

HOW WAS THE ROLE OF HUMAN RESOURCE PLANNING IN THE QUALITY OF PRODUCTION PROCESS AT NÉDIRZANIT COMPANY?

Ummi Azizah and Rudy Bekti
School of Business and Management
Institut Teknologi Bandung, Indonesia
ummi.azizah@sbm-itb.ac.id

Abstract. The quality of the products produced by a company is determined based on certain measurements and characteristics based on the standards set by the company. NÉDIRZANIT is a fashion company that put forward the theme of literature and its illustrations. NÉDIRZANIT has a problem of low quality production processes where production errors often occur. This results in decreased product quality or even defective products. Therefore, this research is conducted with an aim to discover the factors causing the low quality of the production process in terms of human resource planning and find out solutions to improve the quality of the production process. The research method used is qualitative descriptive analysis. This study was conducted by interviewing the workers. The data obtained is processed By using manual coding. The result, it can be seen that the factor causing the low quality of the production process is the low priority to production task. The solution to overcome the low quality of the production process is to make human resource planning with mature and structured in order to be able to manage the human resources owned by utilizing their maximum potential.

Keywords: human resource; human resource planning; production management; quality of production process; defect product

Introduction

Human resource-management is necessary to manage workforce so they can doing their excellent work to obtain maximum results for the company. Human resource plays a role in optimizing total quality management by integrating processes into human resource planning functions such as recruitment and selection, training and development, performance evaluation and reward systems. The function of human resource management has critical role in developing quality in a company. The quality starts from a good human resource management by being a guide through one of the performance in the human resources, which is supporting the

business journey.

NÉDIRZANIT had problems in terms of managing human resources. The owner found the one main issues in human resource management while running the business specifically human resource planning that have a role in quality of production process. The quality of production process is low because several errors that occur in the production. Production of NÉDIRZANIT is fulfilled but as the result, many defect products that are produced and run into price decline due to damage in the production process. The company also suffers loss of time and cost used to repeat production process to produce the correct product.

Problem Statement

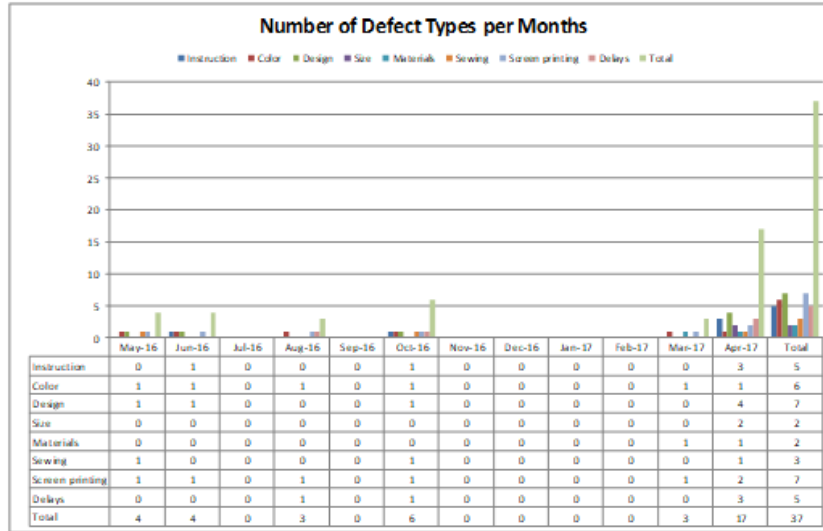
Production of NÉDIRZANIT is fulfilled but as the result, many defect products that are produced and run into price decline due to damage in the production process. The company also suffers loss of time and cost used to repeat production process to produce the correct product.

Business Profile

NÉDIRZANIT is a tote bag creation with the concept poems and image illustrations. NÉDIRZANIT located in Bandung, found on April 28th 2016 by Ummi Azizah. NÉDIRZANIT currently has two people working together to run the business. Mrs. FS Prima as co-founder recently joined since April 2017. Before that, all the basic management role in the company done by Ummi A as the owner. At this time, NÉDIRZANIT has 5 workforces who handle the production that is 2 designers, 1 production supervisor, 1 tailors, and 1 screen-printer operator. The designers based in Bandung while the tailors and screen-printer operator based in Padalarang. Whereas, the production supervisor is mobile from Bandung to Padalarang and vice versa.

Number of Defect Types per Months

In the production process, the trial error process occurs several times. There is a change in the material component of the product until the design changes. Here is the number of defect types per months of production process:



Theoretical Foundations

Several previous studies have shown that aspects of Human Resources Management is one of the staff with high knowledge qualifications and good internal communication play a significant role in improving the overall performance of the company (Blaga & Jozsef, 2012). Human resource development and training implementation for workforces needs to be of particular concern for top management because it will have a domino effect on other aspects (Okoye & Ezejiofor, 2013). One of the object in Human Resource Management is Human Resource Planning. Human Resource Planning basically ensures the availability of the right resources in the right place to match the future organizational needs. Human Resource Planning is a subsystem in the Human Resource Management which is facilitates the realization of organizations' objectives by providing the right type of people and the right number of personnel.

The objectives of Human Resource Planning is to determining recruitment sources for assessing future requirements of the organization, determining training requirements for management and organization for development to control the cost aspect of human resources and improve productivity. Human Resource Planning is an important tool of because it helps in determine present and future personnel needs for ensuring maximum utilization of available human resources, helps to increasing investments in human resources by getting the right number of qualified people into right job at right time and by creating highly talented personnel, as foundation for personnel functions, and as evaluation tools to reduce labor cost.

According to statistical and financial indicators, Micro, Small and Medium Enterprises (MSMEs) have a significant and strategic role in national economy growth and employment absorbent. After economic crisis on 1997-1998, the

number of MSMEs has increased to 56.534.592 units or 99,99% of the total entrepreneur in Indonesia. It substantially higher growth potential.

Based on Law Number 20 Year 2008 Micro Enterprises as productive businesses owned by individuals or business entities owned by individuals has the following criteria such as having a net worth of at most Rp 50,000,000 (fifty million rupiah) excludes land and building of business premises and having annual sales of at most Rp 3,000,000,000 (three hundred million rupiahs). While according to the Central Bureau of Statistics (BPS) provides the definition of MSMEs based on the quantity of labor. Micro and Small Enterprises is a business that has a 5-19 workforces. According to the Ministry of Finance based on the Decree of the Minister of Finance No. 316 / KMK 016/1994 dated June 27, 1994, Micro and Small Enterprises as an individual or business entity that has engaged in business activities that has sales or turnover per year as high as Rp. 600.000.000 or asset as high as Rp.600.000.000 (excluding land and occupied buildings).

Here are some of the obstacles of human resources that often arise in MSMEs, as follows: in terms of quantity, Micro and Small Enterprises can not involve more workforce due to limited ability to pay; lack of knowledge about the latest production technology and how to run product quality control on it; and the owners are still often involved in technical issues of their workforces. The behavior of workforce within company has significant implications for organizational performance and that Human Resource Planning practices can affect individual workforce performance through their influence over workforce's skills and motivation that allow workforce to improve how their jobs are performed. Organizations may look to develop Human Resource Planning practices that not only help the organization acquire high quality human resources, but that also encourage human resources to exhibit the behaviors necessary for the organization to be successful.

Human Resource Planning is a must. Human resource team should work with the workforce to identify the capabilities and capacities needed to deliver the business' strategy and growth so the company can quickly see what should they do to encourage the workforces and start developing action plans to overcome the flaws in which one of them affects the quality of the production system. Suitability with specifications, is how well the product meets the standard targets and tolerance limits that have been determined and agreed upon previously. For example, the specification length x width x height of a tote bag can be specified as 35cm x 5cm x 40cm. This means that the target standards match as specified but the tolerance limit may vary between 0,5cm. Similarly, the length of production time can be set for 5 to 7 days, but there may be a tolerable delay then an additional 12 hours is received. Also, the consideration of the number of colors to be screen printed is 5 shades. If the given less than 5 colors then it does not match the specifications. These examples illustrates, the suitability between field events and the provisions of the immediate measurable specification, although not directly related to the

idea of quality from the consumer's side. The right quality is not necessarily best quality. It is determined by the cost of the product and the technical characteristics as suited to the specific requirements. Quality improvement to the production process must be continuously do to minimize defect product (Sukardi, 2011).

Data Collection and Analysis

In a semi-structured interview the researcher has a list of questions which want to cover in the interview, an interview guide but there is flexibility in how and when the questions are put and how the interviewee can respond. To be able to conduct the semi structured interviews the researcher first formulated questions based on the theoretical framework that guided the interviews with the different respondents. We constructed an interview guide that is divided into three main parts; general questions regarding workforce itself, production process related questions, and questions related to the solution from the workforce itself.

The interview guide was written in the Bahasa because the respondent in NÉDIRZANIT Company are Indonesian. And we find it appropriate to have the conversation in their mother tongue language in order to make it more comfortable for the interviewees to express themselves. The interview questions were constructed in an open way so that each respondents could share their particular view on human resource planning that affect to quality of production process. These interview questions are compiled and extracted from 6M Methods by Ishikawa that stands for manpower, machinery, materials, mother-nature, methods, and measurement. This interview question also contains Five Whys Questions inquiry likewise utilized as a part of the conduction of interview guidelines so the researcher can know profoundly about the workforce points of view.

The data that we have collected in this study comes from semi structured interviews from different individuals that are connected to NÉDIRZANIT Company such as the designers, the tailor, the screen-printer operator, and the production supervisor. Semi structured interviews consist of several main questions that help to identify some areas to be discover, but also allow interviewers or interviewees to provide more detailed ideas or responses. The researcher chose to conduct semi-structured interviews since the researcher wanted a good coverage of different aspects through the different individual perspectives. Based on the analysis and discussion data described earlier, the main problem in NÉDIRZANIT company is the problem of human resource planning, that is the lack of good planning of human resources to support the good quality of production process.

The results of the research found some weaknesses that should be the attention of management in the future. This weakness can be grouped into three focus as follow:

1. Weaknesses that occur in unstructured and well-prepared human resource

planning programs.

2. Weaknesses that occur during the production process where there is often a misperception due to mis communication.

For equipment and production equipment, NÉDIRZANIT can invest in products with high quality because it is undoubtedly and will certainly last for a long time.

The familial environment is comfortable because there is no need for more adaptation, but sometimes there are feelings of uneasiness to other fellow workers, this resulted in a lack of professional attitude. The experience in the organization that followed also affected the mindset and management of the workers. From the organization can learn also about critical and creative thinking. As for the hours of flying, it trains to get used to and skillfully doing the things that dilek it.

To control the production, NÉDIRZANIT must apply and run the order form, so all parties have the same perception guidelines. In addition, direct control of the workers also affect the quality of the product. A written SOP is also required even though the workers say it has memorized it out of the head. This is done in order to minimize errors that occur due to forgetfulness, lack of focus, or not careful. In addition, all parties must equalize the perception of SOP in order to avoid miscommunication.

For a matter of time, always make it a habit to directly produce orders. Workforces do not get used to procrastinate because it could be when the stock is rare or even customer orders with different raw materials. Good time management is required here. Keeping the commitment to the customer is important, because that is one way to make our customers loyal customers and recommend our products to others.

For live activities, intense discussions, regular evaluation meetings and intensive communications should be improved not only during production but also weekly controls. For the development of progress, it must be done periodically so that the workforces are able to implement it well.

Zula & Chermack (2007) concluded that proper human capital planning effect the organization profits. NÉDIRZANIT may look to develop human resource practices that not only help the organization acquire high quality human resources, but that also encourage human resources to exhibit the behaviors necessary for the organization to be successful. As the results of this study show, high quality human capital and the overlapping tenure of human resources are related to greater quality of production process.

Assumed the limitations on the company's finances to overcome these human resource problems, NÉDIRZANIT company can use wage systems based on the results and quality of the products they work on. This is win-win solution for both

of the workforce and company. Based on that, the company NÉDIRZANIT must be able to understand the commitment and motivation of the work of the freelancers from the beginning. NÉDIRZANIT also can using communication channels that can be used communicatively by all parties to suppress miscommunication. Alternative solutions formulated can be applied to human resource planning so as to update the human resource management function at NÉDIRZANIT company.

Based on the overall analysis of the problems that occur, the researchers provide recommendations as a step improvement that must be taken management to solve the problem contained in the table as follows:

| No. | Decisions | 1 st Month | 2 nd Month | 3 rd Month |
|-----|---|-----------------------|-----------------------|-----------------------|
| 1. | Establish a human resource planning system that suits their respective fields, and can be measured for routine evaluation | V | | |
| 2. | Create standardized quality training programs regularly | V | V | V |
| 3. | Create standardized quality form and check sheet for three workforce in production | V | V | V |
| 4. | Regulate the production space in such a way that the workforces' performance becomes effective and efficient | V | | |
| 5. | The company should conduct an assessment and evaluation of the success of the training formally as a responsibility for the implementation of the training as a reference to see the performance of the extent of training programs undertaken. | V | V | V |

References

- Acquaah, M. 2007. Managing social capital, strategic orientation, and organizational Performance in emerging economy. *Strategic Management Journal*, 28: 1235-1255.
- Bailey, T. 1993. Discretionary effort and the organization of work: Employee participation and work reform since Hawthorn. Working paper, Columbia University, New York
- Blaga, B., Jozsef, P. 2012. The implementation of new work in structions in the training of human resources in the process of paining in electrostatic field. *Procedia Technology*, Elsevier journal: Romania.
- Buffa, E.S. 2016. *Modern Production / Operations Management 8Ed.* John Wiley and Sons: United States.
- Cashel W.S. 1978. "Human Resource Planning in the Bell System" in: *Human Resource Planning Vol.1,*(reproduced in: *Human Resource Management 1988*)
- Roberts, K. Y. (2007). *Fallstudier: design och genomförande.*Malmö: Liber AB. p.17.
- Sarah Willersdorf, Olivier Abtan, and Thomas Gaissmaier "Minding the Talent Gap: Fashion and Luxury's Greatest Challenge for the Next Decade" 2014 The Boston Consulting Group
- Sugiyono, *Metode Penelitian Kuantitatif dan Kualitatif Dan R & D,* (Bandung : Alfabeta,2009), hlm. 338.
- Sukardi, Effendi, U., Astuti, D.A. (2011), *Aplikasi Six Sigma pada Pengujian Kualitas Produk di UKM Keripik Apel Tinjauan dari Aspek Proses.* *Jurnal Teknologi Pertanian.* Vol.12, No.1, Pp. 1-7.
- Wengraf, T. (2001) *Qualitative Research Interviewing: Biographic Narratives and Semi-Structured Methods,* Thousand Oaks, CA, London and New Delhi: Sage.
- Zula, J.K. and Chermack, J.T (2007) *Integrative Literature Review: Human Capital Planning: A Review of Literature and Implications for Human Resource Development,* *Human Resource Development Review,* 6(245).