# HUMAN RESOURCES DEVELOPMENT STRATEGY IMPROVE PERSONNEL PERFORMANCE USING SWOT ANALYSIS METHOD

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## ABSTRACT

In the era of globalization, the development of the security, economic and political situation is very dynamic which is marked by the existence of very open and tight competition. In these conditions an organization is required to be able to make adjustments in various aspects that exist within the organization, especially the organization. This study aims to determine the strategy of developing human resources by analyzing the strengths, weaknesses, opportunities and threats they have. The research method used is the SWOT Matrix Qualitative Method, IFAS Table, EFAS. From the calculation of the IFAS table the strength is lower than the weakness, and the calculation from the EFAS table is greater than the threat so that the diagram point is at point 1 and stability 1. The strategy used is the right strategy that must be applied by the Office of personnel based on SWOT ANALYSIS, namely by applying the SO Strategy (Strength - Opportunities), namely to utilize the strengths of the organization to capture the opportunities of existing organizations.

Keywords: HR Development Strategy, SWOT Analysis, IFAS, EFAS

## 1. INTRODUCTION

In the current era of globalization, the development of the security, economic and political situation in Indonesia is very dynamic along with growth in all fields which are marked by very open and tight competition. In these conditions an organization is required to be able to make adjustments in various aspects that exist within the organization. Limited human resources, requires an organization to optimize the performance of personnel well in order to achieve goals and progress. Therefore, it requires competent human resources who have high morale and discipline in carrying out their roles and functions both for individual and organizational goals. The progress of a country depends on the ability of its human resources.

Recognizing the important role of human resources in their interactions with various factors and parts of the organization, it is necessary to manage human resources as well as possible. This has become a consequence for the institution to make adjustments between HR and these facilities, through training and development in accordance with the conditions and needs of the institution. HR development is a planned and ongoing effort improve employee to competencies and for organizational work through training, education and development programs. There are at least 5 (five) recommended ways or businesses in developing human resources, namely: training, education, coaching programs, recruiting, system changes. The HR development program will be effective if the organization is able to collect and analyze the current conditions, conditions and needs of human resources first. this and in the future, so that development programs that are made really - really lead to success.

It is hoped that this research can help determine a strategy in developing human resources to improve the performance of personnel in the environment.

In the writing of this journal is also used a lot of literature as a reference to support the research conducted, such as including the following: *Analisis SWOT Bisnis Laundry UD Rafa Laundry Klindocare di Duri Provinsi Riau (Studi Formulasi Strategi Bersaing)* (Khasandra, 2017),

SWOT analysis as an effort to improve production performance towards a sustainable business (Study on Batik SMEs in Kampung Batik Laweyan Surakarta) (Sugiarti, 2013), Strategy for Human Resource Development (HR) of North Sumatran Cocoa Industry Cooperatives. Indonesian Institute of Technology (Tampiko, 2014), SWOT analysis to determine competitive strategy at PD BPR Bank Daerah Lamongan (Nur Irawan, 2016), SWOT analysis to determine organizational positioning in determining human resource development strategy at UD Rumekso in Mojokerto (Yon Ismaya, 2017), Formulation of PT X's Organizational Strategy using the Factor Evaluation Matrix. Journal of Industrial Engineering Systems (Ginting, 2016), Analysis of Marketing Strategies in Small Medium Enterprises (SMEs) Snacks (Research Study on Snack Barokah SMEs in Solo) (Zulkarnaen, 2013), SWOT Analysis of Business Case Dissecting Techniques (Rangkuti, 2005), Analysis SWOT in determining Competitive Strategy (study at PT Bank Syariah Jember Sharia Branch) (Khusnita, 2011), Human Resource Management (Wahyudi., 2011), Miftachul Tuwin. 2015. SWOT analysis to determine the condition of human resources in order to increase competitiveness at CV INDOSAE GPS TRACKER in Surabaya (Tuwin, 2015).

This research is organized as follows, chapter 1 introduction, chapter 2 shows material

and methodology, chapter 3 shows the results of data and discussion, chapter 4 conclusion.

## 2. MATERIAL/METODOLOGY

#### 2.1 Human Resources

Human Resources are residents who are ready, willing and able to contribute to efforts to achieve organizational goals. In population science, the concept of human resources can be aligned with the concept of labor which includes the workforce and not the workforce. The working force is also called the worker. Organization is basically a collaboration between two or more people in order to achieve a goal. The organization is a collection of people, the process of division of work between these people and the existence of a system of cooperation or social system among these people.

In achieving its objectives, organizations need a variety of resources. Starting from human resources, equipment, machinery, finance, and information resources. Each resource has its own duties and functions. As a system these resources will interact and cooperate with each other so that goals can be achieved effectively and efficiently. Human resource management is very important position for the organization. Therefore, in managing it, managing and utilizing human resources will run as expected. So that it can function productively to achieve organizational goals.

#### 2.2 SWOT analysis

SWOT analysis is the systematic identification of various factors to formulate an organization's strategy. This analysis is based on logic that can maximize strengths and opportunities, but at the same time can minimize weaknesses (weakneses) and threats (threats). The synergy decision-making process is always related to the development of the organization's mission, goals, strategies and policies. Thus strategic planning must analyze the organizational strategy factors (strengths, weaknesses, opportunities, threats).

The SWOT matrix is a tool used to structure factors of organizational strategy. This matrix can clearly illustrate how external opportunities and threats facing an organization are adjusted to their strengths and weaknesses. This matrix can produce four possible alternative cell strategies.

IFAS	Strengths (S) Determine 5-10 internal strength factors	Weaknesses (W) Determine 5-10 internal weakness factors
Opportunities (O) Determine external opportunity factors	SO Strategy Create a strategy here that uses power to take advantage of opportunities	WO Strategy Create a minimizing strategy to utilize
Treats (T) Determine external threat factors	ST Strategy Create a strategy here that uses power to overcome threats	WT Strategy Create a strategy at minimize weaknesses avoid threats

Figure 1. SWOT Matrix Diagram Source: Freddy Rangkuti (2009 : 83)

a. SO Strategy

This strategy is made based on the mindset of the organization, namely by utilizing all the power to seize and take advantage of maximum opportunities.

b. ST Strategy

This is a strategy in using the strength of the organization to overcome threats.

#### c. WO Strategy

This strategy is implemented based on the utilization of existing opportunities by minimizing existing weaknesses.

## d. WT Strategy

This strategy is based on activities that are defensive and try to minimize existing weaknesses and avoid threats.



Figure 2. SWOT Analysis Diagram Source : (Freddy Rangkuti 2009:20)

#### Information :

Quadrant I:

Is a very favorable situation, the organization has the opportunity and strength of the strategy being implemented that is supporting aggressive growth policies.

## Quadrant II:

There is a threat, but it still has internal strength, the strategy being implemented use the power to exploit long-term opportunities by means of a diversification (product / market) strategy.

#### Quadrant III:

Organizations face enormous market opportunities, but there are some internal obstacles / weaknesses. The strategy must be implemented by minimizing internal problems in order to seize market opportunities.

#### Quadrant IV:

Is a very unfortunate situation, the company faces various internal threats and weaknesses.

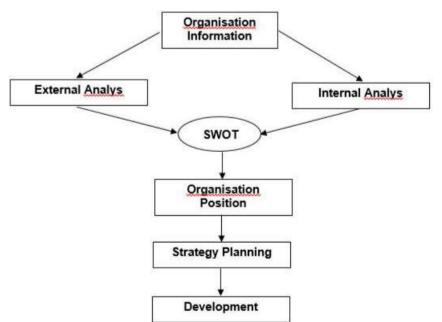


Figure 3. Flow of Thought

#### 2.3 Research methods

Determination of informants in this study using the Purpose and Snowball sampling methods, namely the determination of samples with certain considerations which were initially small in number, then enlarged according to the need to obtain complete research data. To get information about this organization the authors conducted interviews with relevant officials as Supervisors for initial research the authors only conducted interviews with one informant.

Furthermore, from the informants obtained, the writer will conduct further interviews so that information can be explored more deeply so that complete data can be obtained for analysis. Did not rule out the informants in this study will increase again to develop information. In leather research, as stated by Sugiyono (2013), a sample of data sources at the initial stage of entering the field is chosen by people who have the power and authority on the social situation or the object under study, so as to be able to "open the door" wherever researchers will collect data . Who is sampled data sources, and how much can be known after the researcher is finished. So it cannot be prepared from the beginning or in a proposal.

This research was made to determine the position of the organization using SWOT analysis. As a determination of human resource development strategies to improve personnel performance. This type of research, which will be used is descriptive qualitative research. Sugiyono (2011: 15), concluded that the qualitative research method is a research method based on the philosophy of post positivism, used to examine the natural conditions of objects, (as opposed to experiments) where the researcher is a key instrument, the sampling of data sources is done purposively and snowbaal, collecting techniques with triangulation (combined), data analysis is inductive / qualitative, and qualitative research

results emphasize more on meaning than generalization.

# 3. RESULTS AND DISCUSSION. Strength

a. Quality Personnel performance results

b. Determination of personnel performance standards.

- c. Health
- d. Dedication
- e. Loyalty
- f. Organizational Location
- g. Discipline

#### Weaknesses

- a. Human Resources
- b. Less Creative
- c. Personnel Culture
- d. Lack of personnel development
- e. Lack of regeneration process

#### **Opportunities**

- a. Have supporting regulations
- b. Good and adequate socialization media
- c. Technology
- d. Organizational Image in the eyes of the community
- e. Organizational fulfillment

#### Threats

- a. Number of work accidents
- b. Demands for Technology Mastery
- c. Government Policy
- d. Infectious diseases
- e. desertion

The identification of internal and external factors in the organization is as follows:

#### **IFAS Matrix**

After the internal strategic factors of an organization are identified, an IFAS (Internal Factor Srategic Analysis Summary) table is compiled to formulate these internal strategic factors within the framework of organizational Strength and Weakness. Determination of the weight based on the influence of factors on the strategic position of the organization, based on the distribution of questionnaires to respondents, namely supervisors, team leaders and personnel, by giving weight to each factor with a scale ranging from 1.0 (most important) to 0.0 (not important), all these weights must not

exceed the total score of 1.00. Determination of the rating is given by asking for the help of the head of the department who is considered to know and have a thorough knowledge of organizational management both internal and external to the organization.

Internal Strategic Factors	ltem Weight	Rating	Item Weight x Rating
Strength			
Quality Personnel performance results	0,126	4	0,504
Determination of personnel performance standards	0,119	3	0,357
Health	0,112	3	0,3
Dedication	0,120	3	0,36
Loyalty / Discipline	0,118	4	0,472
amount		1	2,03
Weaknesses			-
Human Resources	0,086	2	0,172
Lack of Creative	0,072	2	0,144
Work culture of personnel	0,087	2	0,174
Absence of development personnel	0,083	2	0,166
Lack of regeneration process	0,074	2	0,148
amount			0,80
Total Strengths and Weaknesses	1,00		2.83

Figure 4. Internal Strategy Factors (IFAS) Source: Primary data processed, 2019

The total weight of item x rating in table 4 for the strength factor is 2.03 and the weakness factor is 0.80. This value is used as a reference for the current condition of the organization.

## **EFAS** matrix

Before creating an external strategy factor matrix, we need to know in advance the External Strategy Factor (EFAS), namely opportunities and threats that might affect the organization in the future. The weighting of each factor starts from 1.0 (very important) to 0.0 (not important). Rating values can be given from a scale of 4 (outstanding) to 1 (poor). The rating for the opportunity factor is positive (the greater opportunity is given a +4 rating, but if the opportunity is small given a +1 rating. The rating of the threat rating is the opposite.

External Strategic Factors	ltem Weight	Rating	Item Weight x Rating
Opportunities			
Have supporting regulations	0,121	3	0,363
Good and adequate socialization media	0,115	3	0,345
Technology	0,124	4	0,496
Organizational Image in the eyes of the community	0,120	3	0,36
Organizational fulfillment	0,123	4	0,492
amount			2,05
Threats			2
Number of work accidents	0,073	2	0,146
Demands for Technology Mastery	0,076	3	0,228
Government Policy	0,084	3	0,252
Infectious diseases	0,074	2	0,148
Desertion	0,085	2	0,17
amount			0,94
Total Strengths and Weaknesses	1,00		3,01

Figure 5. External Strategy Factors (EFAS)
Source: Primary data processed, 2019

The total weight of item x rating in table 4.2 for the opportunity factor is 2.05 and the threat factor is 0.94. This value is used as a reference for the current condition of the organization.

Assessment of internal and external factors that can be obtained from the total score which is the sum of the multiplication of weights and ratings in the table above 4.1 and table 4.2 for external factors a total score of 2.83 and internal factors obtain a total score of 3.01. The next stage based on the total score obtained by

the organization in the internal and external strategy factor table can be described the position of the organization to implement strategies that are in accordance with the current conditions, namely using the SWOT Diagram.

Based on Tables 4.1 and 4.2, the strength and weakness values (+) 1.22 and the value of Opportunties and Threats 1.11. From the identification of these factors, it can be described in the SWOT diagram below:

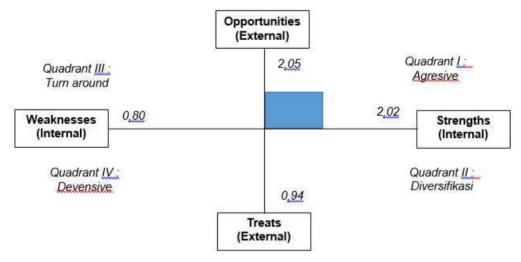


Figure 6. SWOT diagram

By paying attention to the SWOT diagram above, it can be concluded that the organization's position is in Quadrant 1. This shows that the situation is very beneficial because it has opportunities and strengths so that it can utilize the potential of the organization to be positioned above average.

IFAS	Strength (S) 1.Quality Personnel performance results 2.Determination of personnel performance standards. 3. Health 4. Dedication 5. Loyalty 6. Organizational Location 7. Discipline	Weaknesses (W) 1. Human Resources 2. Less Creative 3. Personnel Culture 4. Lack of personnel development 5. Lack of regeneration process
Opportunities (O) 1. Have supporting regulations 2. Good and adequate socialization media 3. Technology 4. Organizational Image in the eyes of the community 5. Organizational fulfillment	Strategy (SO) 1. Utilize the rules that have been made as well as possible. 2. Utilizing existing social media as a means of personnel information and education. 3. With the presence of sophisticated equipment that is expected to improve performance capabilities 4. Strengthen the image of the organization by increasing discipline and loyalty of personnel	Strategy (WO) 1. Recruiting new employees according to competence required 2. More intensive promotion and education by holding introductory activities in various events in all regions. 3. Maintaining good relations with related parties so that cooperation can continue
Threats (7) 1. Number of work accidents 2. Demands for Technology Mastery 3. Government Policy 4. Infectious diseases 5. desertion	Strategy (ST) 1. Develop competitiveness of personnel by providing services, education and welfare. 2. Increase personnel innovation so that it has good character and dedication.	Strategy (WT) 1. Providing good and comfortable vehicle / transportation facilities so that the impact of accidents can be minimized. 2. Improving the welfare of personnel both in education and the income received.

Figure 7. SWOT Strategy

#### Strategy (SO)

a. Utilize the rules that have been made as well as possible.

b. Utilizing existing social media as a means of personnel information and education.
c. With the presence of sophisticated equipment that is expected to improve performance capabilities

d. Strengthen the image of the organization by increasing discipline and loyalty of personnel

#### Strategy (WO)

a. Recruiting new employees according to competence required

b. More intensive promotion and education
 by holding introductory activities in various
 events in all regions.

c. Maintaining good relations with elated parties so that cooperation can continue.

#### Strategy (ST)

a. Develop competitiveness of personnel by providing services, education and welfare.b. Increase personnel innovation so that it has good character and dedication.

#### Strategy (WT)

a. Providing good and comfortable vehicle/ transportation facilities so that the impact of accidents can be minimized.

b. Improving the welfare of personnel both in education and the income received.

## 4. CONCLUSION AND SUGGESTION

## 4.1 Conclusions

From the discussion that has been described and based on the data the writer obtained from the research as discussed in the thesis, the following conclusions can be drawn:

a. Based on the results of the analysis of internal factors which is obtained from the sum of the ratings and organizational strengths and

weaknesses factors indicate the need to Utilize the rules that have been made as well as possible, Utilizing existing social media as a means of personnel information and education, With the presence of sophisticated equipment that is expected to improve performance capabilities, Strengthen the image of the organization by increasing discipline and loyalty of personnel and Recruiting new employees according to competence required, More intensive promotion and education by holding introductory activities in various events in all regions, Maintaining good relations with elated parties so that cooperation can continue.

b. Based on the results of the analysis of external factors that is obtained from the sum of the ratings and the opportunity and threat factors the highest chance is found in the increasingly high fulfillment of personnel who have high dedication, loyalty and creativity. By considering several alternatives as follows Develop competitiveness of personnel by providing services, education and welfare, Increase personnel innovation so that it has good character and dedication.

Providing good and comfortable vehicle / transportation facilities so that the impact of accidents can be minimized, Improving the welfare of personnel both in education and the income received.

c. The results of data analysis regarding the position of the organization using the SWOT analysis show that it is currently in a phase of organizational growth. The right strategy that must be applied based on SWOT ANALYSIS is by applying the SO (Strength - Opportunities) Strategy. This strategy is used to utilize the strengths of the organization to capture the opportunities of the existing organization. Includes:

1) Utilize the rules that have been made as well as possible.

2) Utilizing existing social media as a means of personnel information and education.

 With the presence of sophisticated equipment that is expected to improve performance capabilities

4) Strengthen the image of the organization by increasing discipline and loyalty of personnel

## 4.2 Suggestions

Based on the results of research, discussion and conclusions above, the following suggestions can be given:

a. Even though the organization is at the safe point of Quadrant 1, the organization has enough power to take advantage of the opportunities available, but the organization also needs to pay attention to all possibilities that can arise suddenly by threats or changes in policy.

b. With the problem of Human Resources in the organization, it must pay more attention to a good management.

c. High competition now demands to always innovate and have the formation of character compared to other organizations.

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