

RE-ENGINEERING OF HUMAN RESOURCES TO IMPROVE THE PERFORMANCE. (MARKETING DEPARTMENT OF PT KERTAS LECES (PERSERO) PROBOLINGGO, EAST JAVA.

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***Abstract---** Research Reengineering human resources to improve its performance (marketing department pt. Kertas leces (persero) Probolinggo East Java). Research approach with qualitative. The data method used in this study is SWOT. SWOT is a tool used to compile the company's strategic factors. The research sample was conducted on human resources employees related to the transaction function, scrambling function, management function and marketing planning function. The results of the study stated that the results of the evaluation of Human Resources Re-engineering in the Marketing Department of PT Kertas Leces (Persero) after being evaluated using Ishikawa Diagrams and SWOT Analysis there are many or almost all of the functions that there are many weaknesses and even below 50% performance against the standard.*

Keyword: Human Resources Management, Reengineering, SWOT Analysis

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I. INTRODUCTION

PT. Kertas Leces (Persero) is a paper mill owned by a State-Owned Enterprise (BUMN) located in Probolinggo Regency, East Java Province, Indonesia. The paper production capacity of \pm 500 tons per day or 150,000 tons per year. Types of paper produced: HVS 70-80 gsm, Tissue, Cardboard, Newspaper. Indeed, the number of paper mills in Indonesia is around 68 (PT. Kertas Leces 2010), owned by SOEs as much as 2 factories namely the Padalarang Paper Factory in Bandung and the Leces Paper Factory in Probolinggo, East Java while 66 factories are booths of Private-Owned Enterprises (BUMS).

Competition among the paper industry is very tight, especially for the type of paper for office, student, and book-making consumption so that the price and quality of interest by buyers or consumers is very competitive in buying paper.

Papermakers or employees who are experts in making paper are very necessary to operate the machine in the paper production process in order to obtain the results of the quality of paper in accordance with predetermined standards, then paper products that have been processed must be sold according to consumer tastes. Here it is needed that human resources (H.R.) are competent in their respective fields. For example, Papermakers are needed in the production unit, marketers are needed to sell the results of paper products, personnel are needed to manage human resources according to their competence, finance is to regulate the entry and exit of finance, and so on, the quality assurance department conducts inspections and ensures that the quality of the product is incoming material - production process - finished products - sent products are guaranteed according to the standard. □

Competent human resources are the main factors that can be relied upon to manage in the production system because the expected expectations of all lines can run in accordance with quality standards and work procedures that are in line with the reality on the ground. In this scope, we will discuss Reengineering Human Resources by using Ishikawa Diagrams as a tool to describe the system variables that occur and SWOT Analysis (Strengths - Weaknesses - Opportunities - Threats) to evaluate the variables. "Re-engineering of human resources to improve performance in the field of marketing as an object, and employee work motivation in the Marketing Department of P.T. Kertas Leces (Persero). The object as a goal is to get an overview and analysis of the extent of the performance that occurs in the state-owned paper industry.

II. LITERATURE REVIEW

Re-engineering Human Resources □

Re-engineering is a fundamental rethinking and radical redesign of business processes to get dramatic improvements in dominant and contemporary performance measures. For example, cost, quality, service, speed (Hammer & Champy, 1995: 28). It must fundamentally ask how it operates, why do we do, what do we know? Furthermore, why do we do it the way it is now? Sometimes the rules feel outdated, wrong and not appropriate. Re-engineering starts without assumptions and inanimate objects companies that do Re-engineering must be careful of the assumptions that are inherent in most processes.

Radical

Radical, is a radical redesign starting from the root of the problem, not making superficial changes or doing what is already there, but throwing away the old one. In Re-engineering, radical redesign means putting aside all existing structures and procedures and creating new, old ways of getting things done. Re-engineering is about re-creating the business so that it is optimal, strengthening the business or modifying the business [7]

Dramatic

Re-engineering is not about achieving marginal or incremental improvement, but also about achieving a large leap in quantum leaps in company performance if a company's performance drops by 10% than it should, if costs are too high 10% more if the quality is too high low 10%, if customer service performance requires an additional 10% action, then the company does not need to be re-engineered. Conventional methods, ranging from forcing employees to establish additional quality programs, can lift a company from the 10% reduction. Re-engineering should be used if there is a need to explode violently. Marginal improvement requires continuous adjustment efforts, dramatic increase requires demolition of the old and replaces it with a new one [7]

Process

Process factors have weaknesses and difficulty levels besides human resources. Most business people are not concerned with the process, and they focus on work tasks, people, organizational structure. So the process is a business process as a set of activities that include one or more types of inputs and create an output that is of value to consumers or customers. For example: regarding the fulfilment of order obligations, which places the order as input and as the output is the delivery of goods produced in the warehouse of marketing and then handed over to the consumer.

Business processes that have been re-engineered will be very different from traditional business processes. The re-engineered business process has many different forms with characteristics that symbolize the re-engineered processes. Where people as human resources work most efficiently only if they have tasks that are easy to understand to carry out. In fundamental Re-engineering that to meet contemporary demands for quality, the flexibility of service, and low costs, the process must be kept simple. The need for a simple process carries large consequences in how the process is designed, and organizations are formed.

Some of the characteristics of re-engineering in business processes that are very basic characteristics that repeatedly appear as follows [7] :

- 1) Several jobs are combined into one.
- 2) Workers make decisions
- 3) The stages in the process are carried out according to custom
- 4) The processes have many versions
- 5) Work is carried out in the most meaningful places
- 6) Inspections and controls are reduced
- 7) The manager must make one point of contact
- 8) Combined centralized/decentralized operations evenly distributed

WORK MOTIVATION

The process of motivation can be initiated by one's awareness of not meeting a need. Then, the person sets a goal, which, according to him, will satisfy these needs. Of course, then, the person determines the actions expected to lead to the achievement of these goals [3] Every living thing is created and a specific size so that it reaches the ideal level of balance. If the balance does not match, the physiological motivations will carry out activities that inevitably return the body to its original state of balance, the Qur'an showing the most important physiological motivations, including:

"Every human being owns work motivation, but there are people who work harder than others. Most people want to work harder if they do not meet obstacles in realizing what is expected. As long as the work motivation is strong, the greater the individual's chance to be more consistent with the work goals. Some prefer work motivation without expecting anything in return because it finds pleasure and happiness in the acquisition of conditions encountered and in overcoming difficult situations " [8].

However, these steps have not been fully able to produce employee work performance. Supervision of motivation is shown so that employees can be truly motivated so that the possibility of mistakes in work, lack of responsibility, reluctance to carry out the plans that have been set and other factors that can hinder employee performance can be minimized because if only the work system is improved without being able to motivate work for employees, the company's goals are also challenging to achieve.

Motivation is a concept that describes the strengths that exist in employees who start and direct behaviour [4]. From some of the above opinions, it can be concluded that motivation is the provision of stimulation or encouragement to increase an employee's morale to want to work as desired so that the company's goals can be achieved.

PERFORMANCE

Every company leader in providing work motivation to employees would expect a good result with high work performance. Nevertheless, motivation is not the only way to improve high work performance.

Understanding, according to Ranupandjojo and Husnan work performance, is the result of work achieved by someone in carrying out the tasks and work assigned to him [3]. The importance of a job according to Armstrong, the process of forming a shared understanding of what must be achieved and how to achieve it, an approach to managing people who can increase the likelihood of success [3]. From the two meanings above, it can be concluded that work performance is the result of work achieved by someone in carrying out their duties and work which are charged using the required level of competence.

III. DATA COLLECTION

The research approach used in this study is qualitative data. The subjects in this study were several informants who were believed to be able to provide the information needed accurately, namely the head of the human resources leadership. The data method used in this study is SWOT. SWOT is a tool used to compile the company's strategic factors. Where this SWOT can clearly illustrate how external opportunities and threats faced by the company can be adjusted to the strengths and weaknesses they have. This SWOT analysis will be conducted on human resource management strategies in improving employee performance at P.T. Kertas Leces (Persero) Probolinggo, East Java.

SWOT analysis is the systematic identification of various factors to formulate a company's strategy. This analysis is based on the logic that can maximize strengths and opportunities while simultaneously minimizing weaknesses and threats. Strength (strength), weakness (weakness), opportunity (opportunity) and threat (threats) are the company's strategic factors that need to be analyzed in the current conditions. This is called situation analysis with the SWOT analysis model. A popular model for situation analysis is the SWOT analysis using the External Factor Evaluation Matrix and the Internal Factor Evaluation Matrix.

Gazpersz Vincent (2012: 18) is associated with business strategy, and then business strategy choices need to be made:

1. Strategy SO (Strength - Opportunities), in this situation, the company needs to do aggressive business development, namely utilizing the strengths of the substance to create new businesses or develop existing businesses. Strategies in the SO quadrant are referred to as aggressive strategies.
2. Strategy S.T. (Strength - Threats), in this situation, the company needs to diversify its products or business, through developing superior products. The strategy in the S.T. quadrant is referred to as the diversification strategy.
3. Strategy W.O. (Weaknesses - Opportunities), in this situation management, must analyze the main weaknesses that exist, to solve the problem by eliminating the main weaknesses. The strategy in the W.O. quadrant is called the turn-around strategy.
4. Strategy W.T. (Weaknesses - Threats), in this situation management, must analyze the main weaknesses that exist, while avoiding threats. The strategy in the W.T. quadrant is referred to as a survival strategy.

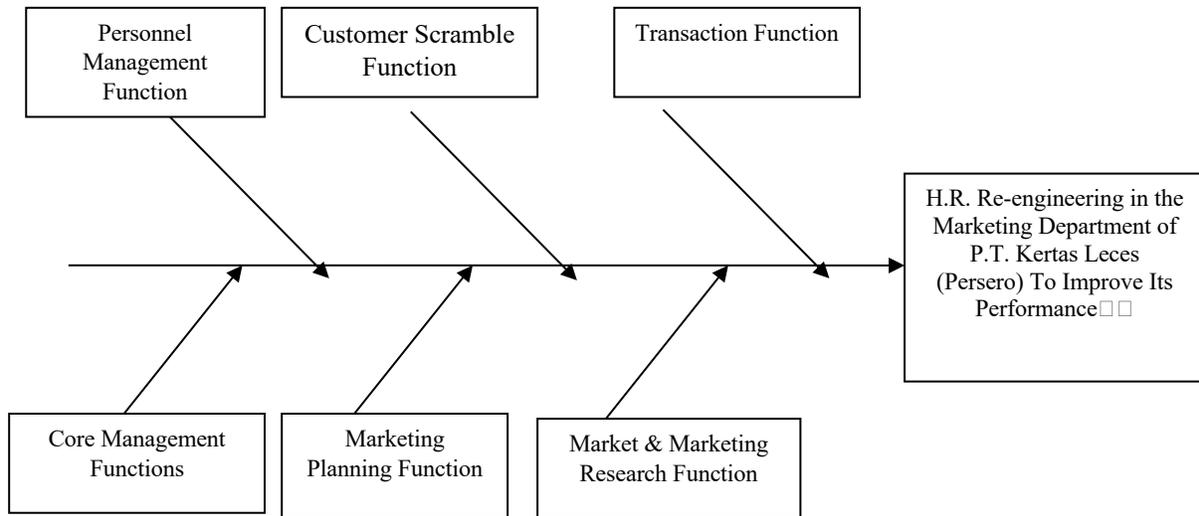


Figure 1. Variables and Research Design.

Result and Discussion

This study uses qualitative data, researchers conducted direct observations to the object in the Marketing Department of P.T. Kertas Lececs (Persero), the observation was carried out in 2011, and the results of the observation were illustrated using Ishikawa Diagram in the following figure.

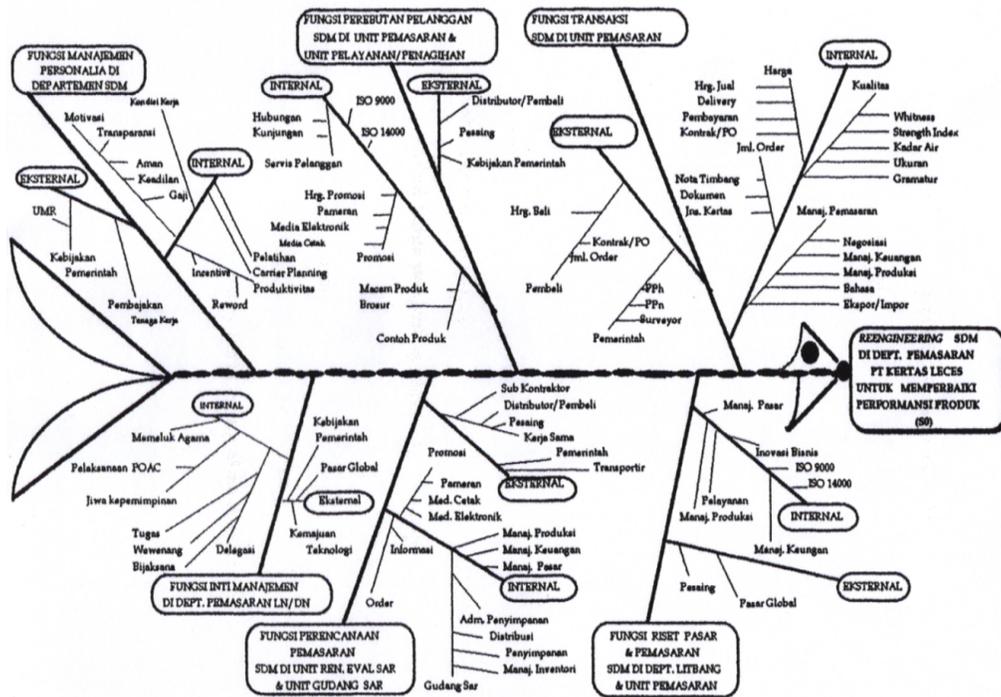


Figure 2. Ishikawa Diagram for Reengineering Human Resources

Table 1. Internal Function SWOT Analysis of (Opportunities and Threats)

No	Functions and Factors	weight %	Standard		Realization of Value		% for Standard $f=(e/c) \times 100$
			Value	Weight	Observation	weigh	
A	Transaction Function in the Marketing Unit	a	b	c = axb	d	e=axd	$f=(e/c) \times 100$
	1. Management:						
	a. Negotiation	5	5	0,25	3	0,15	60,00
	b. Finance	5	5	0,25	2	0,10	40,00
	c. Production	5	5	0,25	1,25	0,06	25,00
	d. Language	5	5	0,25	5	0,25	100,00
	e. Export Import	5	5	0,25	0,5	0,03	10,00
	Amount: A1	25	-	1,25	-	0,59	47,00
	2. Quantity:						
	a. Colour shade	5	5	0,25	4	0,20	80,00
	b. Strength index	5	5	0,25	4	0,20	80,00
	c. Water content	5	5	0,25	4	0,20	80,00
	d. Gramatur	5	5	0,25	4	0,20	80,00
	e. Size	5	5	0,25	4	0,20	80,00
	Amount: A2	25	-	1,25		1,00	80,00
	3. Price:						
	a. Selling price	10	5	0,50	3	0,3	60,00
	b. Delivery	5	5	0,25	2,5	0,125	50,00
	c. Payment	5	5	0,25	5	0,25	100,00
	d. Contract (P.O.)	5	5	0,25	5	0,25	100,00
	Amount: A3	25	-	1,25	-	0,93	74,00
	4. Order Amount:						
	a. Weighing Note	10	5	0,50	5	0,50	100,00
	b. Document	5	5	0,25	5	0,25	100,00
	c. Paper type	10	5	0,50	5	0,50	100,00
	Amount: A4	25	-	1,25	-	1,25	100,00
	Amount: A	100	-	5,00	-	3,76	75,25
B	Scramble Function Customers in the Unit Marketing, Waiter						
	1. Customer Service:						
	a. Work relationship	15	5	0,75	3,5	0,53	70,00
	b. Service program	10	5	0,50	3,5	0,35	70,00
	Amount: B1	25	-	1,25		0,88	70,00
	2. Promotion:						
	a. Print media	10	5	0,50	0	0,00	-
	b. Electronic media	5	5	0,25	2	0,10	40,00
	c. Exhibition	5	5	0,25	1	0,05	20,00
	d. Promotion price	5	5	0,25	0	0,00	-
	Amount: B2	25	-	1,25	-	0,15	12,00
	3. ISO 9000	25	5	1,25	3	0,75	60,00
	4. ISO 14000	25	5	1,25	3	0,75	60,00
	Amount: B	100	-	5,00	-	2,53	50,50
	C	Management function Personnel					
1. Working conditions		20	5	1	4	0,80	80,00
2. Work motivation:							
a. Spirit at work		4	5	0,20	4	0,16	80,00
b. Secure		4	5	0,20	4	0,16	80,00
c. Justice		4	5	0,20	4	0,16	80,00
d. Salary		4	5	0,20	4	0,16	80,00
e. Transparency		4	5	0,20	4	0,16	80,00
Amount: C2		20	-	1,00	-	0,80	80,00
3. Productivity							
a. Incentive of sales turnover		10	5	0,50	1	0,1	20,00
b. appreciation	10	5	0,50	1	0,1	20,00	

	Amount: C3	20	-	1,00	-	0,20	20,00
	4. Carrier planning	20	5	1,00	2,5	0,5	50,00
	5. Training	20	5	1,00	2,5	0,5	50,00
	Amount: C	100	-	5,00	-	2,80	56,00
D	Planning function						
	Marketing						
	1. Market Management	15	5	0,75	3	0,45	60,00
	2. Financial Management	10	5	0,50	2	0,20	40,00
	3. Production Management	10	5	0,50	2	0,20	40,00
	4. Promotion:						
	a. Exhibition	10	5	0,50	3	0,30	60,00
	b. Print media	10	5	0,50	3	0,30	60,00
	c. Electronic media	10	5	0,50	3	0,30	60,00
	Amount: D4	30	-	1,50	-	0,90	60,00
	5. Order-Order information	15	5	0,75	4	0,60	80,00
	6. Warehouse Marketing:						
	a. Administration System	5	5	0,25	5	0,25	100,00
	b. Distribution	5	5	0,25	3	0,15	60,00
	c. Storage	5	5	0,25	4	0,20	80,00
	d. Inventory management	5	5	0,25	5	0,25	100,00
	Amount: D6	20	-	1,00	-	0,85	85,00
	Amount: D	100	-	5,00		3,20	64,00
E	Market & Marketing Research Function						
	1. Financial Management						
	2. Production Management	15	5	0,75	2	0,30	40,00
	3. Service Management	15	5	0,75	2	0,30	40,00
	4. Marketing Management	20	5	1,00	2	0,40	40,00
	5. Business innovation	20	5	1,00	2	0,40	40,00
	6. ISO 9000	10	5	0,50	2	0,20	40,00
	7. ISO 14000	10	5	0,50	4	0,40	80,00
	Amount: E	10	5	0,50	4	0,40	80,00
	Market & Marketing Research Function	100	-	5,00	-	2,40	48,00
F	Core Management Functions (Head of Marketing Division)						
	1. Believers of the Shah	25	5	1,25	5	1,25	100,00
	2. Marketing Turnover	50	5	2,50	1	0,50	20,00
	3. Leadership						
	a. Implementation of POAC	25	5	1,25	4	1,00	80,00
	Amount: F	100	-	5,00	-	2,75	55,00
	Average: (A to F)	100	-	5,00	-	2,91	58,13

Table 2. SWOT Analysis of External Functions Against (Opportunities and Threats)

No	Function and Factor	Weight %	Standard		Realization Value		% for Standard
			Value	Weight	Observation	Weight	
A	Transaction Function in the Marketing Unit	a	b	c = axb	d	e=axd	f=(e/c)x100
	1. Buyer:						
	a. Selling price	20	5	1,00	3	0,60	60,00
	b. Number of orders	20	5	1,00	2	0,40	40,00
	c. Contract (P.O)	10	5	0,50	1,25	0,13	25,00
	Amount: A1	50	-	2,50	-	1,13	45,00
	2. Government:						
	a. PPh	10	5	0,5	4	0,40	80,00
	b. PPN	20	5	1	4	0,80	80,00
	c. Surveyor	20	5	1	4	0,80	80,00
	Amount: A2	50	-	2,5	-	2,00	80,00
	Amount: A	100	-	5,00	-	3,13	62,50
B	Scramble Function Customer						
	1. Customer Service:						
	a. Partner Relations	10	5	0,50	2	0,20	40,00

	b. Work visit	10	5	0,50	1	0,10	20,00
	Amount: B1	20	5	1,00	-	0,30	30,00
	2. Promotion:						
	a. Print media	5	5	0,25	0	-	-
	b. Electronic media	5	5	0,25	2	0,10	40,00
	c. Exhibition	5	5	0,25	0	-	-
	d. Promotion price	5	5	0,25	0	-	-
	Amount: B2	20	-	1,00	-	0,10	10,00
	3. Product Examples:						
	a. Brochure	10	5	0,50	1	0,10	20,00
	b. Kind of Product	10	5	0,50	2	0,20	40,00
	Amount: B3	20	-	1,00	-	0,30	30,00
	4. ISO 9000	20	5	1,00			
	5. ISO 14000	20	5	1,00			
	Amount: B	100	-	5,00	-	0,70	14,00
C	Management function						
	Personnel						
	1. Government Regulations about Minimum Wages	50	5	2,50	2	1,00	40,00
	2. Power hijacking work	50	5	2,50	3	1,50	60,00
	Amount: C	100	-	5,00	-	2,50	50,00
D	Planning function						
	Marketing						
	1. Transport	40	5	2,00	1	0,40	20,00
	2. Government Regulations	20	5	1,00	2	0,40	40,00
	3. Cooperation:						
	a. Competitor	10	5	0,50	3	0,30	60,00
	b. Distributor / Buyer	20	5	1,00	3	0,60	60,00
	c. Sub. Contractor	10	5	0,50	3	0,30	60,00
	Amount: D3	40	-	2,00	-	1,20	60,00
	Amount: D	100	-	5,00	-	2,00	40,00
E	Market Research Function						
	1. Can compete	50	5	2,50	1	0,50	20,00
	2. Global Market	50	5	2,50	2	1,00	40,00
	Amount: F	100	-	5,00	-	1,50	30,00
F	Core Management Functions (Head of Marketing Division)						
	1. Follow the Policy Government	50	5	2,50	2	1,00	40,00
	2. Follow progress Paper Technology	25	5	1,25	3	0,75	60,00
	3. Global Market	25	5	1,25	1	0,25	20,00
	Amount: F	100	-	5,00	-	2,00	40,00
	Average: (A to F)	100	-	5,00	-	1,97	39,42

From Table 2, the SWOT analysis of Weaknesses - Strength results of an internal factor analysis of 2.91 or 62.5% of this standard means that internal factors have many problems, then Opportunity - Threat results of an external factor analysis of 1.97 or 39.42% Likewise, external factors have more problems so that in total can be seen in the four quadrants as in the following figure.

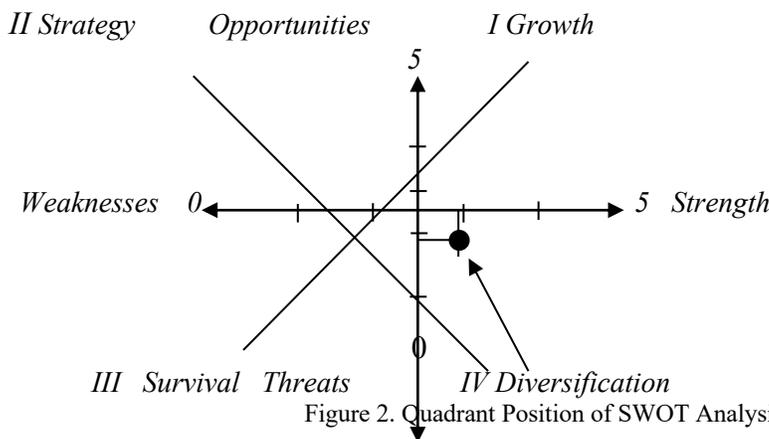


Figure 2. Quadrant Position of SWOT Analysis.

From Figure 2 it can be obtained that the position of the Marketing Department of P.T. Kertas Leces (Persero) is in the quadrant IV diversification means that in this situation the company needs to diversify its products or business, by developing superior products, for example: producing HVS paper as the dominant paper and much needed by customers.

IV. DISCUSSION

The results of the evaluation of Human Resources Re-engineering in the Marketing Department of PT Kertas Leces (Persero) after being evaluated using the Ishikawa Diagram and SWOT Analysis there are many or almost all of the functions that there are many weaknesses even the performance is below 50% of the standard. The evaluation results evidence this was the internal factors Weaknesses - Strength results of the analysis of internal factors of 2.91 or 62.5% against the standard and external factors as well as external factors Opportunity - Threat the results of the analysis of external factors of 1.97 or 39.42%. Indeed, from observations to the object of research that this SOE or PT Kertas Leces as a paper producer is experiencing a deficit, meaning the selling price is lower than the cost of production. So that every year there is a decline in working capital, which at the end of the deficit continues will result in bankruptcy. However, when viewed from the perspective that occurs at the quadrant point in the IV quadrant position diversification can still be saved with the note that the type of product must be diversified, for example, producing HVS paper or printed writing paper because PT Kertas Leces (Persero) has a production capacity of around 300 tons per days and HVS paper is in great demand by customers. Then no less important is the need for additional working capital as a substitution to activate the HVS product.

V. CONCLUSION

The conclusion of this research is the paper producing company, PT Kertas Leces (Persero) as a BUMN, and the first is that the results of the evaluation of almost all functions are below the standard, which means that the quadrant position is diversified, meaning that there are many weaknesses, both external factors under internal factors It means that the competition of paper products in the external circles is very tight, especially since many private factories as competitors have done a lot of efficiency and productivity levels, the three sales turnover is very below standard, this will have implications for the depletion of working capital because between working capital income and low sales turnover, so balanced.

Suggestion results from this research are a paper manufacturing company, PT Kertas Leces (Persero) as a BUMN, and the first is very much needed additional working capital to produce HVS paper or printed writing paper because there are so many consumer enthusiasts, secondly diversifying the product user-friendly materials environment, for example, Abaca banana trees that have not been used and abundant raw materials around the factory site. Then the third one is to recruit new workers who are fresh graduates and restless productive workers, and the fourth is to make a market breakthrough in collaboration with project book printing.

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