

## CHAPTER 1 INTRODUCTION

### 1.1. Background

In a rapidly changing competitive environment, human resources are one important source of competitive advantage (Çalışkan, 2010). Human resources are the most important assets and valuable resources in company's performance. Employees are important, since their knowledge, experience and skills increase the value of an organization in the market (Batarliene et al, 2017). An organization consists of people with formally assigned roles who work together to achieve the organizations goals (Dessler, 2013). Based on that, employee need to be managed effectively within the organization.

Werther and Davis (1989) stated that human resource management is the management of people who have a strategic importance on the success of the enterprise (Pujangkoro, 2004). Human resource management is responsible for the people dimension of organization. It is responsible for hiring competent people, training them, helping them perform in high levels, and providing mechanism to ensure that these employees maintain their productive affiliation with the organization (DeCenzo & Robbins, 2004).

Job analysis is one of the most important activities of human resource management (Suthar, Chakravarthi, & Pradhan, 2014). A job analysis is a systematic process of collecting data for determining the knowledge, skills, abilities, and other characteristics required to perform a job successfully and make judgments about the nature of a specific job. This analysis identifies a job's activities, behaviors, tasks, performance standards, and the personal requirements necessary to perform a job, such as personality, interests, physical characteristics, aptitudes, and job related knowledge and skills (Club & Job, 2013). Furthermore, DeCenzo & Robbins in 2004 summarize that job analysis is one of motivation function in order to help employee perform in high level.

Companies that regularly conduct job analysis possess a much better knowledge of their employees' strengths and limitations, and can take timely corrective action to improve any deficiencies in their skills and job behavior. A regular or proactive job analysis practice can help a company in creating a proper

infrastructure by defining the tasks to be performed as well as the timelines for performing them (Siddique, 2004).

When conducting a job analysis, we must determine the duties, functions and responsibilities associated with the position called job description, and the requirements for optimal performance of the respective position called job specifications (Sirbu & Pinte, 2014). Statt (2004) in Suthar discussed that the job description outlines the job tasks, duties and responsibilities. Suthar also combine statement from Byars & Rue (2006) that job description as a written narrative of the tasks to be performed and what it entails. (Suthar et al., 2014). Job description will give the opportunity for the team to work together and faster. It will increase also the good feeling of the employees. The job descriptions can be multipurpose tools that can be used in every aspect of the employment process (Lanka, 2015). Therefore, job analysis become strategic and important practice with potential contribution for organizational performance.

Performance means the process where employees with their engagement of knowledge and skills perform the work through the realization of their objectives effectively. Performance assessment can review the performance of employee in periodic time. Employees must be evaluated and motivated. Just when they feel valued and motivated, the employees can work effectively and will not be inclined to leave the organization (Osmani and Ramoli, 2012)

Tirta Jaya is one of service business which delivering fresh water for any purpose which established in 2002. Water transport will play an important role in future of transportation, so there is a great place for formation new enterprises. (Paliderova et al, 2015). Tirta Jaya has a good business prospect. It should be supported by good organization and good system. Bridges & Cawford in Hyväri said: within organizations, companies have organized project offices which specialize in managing projects more effectively (Hyväri, 2016).

In current situation, Tirta Jaya has two divisions in office such as marketing and administration. Marketing team take care of customer order, while administration team take care of customer payment. The problem is rising when management try to evaluate their financial condition. They don't have finance division in their organization.

Basically, they have administration supervisor which has responsibility to control administration team and doing some financial activities. The fact is administration

supervisor doesn't have written job description and mostly focus on controlling team. There is no people who completely take care of financial part. Therefore, management find difficulties for evaluating their financial condition since the information is only ended as unorganized data.

Tirta Jaya doesn't have job description for administration supervisor and finance position as a new division. They also don't have performance assessment for both position. In the other hand, job for administration supervisor need to be evaluate to prevent overlapping job with finance division.

Job analysis and performance assessment are important for every division in order to achieve the best result within organization. Unsuitable job description usually caused by job analysis which not conducted yet in the organization. Then, it might lead negative effect for the company such as unclear tasks, unnecessary job requirements, and wasted employee expertise. Without clear job description, employee can't work optimally. They will underestimate their tasks and their responsibilities. They don't have target as there is no performance assesment for evaluating their work. If performance assessment not created, it might lead unrealistic performance standard. The effect goes back to company, since it can potentially obstruct the achievement of company's goals.

### **1.2. Problem formulation**

Tirta Jaya plan to develop finance division to take care of financial job. Clear job description and performance assessment then needed.

### **1.3. Research limitation**

The limitation of this research are as below:

- a. This research will be conducted in Administration Division in Tirta Jaya
- b. The result recommendation will be based on data collection that taken from September 9<sup>th</sup> 2017 until October 9<sup>th</sup> 2017
- c. The new work flow determined by Office Coordinator based on the company's requirement.

### **1.4. Objective**

The objective of this research are as below:

- a. Conducting job analysis for determining job description for Administration Supervisor and Finance Division

- b. Determining performance assessment for Administration Supervisor and Finance Division

