

EMPLOYEE PERFORMANCE IMPROVEMENT STRATEGY AT PT. PERKEBUNAN SUMATERA UTARA

Agung Arinanda¹, Harmein Nasution², Iskandarini³

^{1,2,3}Universitas Sumatera Utara, Indonesia

*Corresponding e-mail: agungarinanda01@gmail.com, harmein_nasution@yahoo.com, iskandarini@usu.ac.id

Abstract

The purpose of this study was to identify the factors that determine the strengths, weaknesses, opportunities and threats of employee performance at PT. Perkebunan Sumatera Utara. Furthermore, this research aimed to design a strategy to improve the performance of employees of PT Perkebunan Sumatera Utara. The method used in this research was a qualitative method with descriptive techniques, such as data reduction, data presentation and conclusion drawing through SWOT analysis. The results of the study show that the Internal Factors (IFAS) and External Factors (EFAS) Matrix indicates that the performance of employees of PT. Perkebunan Sumatera Utara is still not optimal and requires a strategy to improve. There are several strength factors, namely motivation, relationships between employees, and cooperation & coordination. Meanwhile, the weakness factors of the company are competence, job satisfaction, work experience, and employee loyalty. The opportunity factors of the company are work environment, organizational commitment, and work design. Meanwhile, the threat factors of the company are organizational culture, compensation/honorarium, technology and facilities & infrastructure. While the position of the organization is having strengths but avoiding the threats that exist in the company, PT. Perkebunan Sumatera Utara is required to improve performance in order to achieve the targets of the company's Strength-Threats (S-T) strategy by using strengths to face various threats to take advantage of long-term opportunities by means of a diversification strategy (product or market). Improvements can also be made by avoiding micromanagement by building relationships between employees and teamwork and coordination to form an organizational culture that develops behaviors and values for improving employee performance, creating an open door policy in the organization, focusing on diversity and inclusion, increasing employee capabilities by striving to master new technology regarding the products/applications offered to support performance, providing incentives/compensation based on employee work results and improving facilities and infrastructure and providing work support facilities.

Keywords: *Employee Performance, Strategy, SWOT Analysis*

1. INTRODUCTION

Employee performance is the result of work given by an employee both in quality and quantity that will be achieved by the employee in carrying out his/her duties in accordance with the responsibilities given. Improving the quality and efficiency of employee performance is needed in a planned, directed, and sustainable manner to improve the ability and professionalism of employees at work. The ability of the work resources of the employees can improve the quality of the work of the employees in order to improve the operations of the employees in the implementation of the duties from the company. Performance is one of the achievements achieved by employees in carrying out the tasks and work given (Mangkunegara, 2018). PT. Perkebunan Sumatera Utara (Persero) is one of the state-owned enterprises owned by the province of North Sumatera. The implementation of anticipation of the globalization (free trade) in participating in supporting the government, especially the local government in order to drive the people's economy, also the need for views in increasing the role and function of the North Sumatra Plantation Regional Company so that it can make the regional government-owned enterprise one of the companies that help increase the economic growth of the region. In order to achieve the goals of the company, it is necessary to continue to be able to improve employee performance in order to achieve the company's goals.

The success of an organization can be measured by its performance, especially the performance of employees who can work effectively and efficiently in supporting the success of the company. Therefore, it is deemed necessary to improve the quality of their performance in order to improve their abilities, skills, creativity, and professionalism. This is very important to run the organizational process so that it is able to run well and in accordance with the implementation of tasks and functions in order to achieve the company's vision and mission.

Table 1.1
Employee Performance Evaluation of PT. Perkebunan Sumatera Utara

No	Description	Employee Performance Evaluation Results				
		A	B	C	D	E
1	Grade					
2	Score	100-90	89-80	79-70	69-60	< 60
3	Remarks	Very Good	Good	Fair	Below Average	Weak

Source: PT. Perkebunan Sumatera Utara

Table 1.1 shows that the performance of employees of PT North Sumatra Plantation is graded with grade A (very good) if they get a score of 90-100, grade B (good) if they get a score of 80-89, grade C (fair) if they get a score of 70-79, grade D (below average) if they get a score of 60-69, and grade E (weak) if they get a score of <60. Employee performance evaluation is carried out by an assessment system carried out by the head of the company PT. Perkebunan Sumatera Utara.

Table 1.2
Recapitulation of Employee Performance Evaluation of PT Perkebunan Sumatera Utara for 2018-2021 Period

Year	Number of Employees	Grade (per employee)					Average Score	Remarks
		A	B	C	D	E		
2018	50	10	22	12	6	0	88	Good
2019	50	8	20	15	7	0	85	Good
2020	40	3	12	18	7	0	77	Fair
2021	40	3	10	21	6	0	75	Fair

Source: PT. Perkebunan Sumatera Utara

In table 1.3, it can be seen that there have been performance fluctuations in 2018-2020, namely a situation where performance instability has caused the company's finances to decline. In the table, it can also be seen that for 4 years employees have never been graded very good, where in 2020 it actually experienced a significant decline, with an average score of employee performance that was 7, causing the employee performance grade to get a grade with sufficient criteria (C). Likewise, in the following year, 2021, it again experienced a decline with an average employee performance score of 75, so employee performance in 2021 was graded with Fair (C) criteria.

2. LITERATURE REVIEW

2.1 Internal Factor

2.1.1 Motivation

The driving attitude displayed by workers or leaders, whether intentionally or unintentionally, can be described as motivation. People who have a good attitude towards their work will have a high level of motivation, and those who have a negative or opposing attitude will show a low level of motivation.

Workplace circumstances include aspects such as co-workers, workplace facilities, work environment, leadership standards, leadership behavior, and working conditions (Mangkunegara, 2005).

2.1.2 Employee Relations

According to Frank Jefkins (1995), interpersonal interactions within the organization (employee relations) or between other members of the company will become more human-centered and less similar to those in the business world. While industrial relations emphasize more on pay scales with different working conditions and hierarchies. However, there is a direct link between the two as employee communication, whether successful or not, has a significant impact on the employment relationship. This statement implies that employee relations is an internal matter in businesses that uphold human values.

2.1.3 Cooperation and Coordination Factors

Lewis Thomas and Elaine B. Johnson (2014) state that cooperation is a type of behavior that occurs among living things that we are aware of. Collaboration, or what we can call collaborative learning activities, is a team (group) process where participants depend on and help each other to reach a decision. The classroom is the best place to encourage the development of collaborative team skills. Mental barriers caused by limited experience and perspectives can be overcome through collaboration. Learning to respect others more, listening with an open mind, and making agreements to collaborate will help in identifying strengths and weaknesses.

2.1.4 Competence

According to Palan (2007), the terms “competence” and “proficiency” are used to describe two different aspects of the workforce. According to Prihati (2004), the two concepts can be substituted by talking about the broad skills needed to perform a task. Miller, Rankin, and Neathey state that competence is a description of what a person needs to know and be able to do to perform their job well and how a person can behave to properly perform their job (Hutapea and Toha, 2008).

2.1.5 Job Satisfaction

Job satisfaction is an employee's attitude toward their job as a comparison between how much reward the employee should receive and how much they believe they should receive. Employee job satisfaction is important in the human resource management department. It can help maintain employee positions, and it can also increase productivity levels (Qazi & Kaur, 2017). According to (Ahamed and Mahmood, 2015), employees will be motivated or encouraged to do more than the minimum standards required to maintain their jobs. Job satisfaction is related to the type of work, and people judge their job satisfaction based on what they consider important or meaningful (Sempene et al., 2002).

2.1.6 Work Experience

Managers must take into account a number of variables that can affect the profitability of the company. One aspect that must be considered is work experience. Work experience according to Marwansyah in Wariati (2015) is the knowledge, talents and skills possessed by employees to carry out tasks related to the employee's previous job.

2.1.7 Employee Loyalty

Employee loyalty, according to Hasibuan (2011), is loyalty shown in the willingness of employees to maintain the good name of the company from irresponsible people both inside and outside the workplace. Loyalty, according to Sudimin (2003), is the willingness of employees to contribute with all their abilities, skills, thoughts, and time for the achievement of company goals and the preservation of company secrets, as well as self-avoidance of actions that can harm the company as long as he is still an employee of the company.

2.2 External Factor

2.2.1 Work Environment

According to (Diana Khairani Sofyan, 2013), the work environment is a non-human factor in an organization that is both physical and non-physical. The consensus among experts on the nature of the workplace is that there is a positive relationship between workplace and job satisfaction and that it has an impact on how well the organization performs in the workplace.

2.2.2 Organizational Commitment

When an employee supports the goals of a particular organization and wants to maintain their membership, they are said to be organizationally involved. According to Samsuddin (2018), the definition of organizational involvement is a promise (contract/agreement) to carry out a task and fulfillment of promises made to oneself or others by action. Total acceptance of a sincere attitude that comes from within is the definition of commitment.

2.2.3 Job Design

Job design is an update to the study of actions taken to improve the productivity, efficiency, and effectiveness of a company and the performance of its employees. The relationship between technology and people must be considered when developing a task. Objectives must also be considered, and the abilities and requirements to perform the job must be identified. Job extension and job enrichment are terms used in job design to describe this matter.

2.2.4 Organizational Culture

According to Schein (in Ardini, 2006), organizational culture is a fundamental pattern of thought shared by all members developed by a group in solving external adjustment problems. Because it has been proven to be quite effective and accepted as legitimate, it needs to be introduced to companies in order to improve employee performance and develop a positive organizational culture that allows the company to achieve its goals. A good corporate culture will encourage the growth of employee performance and can inspire workers to achieve common goals. This will then influence employee behavior in the direction the organization wants.

2.2.5 Compensation/honorarium

(Hasibuan, 2014) defines compensation as all income received by employees in return for services provided to the organization, either in the form of direct or indirect goods in return for services provided to the organization. Because they believe that their efforts are appreciated and that they receive a fair reward for their labor, employees are more motivated to work optimally when they are paid well.

2.2.6 Technology

Information technology is a development of technology used to process data, including processing, obtaining, compiling, storing, and manipulating data in various ways to produce quality information, which is information that is relevant, accurate, and timely and can be used for personal, business, and government purposes. This information technology requires a series of computers to process data, a network system to connect the computers as needed, and telecommunications technology to allow data to be shared and accessed internationally.

2.2.7 Facilities and Infrastructure

Regulation of Minister of Home Affairs No. 7/2006 on the Unification of Working Conditions and Infrastructure to Support the Improvement of Municipal Government Performance in Article 1 contains the definition of infrastructure. Objects are objects that directly support the implementation of objectives in local government. Meanwhile, the infrastructure discussed is a form of object that indirectly supports the work system of the society, which is synchronized with the expected goals.

3. METHODS

The population in this study were employees of PT North Sumatra Plantation. The method was a survey method with interviews and questionnaires. Respondents were employees of PT Perkebunan Sumatera Utara, and data analysis was carried out using SWOT analysis to formulate appropriate strategies. Rangkuti (2006) suggests that a SWOT analysis is an approach that can be used as an instrument in selecting basic strategies. SWOT analysis identifies external opportunities and threats as well as internal strengths and weaknesses. Data were obtained based on observations and interviews. Observations on activities at the research site used qualitative data to add meaning and interpretation to the analysis of the results. Data were analyzed descriptively and qualitatively in accordance with the basic theory.

4. RESULTS AND DISCUSSION

In determining the employee performance development strategy of PT Perkebunan Sumatera Utara, SWOT analysis was used. This analysis is based on logic that maximizes strengths (S) and opportunities (O), but simultaneously to minimize weaknesses (W) and threats (T). SWOT analysis is used to compare external and internal factors. External factors consist of opportunities and threats, while internal factors consist of strengths and weaknesses. This research identified internal factors (strengths and weaknesses) and external factors (opportunities and threats). Based on data showing the strengths and weaknesses of employees, and the identification of opportunities and threats to employee performance at PT Perkebunan Sumatera Utara, an external factors analysis summary (EFAS) model and an internal factors analysis summary (IFAS) model were prepared. Then, comparison between internal factors, including Strengths and Weaknesses, and external factors, opportunities and threats, is done to formulate strategies to improve the reduction of weaknesses by utilizing strengths and opportunities by considering possible threats. The strategies that have been selected are the most profitable strategies with the smallest risks and threats, as shown in Tables 1 and 2.

Table 1

Internal factor analysis summary (IFAS)

Internal Strategy Factors		Weight	Rating	Score
Strength				
1	Motivation	0,23	4	0,92
2	Employee relations	0,17	3	0,51
3	Cooperation and Coordination	0,15	2,5	0,37
	Total	0,55		1,80
Weakness				
1	Competence	0,11	2	0,22
2	Job Satisfaction	0,11	2	0,22
3	Work Experience	0,11	2	0,22
4	Employee Loyalty	0,11	2	0,22
	Total	0,45		0,88
	Sub-total	1		2,68

Source: Processed Data 2022

The IFAS matrix resulted in a score of 2.68 from all internal factors. It is indicated by a strength score of 1.80 and a weakness of 0.88. Based on the total of all internal strategic factors, it is necessary to focus on fixing its weaknesses by maximizing strengths.

Table 2.
Ekternal factor analysis summary (EFAS)

External Strategy Factors		Weight	Rating	Score
Opportunity				
1	Work Environment	0,17	3	0,51
2	Organizational Commitment	0,12	2	0,24
3	Job Design	0,12	2	0,24
Total		0,41		0,99
Threat				
1	Organizational Culture	0,17	3	0,51
2	Compensation/honorarium	0,17	3	0,51
3	Technology	0,12	2	0,24
4	Facility and Infrastructure	0,12	2	0,24
Total		0,59		1,5
Sub-total		1		2,49

Source: Processed Data 2022

The EFAS matrix resulted in a score of 2.49 from all external factors. It is indicated by the opportunity score of 0.99 and the threat of 1.5. Based on the total of all external strategic factors, it is necessary to improve employee performance and continue to be able to avoid existing threats.

4.1 SWOT Matrix

SWOT matrix is the initial process in formulating strategies that will be carried out in improving the performance of employees of PT Perkebunan Sumatera Utara. The analysis requires carrying out the right strategy by looking at opportunities and strengths, while also paying attention to threats and weaknesses. This matrix clearly describes the existing conditions. This matrix is used to help determine four types of appropriate strategies, namely SO Strategy (strength-opportunity), WO Strategy (weakness-opportunity), ST Strategy (strength-threat), WT Strategy (weakness-threat) tailored for PT. Perkebunan Sumatera Utara.

Table 3.

SWOT matrix in improving employee performance of PT. Perkebunan Sumatera Utara

<p>Internal Factors</p>	<p>Strength (S)</p> <ol style="list-style-type: none"> 1. Motivation 2. Employee relations 3. Cooperation and Coordination 	<p>Weakness (W)</p> <ol style="list-style-type: none"> 1. Competence 2. Job Satisfaction 3. Work Experience 4. Employee Loyalty
<p>External Factors</p>	<p>S-O Strategy</p> <ol style="list-style-type: none"> 1. Creating a positive, safe, and comfortable work environment in order to establish an environment which cares, empathizes, appreciates, respects, and gives employees their rights and opinions (S1,01). 2. Maintaining good relationships between employees, building clear communication and strategic goals for the team, providing job descriptions according to employee expertise in detail, being transparent, appreciating every achievement of team members and supporting every creativity that employees have (S2,S3,02,03). 3. Providing goals from the company that are clear and easily understood by all employees for the continuity of their work, providing enough freedom to bridge work excellence, and providing opportunities for improvement skills to realize skilled and professional employees (S3,03). 	<p>W-O Strategy</p> <ol style="list-style-type: none"> 1. Improving employee competence by conducting training programs according to the work needs of employees, conducting periodic evaluations and making feedback to employees, and providing career development for employees (W1,W2,02,03). 2. Providing job satisfaction with a comfortable environment in the work area by providing activities out of routine that can strengthen bonds between employees so that they have a sense of ownership/loyalty and it can encourage employees to work (W2,W4,01). 3. Implementing organizational commitment to involve employees in achieving the company's vision and mission so that employees have a strong effective commitment to continue working and have high loyalty (W4,02).
<p>Opportunities (O)</p> <ol style="list-style-type: none"> 1. Work Environment 2. Organizational Commitment 3. Job design 		

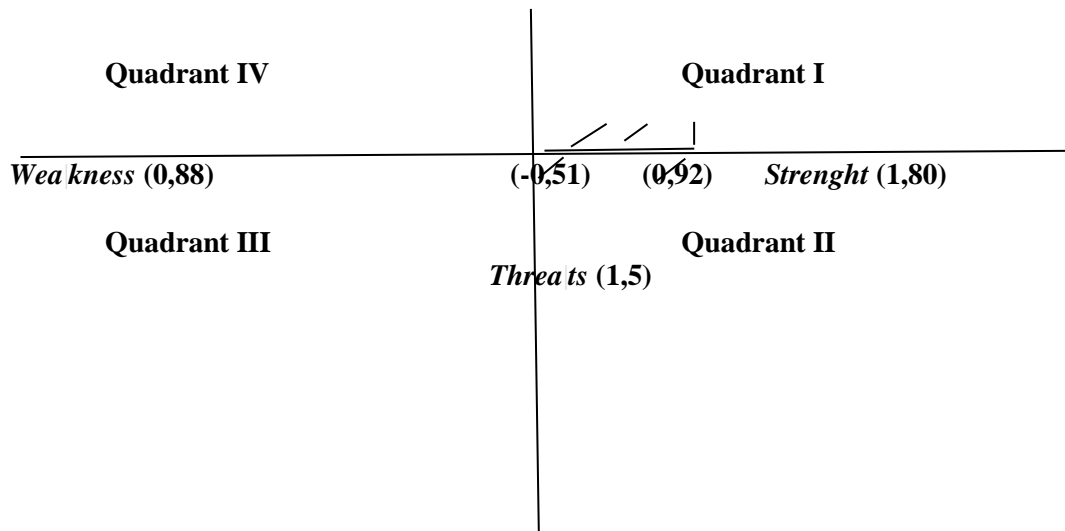
Threats (T)	S-T Strategy	W-T Strategy
<ol style="list-style-type: none"> 1. Organizational Culture 2. Compensation 3. Technology 4. Facility and Infrastructure 	<ol style="list-style-type: none"> 1. Avoiding micromanagement by building relationships between employees and teamwork and coordination to form an organizational culture that develops behaviors and values for improved employee performance (S2,S3,T1). 2. Creating an open-door policy in the organization, focusing on diversity and inclusion, improving employee skills in order to continuously master new technologies to improve production (S3,T3,T4). 3. Providing incentives/compensation in accordance with employee work results, improving and upgrading facilities and infrastructure, and providing work support facilities (S1,T2,T4). 	<ol style="list-style-type: none"> 1. Providing and improving technology and infrastructure of work support facilities to improve the competence and work experience of employees at work (W1,W3,T3,T4) 2. Increasing employee satisfaction and loyalty by providing bonuses/rewards based on performance to create a comfortable organizational culture (W2,W3,T1). 3. Conducting appropriate work assessments and evaluations, giving employees confidence, providing feedback on employee performance, being supportive and always guiding and directing employees (W3,T4).

4.2 SWOT Diagram

The total score has the value of each factor detailed, strength (1.80), weakness (0.88), opportunity (0.99) and threats (1.5). Then the difference between the total score of strengths and weaknesses is (0.92), while the difference between the total score of opportunity and threats is (-0.51). The results are then outlined in the Cartecius diagram as follows:



Figure 4.4.
SWOT Analysis Cartesian Diagram
PT. Perkebunan Sumatera Utara
Opportunities (0,99)



Through the cartecius diagram above, it can be concluded that the performance of employees at PT Perkebunan Sumatera Utara is in quadrant II. This shows that quadrant two (2) is a condition that even though it is experiencing many threats, the agency still has strengths from within or internal parts. Strategies that must be applied by utilizing strengths to achieve long-term opportunities through a diversification strategy process (market/product). PT Perkebunan Sumatera Utara must strive to keep up with the rapid and great advances in technology. The fact is that there are still many employees who have not mastered technological developments. The company and executives must be able to make new breakthroughs to support the improvement of the performance of its employees, such as conducting trainings on technological developments, improving adequate infrastructure to support employee facilities, providing honorariums in accordance with the work of employees to foster the enthusiasm and hard work of employees. Creating a comfortable organizational culture is a common task of the company. It involves creating a transparent, caring, empathetic organizational culture and giving employees the right to express their opinions to foster good relationships and solid cooperation and coordination to achieve the vision and mission of the company.

4.3 Conclusion

Based on the explanation that has been presented in the previous sections regarding the Determination of Strategies to Improve Employee Performance of PT Perkebunan Sumatera Utara with SWOT Analysis, several conclusions are obtained as follows: The strategy that companies can do is to take advantage of strengths and avoid existing threats. Through the SWOT diagram, it shows that employee performance at PT. Perkebunan Sumatera Utara is in quadrant II. This shows that Quadrant two (2) is a condition where even though it is experiencing many threats, the agency still has strengths or strengths from within or internal parts. The strategy that must be applied to the company is to utilize strengths to implement long-term opportunities through a diversification strategy process (market/product).

The strategy that can be applied by the company is Strenght-Threats:

- Avoiding micromanagement by building relationships between employees and teamwork and coordination to form an organizational culture that develops behaviors and values to improve employee performance.
- Creating an open-door policy in the organization, focusing on diversity and inclusion, improving employee capabilities by continuing to strive to master new technology regarding the

products/applications offered to support the performance of employees to achieve the goals of the company/institution.

- c. Providing incentives or compensation based on the results of employee work, improving and upgrading facilities and infrastructure and providing work support facilities.

REFERENCES

- Arfah, M. (2021), strategi Peningkatan Kinerja Karyawan pada PT. Bank Rakyat Indonesia (persero) TBK Unit Bulomario Kota Pasangkayu, *Jurnal Ilmu Manajemen*. 5 (1). 55-71.
- Asmawati, Zulkufli. (2019). Strategi Peningkatan Kinerja Karyawan pada Badan Pertanian, Perikanan dan Kehutanan Kabupaten Bireuen, Aceh-Indonesia: Suatu Analisis SWOT, *Jurnal Agriflora*. 3 (2). 87-99.
- Bagia I, Susila, J, A, P, G, & Wiarnadi, P, N. (2019). Analisis Faktor-faktor yang mempengaruhi Kinerja Karyawan pada Bali Taman Lovina resort & SPA, *Jurnal Manajemen*. 7. 49-59.
- Batoebara, U, M, & Sihombing, T, L, P. (2019). Strategi Peningkatan Kinerja Karyawan dalam Pencapaian Tujum Perusahaan di CV Multi Baja Medan, *Jurnal Publik Reform UND HAR Medan*. 6.
- Deasy, Iryani. (2021). Strategi Peningkatan Kinerja Karyawan: Analisis SWOT. 4 (1). 525-538.
- Dharmawan D, Marzani N. (2017). Pengaruh Lingkungan Kerja Dan Kompetensi Terhadap Kinerja Karyawan Pt. Sinar Mas Land. Tbk Tangerang, *Jurnal Manajemen Bisnis Krisnadwipayana*. 5 (3).
- Franco, M., Virgilio, F. D, & Pietro, L. Di. (2007). Diversity in Work Groups : Effects on the Level of Conflict. November 2014.
- Hasibuan. (2006). *Manajemen Sumber Daya Manusia*, Edisi Revisi Jakarta. Bumi aksasara.
- Hasibuan. (2008). *Manajemen Sumber Daya Manusia Dalam Organisasi*. Cetakan Keenam, SUN, Jakarta.
- Husein. (2008). *Riset Sumber Daya Manusia Dalam Organisasi*. Cetakan Keenam, SUN, Jakarta.
- Jacobsson, A., Backteman E, S, & Egan S, A. (2020). Diversity, preventive work and education—matters of health and well-being in firefighter discourse. *International Journal of Qualitative Studies on Health and Well-Being*, 15(1).
- Jati, P, Manangka C, N, & Wahyuningsih, S. (2021). Analisis Strategi Peningkatan Kinerja Karyawan pada CV. Santoso, *Jurnal Ilmu Pengetahuan Sosial*. 8 (8). 2680-2686.
- Pawenary, Affandi, J, M, Maarif, S, M, Triemiaty. (2019). Strategi Peningkatan Kinerja Karyawan pada Perusahaan Kontruksi, *Jurnal Manajemen dan Bisnis*. 4 (1). 54-68.
- Putra, A, R. (2021). Determinasi Kinerja Karyawan: Kompensasi, Motivasi, Dan Kepuasan Kerja (Suatu Kajian Studi Literatur Manajemen Sumber Daya Manusia), *Jurnal Ilmu Manajemen Terapan*. 2 (4). 562-576.
- Simamora. (2006). *Manajemen Sumber Daya Manusia Untuk Perusahaan*, Edisi 2, STIE YKPN. Yogyakarta.
- Soekidjo. (2009). *Analisis Pengembangan Sumber Daya Manusia*. Jakarta: Rineka Cipta.
- Sri, N, Maarif, S, M, & Kusumawati, R. (2019). Strategi Peningkatan Kinerja Karyawan Taman Buah Mekar Sari, *Jurnal Aplikasi Manajemen dan Bisnis*. 5 (1). 59-70.
- Suliyanto. (2005). *Analisis Data Dalam Aplikasi Pemasaran*, Bogor: Ghalia Indonesia.
- Wijaya, F, L. (2021). Sistem Reward dan Punishment sebagai Pemicu dalam Meningkatkan Kinerja Karyawan, *Jurnal Ilmu Komputer, Ekonomi dan Manajemen*. 1 (2). 1-11.