more than other aspects. At the same time, labor factors make up a
significant portion of the economy in Japan (21%) and are roughly equal to the
contributions made by capital and technology factors (24% and 22%), respectively
(Gupta et al., 2022).

The data determines the value of high-quality labor or human resources in
the manufacturing process and demonstrates that education investments offer
students social benefits or economic benefits that are relatively significant. Second,
education will create a layer of social elites who may act as catalysts and forerunners
of advancement. An educated society will undoubtedly better understand science,
have broad insight, and have a long-term perspective to create a developed nation.
A critical, well-informed, and ready-to-enter-modern-life educated middle class can
be created through social mobilization through education, which will strengthen
the societal structure’s foundation and become a key component of a democratic
society. Third, education is one of the strategies to raise the level of public welfare.
An improved level of welfare is also experienced by those with a relatively high level
of education. With the availability of quality education, individuals will have a
wider range of opportunities to find employment in their area of specialization.
Fourthly, education is a tool for enhancing and preserving national honor. It is
obvious that a quality education would produce bright, decent, and highly skilled
people as well as a superior nation. All of this will bring a country into a life of
dignity that is marked by, among other things: advancement, prosperity, and
prosperity that brought about specific qualities (Kopnina, 2020).

The issue of Indonesia’s Human Growth Index (HDI) still needs to reach its
potential, adding to the difficulty of national growth. The effectiveness of efforts to
improve the standard of living or the functioning of society is measured in part by
the Human Development Index (Resce, 2021). According to HDI data from 2013 for
ASEAN nations, Indonesia is ranked fifth and falls into the medium (medium)
category with a score of 68.4. Singapore had the greatest HDI score of 90.1, while
Myanmar had the lowest score of 52.4. Life Expectancy at Birth (AHHS) was 70.59
years in Indonesia in 2014, according to the Human Development Index
accomplishment. The average schooling duration is 7.73 years, compared to the
expected 12.39 years, and adjusted per capita spending is $9,903,000 annually. Based
on these findings, the author will concentrate on the ACEH region’s Human
Development Index, which is 76.81 and falls under the high group. These data allow us to utilize human development in Aceh as a benchmark for enhancing human development elsewhere. Therefore, the next effort performed after raising the MDGs’ performance is to improve Indonesia’s Human Development Index (HDI) (Ridha & Budi Parwanto, 2020).

Certain types of educational units cannot replace the existence of schools as educational institutions, this is due to the characteristics of schools that have a vision, mission, and things that are very distinctive in Indonesian society and nation both when viewed in aspects of culture, education, politics, and even economics (Aprilia & Munifah, 2022). The school as one institution with certain characteristics is required to make changes. Schools must be able to show their characteristics in presenting Islamic religious subjects and more in realizing Islamic values in the totality of school life. The atmosphere that created such characteristics at least has the characteristics of the manifestation of Islamic values into the entire life of school institutions, actualized moral life and management that is professional, open and plays an active role in society (Nurhamidah & Purwanto, 2020). A school diversification policy at least makes a positive contribution for schools to develop themselves in accordance with their potential. The examples forms of diversification include MAN Insan Cendekia, Model Schools, Pesantren-Based Schools, Research-Based Schools, Independent Schools (Entrepreneurship), Vocational Schools, Affiliate-Based Schools, Inspirational School Libraries, and so on.

Based on these explanations, the article discussion focuses on the basic education aspects to improve the quality of the Human Development Index. The importance of these issues discussed is related to aspects of education as a form of investment or one of the main capital to achieve national development goals. Basic education is the main foundation as the initial national foundation ideas and ideals for students. The concept of education as an investment for human development will affect consumption patterns both at the school stage and at higher levels. The discussion of this article will focus on education as an investment and consumption in SMP Negeri 8 Langsa. SMP Negeri 8 Langsa was chosen as the focus of discussion because it is one of the reference forms of academic units specialized in spiritual development. This study aims to identify the implementation of education as investment and consumption in SMP Negeri 8 Langsa.

RESULTS AND DISCUSSIONS

A. Human Resources as Capital Education Investment

According to Imam Machali, one of the five functions of education in contemporary educational management praxis is an economic and technical function, both at the individual and global levels (Machali, 2015). The contribution of education to economic development is referred to as the technical, economic function; for instance, education can assist students in acquiring the skills and knowledge required to survive and thrive in a competitive economy. It is commonly accepted that a person’s income level increases with education. It is possible because educated people are more productive when compared to uneducated ones (Anan, 2018).

Human capital is a term often used by economists for education, health, and
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human capacity that can increase productivity if it is improved. The human capital approach is used to analyze health and education spending. The initial investment is made to create a future income stream from advancing health and education. One of the essential elements in the expansion and development of a nation is education. Education is crucial to economic development due to its dual function as an input and an output. Education in developing countries affects how well those countries can adopt new technologies and create the capacity necessary for long-term, sustainable growth and development (Lasmawan, 2019).

The development implication on the aspect of education is that human life will be more qualified. It is certainly related to the economy in general, namely the higher the quality of life of a country, the higher level of growth and welfare of the community will be implied by the higher investment in human resources for increasing national economic growth (Salabi & Prasetyo, 2022).

Based on information from the research results, SMP Negeri 8 Langsa has at least four groups of human resources as the main capital in an effort to realize education investment. The four groups include student groups, educator groups (teachers), education staff (administrative staff), and parents or the community. Based on the discussion, the aspect of human resources as investment capital for education in SMP Negeri 8 Langsa is classified into four components. Aspects of students, educators, education staff, and parents or the community. These four components are the basic capital for implementing, developing, and improving the quality of education based on the school’s potential. The increased quality will automatically increase the competitiveness of schools with other educational units in the current generation of globalization.

B. Sources of Investment Funding for Schools

Education funding is the amount of money generated and spent for various educational purposes, such as teacher salaries, professional improvement, and procurement of learning space facilities (Pauwels & Weidner, 2018). Tuition fees are related to all expenses that directly relate to the provision of education. Waste or expenditures that ought to be avoided and prevented can be defined as any costs that are not directly related to the provision of education. If an educational institution spends more on operations, development, and other expenses than is required to execute education in its work units, it is said to be wasting money. When a school or educational institution spends more money than is available to deliver education, such institutions are wasteful (Rohiyatun, 2018).

The cost of education is one of the components of instrumental input, which is very important in educational implementation in schools. In every effort to achieve both quantitative and qualitative educational goals, the cost of education has a decisive role. Very little educational effort can ignore the role of cost, so it can be said that without cost, the educational process in schools can run (Atmaja et al., 2016). Based on several arguments above, school financing is a form of spending a sum of money that directly relates to the implementation of education in schools. In other words, the educational process in schools can only run with this support.

Financing in education includes direct costs and indirect costs. Direct costs
are all expenses that directly support the provision of education. Indirect costs mean all expenses that directly support education provision but allow the process to occur in schools (W. P, 2013). Education financing can be categorized into four sources: education costs incurred by the government, parents or student’s guardians, communities not parents or student’s guardians, and the educational institution itself. Sources of funding from the government (central and regional) are obtained and offered the proposals. Funding from students’ parents or guardians is obtained through tuition fees and Incidental Dues. Funding comes from the community, not parents or student’s guardians, with voluntary contributions from communities concerned with the development of education in schools, while sources of funding from organizations are meant for schools with separately managed business divisions (W. P, 2013).

School funding is regulated through the Minister of National Education regulation Number 48 of 2008 concerning Education Funding, which includes: first, education unit costs consisting of investment in education land and investment costs other than education space. Operating costs consist of personnel and non-personnel and education costs and scholarships. Second, the cost of organizing education and / or managing education consists of investing in educational space other than educational land and organizing and managing education, personnel, and non-personnel operational costs. Third, the personal costs of learners (Roji, 2019).

Based on the study results at SMP Negeri 8 Langsa, sources of education financing include APBN/DIPA funds, Building Maintenance, BOS, Employee Salaries and Benefits, Quality Improvement, BSM, and Committee Contributions. The source of education financing that comes from non-government is in the form of committee contributions; the rest is the budgeting from the government. Expenditures made by schools refer to national education standards, so when school activities are innovations, they must be included in the budget and adjusted to existing national education standards (Interview of the Principal of SMP Negeri 8 Langsa, October 26, 2015). Based on the results of the study, the form of investment in education financing in schools, in general, is still dominated by government support, while other sources and expenditures of financing cannot be stated more clearly (Darmansyah et al., 2022).

C. The Result on School Education Investment

Human capital theory adherents contend that investing in education as a human resource yields both monetary and non-monetary rewards. Better working circumstances, job satisfaction, efficient consumption, the satisfaction of enjoying old age, and the advantages of living longer owing to better nutrition and health are among the non-financial rewards of education. Financial advantages include increased income for those with a specific level of education compared to graduates with less education. Investing in education is based on the idea that individuals constitute a form of capital whose productivity greatly affects individual and group income, subsequently affecting the economic growth rate and national development (Okyere, 2022).

Education investment occurs during the social learning process. Learning
must have the capacity to connect the ownership of attitude values, knowledge, and skills to the investment goals. A conditioning process prepares students in learning as the core of education. Although the practice of investing in education is acknowledged at home and in the community, formal education facilities (schools) have recently been recognized as venues for better learning in Aceh.

According to research findings from SMP Negeri 8 Langsa, graduate information directly results from current educational expenditure. SMP Negeri 8 Langsa graduates are known to continue to a higher level, such as high school, MA, or SMK. The implementation of various community-based activities, such as the Flora and Fauna Care Movement, which is held by inviting guests from local officials and the surrounding community, the implementation of zakat administration software, the implementation of meat distribution during Eid al-Adha, as well as several other activities, will then have an impact on the community (Sun et al., 2018).

D. Education Consumption Requirements

Consumption is a word derived from English ‘consumption’ which means fulfillment of eating and drinking. Consumption has a broader understanding, namely all purchases of final goods and services that are ready to be consumed by households to meet the needs.

Abraham Maslow categorizes human consumption needs into five categories, which includes Physical needs, such as those for food, clothing, and shelter, which are referred to as bodily needs (physical needs). Second, there are needs for protection that are more individualized in daily life, such as those for security assurances, fair treatment, and recognition of rights and obligations. Third, social needs, which are more likely psychological in nature and frequently linked to other needs like belonging, being asked to activities, and so on. The fourth need is self-worth, which is concerned with individual success and prestige after engaging in activities like receiving praise and appreciation, among other things. Fifth, is self-actualization, which is both the individual’s strongest desire and the most challenging to achieve. For instance, accepting others’ truths, beliefs, and faults; accepting others’ opinions; and responding to current circumstances or settings (Atmanti, 2005).

According to research findings, the explanation of the consumption aspect in the educational setting at SMP Negeri 8 Langsa is based on some factors, and they include aspects of meeting physical needs by providing comfortable classroom facilities with support for hand washing activities in each classroom, then the provision of garbage cans, and the existence of a canteen that allows students to access their consumption needs during break time. Students are instructed to purchase only food inside the school setting to preserve their health insurance. Regarding the requirement for a sense of security, the school consistently aspires to enhance student comfort while at school and promotes collaboration with relevant parties. Socialization and counseling provided by the Langsa Police Station, Puskesmas Officers, and other programs are some activities. The school also took repressive measures; when a school is vandalized, it promptly plans to remove all graffiti to prevent a larger problem.
The school addresses social needs by encouraging students to actively engage in various activities, including competitions, relaxed bicycle rides through Langsa and its surroundings, and other activities that encourage the potential and talents of student interest. The school expresses the fourth requirement by implementing the reward and punishment concept in a balanced way. Every year, there is a selection of the best students in various areas or categories and a selection of instructors and education staff so that the respective teachers or education staff can be recognized for their accomplishments. The demand for self-actualization is satisfied by giving students, instructors, and education staff as many opportunities as possible to grow personally through student organization forums, MGMP, human resource capacity development activities, raising mutual respect activities, and other venues (Yusuf & Habibi, 2019).

E. Education Consumption’s Relationship to Education Investment

Every citizen has the democratic right to gain an education; hence the government must to some extent carry out its execution. One example is the nine-year compulsory education (SD/MI, SMP/MTs). Education at this level is a public good that is available to every community due to the nature of the need. In light of this, it can be concluded that the desire to meet the need for personality development, social requirements, and knowledge and understanding drives the consumption of education (Prabowo, 2015).

The quality of education and community life should improve due to the education students get in school. It is since school accountability is supported by a variety of system elements that are specifically prepared, such as curriculum, educators, and education staff) and control in the form of various assurance instruments such as school examinations and accreditation. These components must be able to respond to various challenges at the educational level units, communities, and associations at higher degrees (national and international) (Nasution et al., 2019).

The development of educational investment will benefit from fulfilling the requirements of educational consumption for each academic community within educational institutions to construct superior human resource capability. The development of the nation, the quality of education provided in schools by more skilled teachers, and increased management responsibility to the community will all benefit from human resources that excel in various areas at the same time.

CONCLUSION

Several conclusions can be drawn based on the discussion above, including the following: The use of human resources as educational investment capital at SMP Negeri 8 Langsa, is divided into four categories, they are aspects relating to students, teachers, employees, parents, or the community. These four elements serve as the fundamental building blocks for implementing, growing, and enhancing educational quality in accordance with the potential of the institution.

Government support continues to be a major source of funding for education in SMP Negeri 8 Langsa, although it is impossible to explain more clearly what other sources and other financing costs are. The alumni who can be absorbed by education
units at the next level, both at the SMA/MA/SMK level, are the direct consequences of the community’s investment in education at SMP Negeri 8 Langsa. More educated graduates will enhance the standard of living for everyone.

Based on the principles of human needs, specifically in the physiological, security, social, appreciation, and self-actualization aspects, the educational consumption requirements for the academic community at SMP Negeri 8 Langsa can be satisfactorily met. The development of educational investment to achieve the objective of constructing superior human resource capacity will benefit from meeting the needs of educational consumption for each academic community in the School.

REFERENCE


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