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The Role of Human Resources Management in an Organization or Company

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***Abstract:** This research aims to explain and find out how important human resource management is for an organization or company by using the literature review method. The conclusion of this study is that human resource management has a very important role in Planning, Organizing, Human Resource Development, Directing & Controlling managerial and operational functions in achieving organizational or company goals. The purpose of human resource management is to become a resource that has a competitive advantage through human resource management, which includes making the right decisions and managing environmental changes such as technology, business restructuring, competitors, and social and legal politics. If all aspects are managed by superior human resources, an organization or company can achieve its goals effectively and efficiently.*

***Keywords:** Human Resources Management, Organization, Company.*

1. INTRODUCTION

1.1. Research Background

The success of an organization or company depends on its human resources. A successful organization or company must have a competitive edge in human resources. The benefits come in the form of knowledgeable and skilled professional human resources. In order to achieve work performance, the human resource management scope offers a complete picture of the relationship between HRM functions, work abilities or competencies, and work motivation. Additionally, the use of job analysis as a tool for human resource management is necessary. Job analysis includes understanding, objectives, job information, principles and procedures, and results.

Human resources support the success of an organization or company with work, talent, creativity, innovation, and encouragement. Although technology is evolving at an ever-increasingly rapid pace today, human resources still play a critical role. Therefore, there is a need for harmony between technological advancements and human resources. In order to

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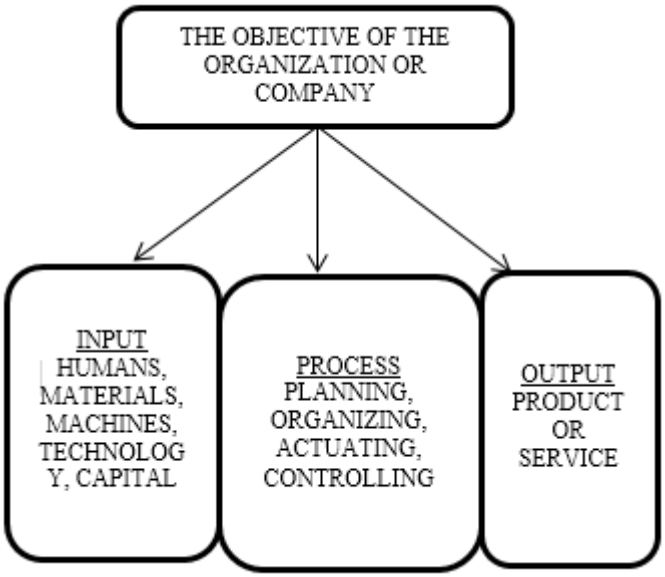
achieve organizational or company goals, human resources, along with other elements like materials, capital, machines, and technology, are inputs from the organization that are transformed through a management process into outputs in the form of goods or services.



Page Layout

When facing challenges or changes in the environment in the future, the role of human resource management becomes very important in designing and organizing work and allocating it to employees. This relates to how to plan, attract, select, train, develop, and manage human resources effectively to do jobs. In addition, how to create working conditions and environments that can satisfy the various needs of employees is also important. Organizations or companies need to design career development opportunities, compensation systems, union-management relations, and various other forms of employee services to maintain effectiveness and high morale in order to remain effective in the long term. Finally, how to ensure and control the effectiveness and efficiency of the employees of the organizations or company's human resource management.

Human resources play a major and active part in each and every activity of an organization or business. Human resources act as actors, planners, and determinants in the achievement of organizational goals. If an organization or company eliminates the role of human resources as technology develops rapidly inside the organization or company, so that all issues concerning to the goals of the organization or company may not be realized effectively and efficiently. In order to respond to these challenges and changes in the business and technological environment and to ensure that employees and the community are satisfied, it is essential to manage human resources as effectively as possible.

1.2 Research Objectives

The purpose of this research is to explain and find out how important the role of human resource management in an organization or company is.

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1.3 Method
The method of this research is to use the literature study method.

2. LITERATURE REVIEW
2.1 Definition of Human Resource Management
Human resource management can be formulated as an art and science to obtain, promote and utilize human resources so that organizational goals can be realized efficiently as well as the enthusiasm of working from the workers (M. Manullang, 1990:14). Human resource management is the science and art of managing the relationship and the role of the workforce to be effective and efficient in helping to realize the goals of the company, employees and society (Malayu S.P Hasibuan, 2005:10).

To help a company, an individual, or a community achieve its goals, human resource management involves organizing, planning, directing, and monitoring the hiring, training, compensation, integration, maintenance, and termination of labor relations (M. Agus Tulus, 1995:3). Human resource management is the science and art or process of obtaining, advancing or developing, and maintaining a competent workforce in such a way that organizational goals can be achieved efficiently and there is personal satisfaction (Bambang Wahyudi, 2002:10).

Human resource management is the withdrawal, selection, development, maintenance and use of human resources to achieve both individual and organizational goals (T. Hani Handoko, 2001:4). Moreover, the science and art of managing relationships and the workforce's contribution to achieving the objectives of the business, its employees, and society is known as human resource management (Malayu S.P. Hasibuan, 2005:10). The management of people through organizational initiatives and operational tasks is the focus of human resource management. Thus, the process of planning, organizing, staffing, directing, and monitoring the hiring, training, compensation, integrating, maintaining, and separating workers in order to achieve organizational goals is referred to as human resource management (Wilson Bangun, 2012:6).

2.2 Scope of Human Resource Management
Human resource management can be broadly divided into three categories of activities: human resource procurement, human resource development, and human resource maintenance. Thus the scope of human resource management includes (Bambang Wahyudi, 2002:14-17):

1. Human resource procurement
- Human resource planning
- Recruitment of job candidates
- Selection
- Placement
- Debriefing

2. Human resource development
- Training and development
- Career development

3. Human resource maintenance

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- Position compensation
- Integration
- Labor relations
- Work termination

2.3. Job Analysis

Once jobs are created, an understanding of the job and its requirements must be gathered through job analysis. Job analysis systematically collects, evaluates, and organizes information about a job or job title. This analysis collects data on each, but not every individual job position. Job information collected through job analysis plays an important role in human resource management as it provides the minimum data necessary to carry out human resource management activities and formulate them. The uses of this job/position analysis include (T. Hani Handoko, 2001: 41-42):

1. Establishing a rational basis for the compensation structure
2. Evaluating how environmental challenges affect individual jobs
3. Eliminating work requirements that can cause discrimination in the procurement of human resources
4. Planning human resource needs in the future and as a basis for planning
5. Combining applications and job vacancies
6. Estimating and determining training needs for existing and new employees
7. Developing potential employee development plans
8. Setting realistic work performance standards
9. Placing employees in jobs that match their abilities and skills effectively
10. Helping revise the organizational or company structure
11. Introducing new employees to their jobs
12. Improving workflow
13. Providing data as a function of communication channels
14. Setting the line of promotion in all departments and organizations or companies

2.4. Human Resource Management Function

Human resource management functions include planning, organizing, actuating, controlling, procurement, development, compensation, integration, maintenance, discipline and termination of work (Malayu S.P Hasibuan, 2005:21-23).

1. Planning

Planning is the process of organizing the workforce in a way that best represents the needs of the organization or business and aids in the achievement of its objectives. Planning is done by establishing a staffing program which includes organization, control, procurement, development, compensation, integration, maintenance, discipline and termination of employees. A good staffing program will help achieve the goals of the organization or company, employees and society.

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2. Organizing

Organizing is an activity to organize all employees by determining the division of labor, labor relations, delegation of authority, integration and coordination in the organizational chart. With a good organization, effective goals will be realized.

3. Actuating

Actuating is the activity of directing all employees to cooperate and work effectively and efficiently in helping to achieve the goals of the company, employees, and society. Actuating is carried out by the leader by assigning subordinates to do all their duties properly.

4. Controlling

Controlling is the activity of ensuring that all employees follow all company policies and carry out their assigned tasks. If deviations or mistakes occur, the plan would be amended to include the necessary corrections. Attendance, rules of conduct, cooperation, behavior, work product, and upkeep of the workplace are all under the control of the employee.

5. Procurement

Procurement is the process of selecting, interviewing, orientating, and hiring candidates who meet the needs of the business.

6. Development

Development is the process of improving employees' technical, theoretical, conceptual, and moral skills through education and training. The education and training provided must be in accordance with the needs of current and future jobs.

7. Compensation

Compensation is the provision of direct and indirect remuneration, money or goods to employees in return for services provided to the company. The principle of compensation is fair and just. Fair is defined in accordance with his work performance, appropriate is defined as meeting his primary needs and is guided by the government's minimum wage limit based on internal and external consistency.

8. Integration

Integration is an activity to unite the interests of the company and the needs of employees in order to create harmonious and mutually beneficial cooperation. The company earns a profit, and employees can meet their needs from the results of their work. Integration is an important and difficult thing in human resource management because it unites two conflicting interests.

9. Maintenance

Maintenance is an activity to improve the physical, mental and loyalty conditions of employees so that they will continue to work together until retirement. Good maintenance is carried out with a welfare program that is based on the needs of most employees and is guided by internal and external consistency.

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10. Discipline

Discipline is the most important function of human resource management and the key to the realization of organizational or company goals because, without good discipline, it is difficult to achieve maximum goals. Discipline is the desire and awareness to obey company rules and social norms.

11. Termination of work

Termination is the end of a person's employment contract with an organization. This dismissal is made due to the employee's wishes, those of the employer, the expiration of the employment contract, retirement, and other factors.

2.5. Human Resource Management as a Process

Human resource management performs its function by distributing workers to various fields within the organization according to their needs. Human resources have linkages with management in other areas of the organization to achieve effective work results. Other fields require qualified workers to maintain and improve the quality of their services to the community.

The human resources division holds a major responsibility in meeting the needs of each division in the organization. Overall an organization or company is a process of managing inputs (human, material, methods and equipment) into products (goods or services) to be able to meet the needs of the community.

An organization or company needs to ensure the product can be superior in the market. This shows that competition is getting sharper in the era of free trade that has been carried out lately. Therefore, organizations or companies have thought about how to produce products that are competitive with human resource management as executor (Wilson Bangun, 2012:6-7)

2.6. The Role of Human Resource Management

The role of human resource management is to organize and establish a staffing program that includes the following issues:

1. Determine the number, quality, and effective placement of workers in accordance with company needs based on job descriptions, job specifications, job requirements, and job evaluations.
2. Determine the withdrawal, selection, and placement of employees based on the principle of the right man in the right place and the right man in the right job.
3. Establish welfare, development, promotion and termination programs.
4. Forecasting supply and demand for human resources in the future.
5. Estimate the state of the economy in general and the development of the company in particular.
6. Carefully monitor labor laws and the policy of providing remuneration for similar companies.
7. Monitor technical progress and trade union development.
8. Carry out education, training, and assessment of employee performance.
9. Regulating employee transfers both vertically and horizontally.
10. Arrange pensions, terminations, and severance pay. (Malayu S.P. Hasibuan, 2005:14-15)

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4. DISCUSSION

The important role of human resource management for an organization or company can be seen from the studies of several experts. Malay S.P. Hasibuan stated that management is the science and art of managing the process of utilizing human resources and other resources effectively and efficiently to achieve a certain goal. Management consists of six elements (6M), namely: men, money, methods, materials, machines, and the market. This human element has developed into a field of human resource management, which is a translation of manpower management. The management that regulates this human element is called personnel management. Both are sciences that regulate the human element in an organization or company in order to support the realization of goals. Human resource management is a field of management that specifically studies the relationship and role of humans in corporate organizations. Elements of human resource management are humans who are workers in the company. Thus, the focus of this study of human resource management is issues related to human labor only. Every action taken by a group or business is always actively and largely influenced by humans. Humans take on roles as actors, planners, and decision-makers in the process of realizing organizational or corporate goals. Regardless of how sophisticated the tools that an organization or company owns are, goals cannot be achieved without the active participation of its employees. If the company's active staff does not support its sophisticated tools, they are completely useless. Managing employees is a difficult and complex task. Because they have thoughts, feelings, status, desires, and heterogeneous backgrounds that are brought into the organization or company. Employees cannot be fully regulated and controlled, such as managing machines, capital, and buildings.

Human resource management is part of management. Therefore, general management theories are the basis of the discussion. Human resource management focuses more on the discussion of regulating the role of humans in realizing goals optimally. This arrangement includes issues of planning, organizing, directing, controlling, procuring, developing, compensating, integrating, maintaining, disciplining, and terminating the workforce to help realize the goals of the organization or company, employees, and society. It is clear that human resource management regulates the human workforce in such a way that the company's goals, employee satisfaction, and society are realized.

Wilson Bangun also explains the significance of human resource management, stating that it is the implementer and in charge of all human resource-related activities, including hiring, training, and development, as well as workforce separation. These activities are very important because they are determinants in achieving strategic goals. Human resource management functions are carried out in accordance with the direction and vision of the organization or company for the benefit of members of the organization or company and other communities.

Human resource management activities include strategies that are determined and implemented by decision makers to be able to provide effective work results. At the strategic level, human resource managers must be able to design human resource activities for the benefit of the sustainability of the organization's or company's activities in the future. Human resource management experts will develop guidelines and systems related to human resource management functions. Terms and conditions of work are guidelines in the implementation

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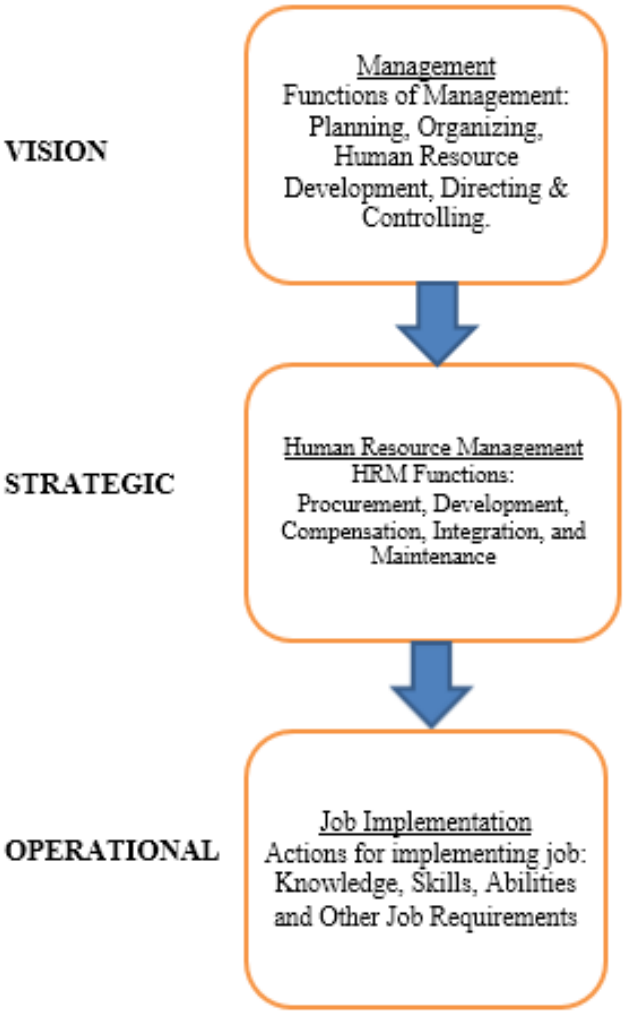
of work. Workers who meet the requirements will carry out the work in accordance with the expectations of the employer.

Management Activity



5. CONCLUSIONS

From the theoretical explanations and the discussions, company or organization needs a good management process. In addition, human resources need to be managed and regulated to produce a superior and professional workforce to achieve organizational or company goals. Human resource management, based on its functions, consists of human resource procurement (job analysis, HR planning, recruitment, HR selection, HR placement), human resource development (HR development, career planning, career development, organizational development, management and assessment performance), compensation (financial and non-

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financial compensation), integration (work motivation, job satisfaction, leadership), and maintenance of human resources (work communication, occupational safety and health). These functions encourage and assist the company or organization in achieving the goals of the company, employees, and society. Managers of human resources have to see human resources as assets that must be managed properly based on the needs of the organization or company to succeed in realizing organizational or company goals optimally and effectively. Organizational or business managers need to be able to combine the various knowledge, skills, and competencies that their employees possess with other organizational resources. It seeks to build a business or organization that is professional and competitive, keeping up with the advancement of commerce and technology.

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