

CHAPTER IV
RESULT & DISCUSSION

A. The Enterprises' General Description

1. Golden MM

a. History of Golden MM

Golden MM was established on May 7th 2007 in Hasanudin Street No. 29 Batu. Golden MM is a micro business (with total amount of ten employees) retail store survives among the invasion of modern retail companies which are dominating retail competition in Indonesia, especially in Batu, East Java. When Golden MM was just established in Batu, there were still a few retail competitors. Bigger scale competitors had not dominated the market share in Batu yet. Hence, Golden MM owner, Mohammad Husni decided to establish a retail store which is different to traditional retail, where the simplicity of shopping is the main concept of modern retail. The application of computer based technology and special software facilitate customers and sellers in the transaction.

However, in the middle of the tough competition of modern retail, Golden MM as SMEs survives by continuing to make innovations in order to compensate for the modern retail competition, although financial issue is the main problem of most

SME. It raises limitation of innovation and business development. Golden MM currently has ten employees with the details of one operational manager, two cashiers, and seven clerks.

b. Golden MM Job Description

1. Operational Manager

Operational Manager is responsible to supervise all internal and external activities. Starting from the transaction with customers and suppliers, payroll, and bookkeeping. Operational Manager is directly responsible to the owner.

2. Cashier

Cashier is responsible for the transaction with customers. Cashier is also responsible of every closing transaction when the store close, sell products and the money earned have to be matched. Cashier is also responsible to give the new products information and sponsorship to the consumers via verbal method.

3. Clerk

Clerk is responsible for arranging incoming products from the supplier to the warehouse and the display. Clerk has to check the expired date of the products and then report it to the Operational Manager. Providing information and direct service to customers are also clerk's responsibility.

c. Golden MM Organizational Structure

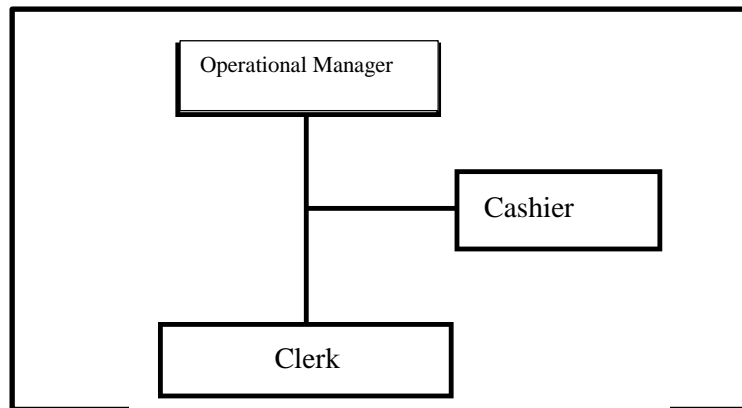


Figure 4.1 Golden MM Organizational Structure. (Source: Processed Data, 2017)

2. Omah Kentang

a. History of Omah Kentang

Omah Kentang is one of the culinary-based micro business (with total amount of eight employees) in Batu which was established in 2015. Omah Kentang means "Rumah Kentang" in Indonesia. The owner gives the name "Omah Kentang" because uniqueness is offered in this restaurant which is located in Arjuno Street 3rd Batu. Omah kentang's owner, Mrs. Handini Ilfadilla is an entrepreneur who is engaged in agricultural sector especially potato. Therefore, every customer who decides to eat in Omah Kentang will get some kinds of potato products for free.

Even though it is named "Omah Kentang", the foods sold are not only food which is made from potatoes. Bakso Damas is one of the foods sold in Omah Kentang. Omah Kentang was also established because of the rising image of Batu as Tourism City

that when it is in high season, the culinary trend will be the target of the tourists. Omah Kentang currently has eight employees with the details of one person as the person in charge of the restaurants and seven people as waitresses.

b. Job Description of Omah Kentang

1. Restaurant Person in Charge

Restaurant Person in Charge is responsible for every activity in the restaurant, daily deposits, and checking the food stocks for adequacy of service.

2. Kitchen

Kitchen employee is responsible for every order from customers such as making and preparing foods and drinks.

3. Waitress

Waitress is responsible for every product service and offering and is also taking every order from customer.

4. Cashier

Cashier is responsible for daily transactions. This position held by the Restaurant Person in Charge.

Basically, every employee in Omah Kentang is required to undertake and held all positions except for Person in Charge and Cashier.

c. Omah Kentang Organizational Structure

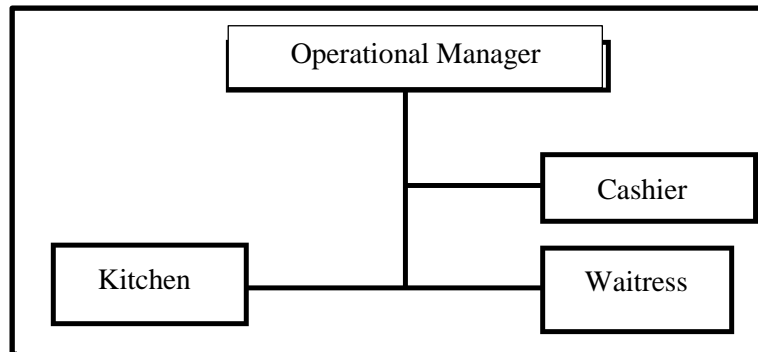


Figure 4.2 Omah Kentang Organizational Structure. (Source: Processed Data, 2017)

3. Rotterdam Bakery

a. History of Rotterdam Bakery

Rotterdam Bakery has been established since 2002 in Gajah Mada Street 14th Bumiaji District, Batu. This small business (with total amount of twenty employees) is engaged in all kinds of bread, runs by its second generation, Mrs. Olina Aprilia. Rotterdam Bakery is very meritorious in the distribution of employment in Tulungrejo village, Bumiaji district, Batu. In its business development, 50% of its employees are from Tulungrejo village.

Rotterdam Bakery currently has twenty employees with the details of one Operational Manager, five administration staffs, ten in bread production, two in bread packaging, and two in distribution.

b. Rotterdam Bakery Job Description

1. Operational Manager

Operational Manager is responsible for every activity in the factory. This person becomes a media to deliver the decision

and policy from the owner to the staffs and employees of Rotterdam Bakery. Operational Manager is directly responsible to the owner.

2. Administration Staff

Administration staff is responsible for every revenue and expenditure record of Rotterdam Bakery, order noting, and bread delivery stipulation. Administration staff is responsible for every scheduling, production, and delivery.

3. Machine Operator

Machine operator is responsible for every bread production process. This person is also responsible for periodic checking and repair the machine when it is broken.

4. Product Packaging

Rotterdam Bakery still use traditional packaging process, so this process needs rigorous employees.

c. Rotterdam Bakery Organizational Structure

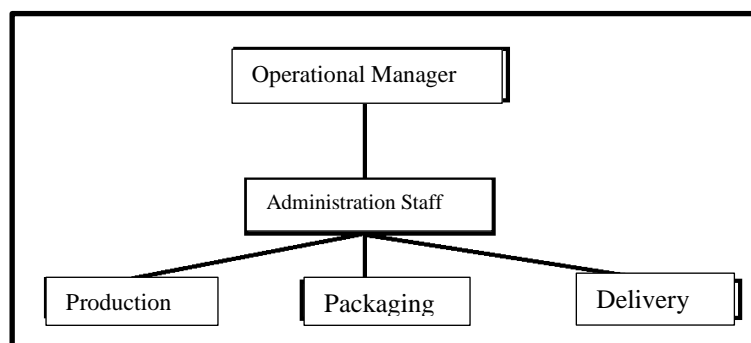


Figure 4.3 Rotterdam Bakery Organizational Structure.
(Source: Processed Data, 2017)

B. Data Presentation

1. Identification of Skills and Qualities that Golden MM, Omah

Kentang and Rotterdam Bakery seeks from the Applicant

Recruitment is an important thing in employment. Recruitment can be said as successful when there are many applicants apply to the corporation, so that the opportunity of the corporation to get qualified prospective workers also becomes greater. Even for SME, they are also looking for best capable workers so that they can compete with the competitors which have larger business scale, as stated by the following owners of SME:

a. Golden MM

According to Mr. Mohammad Husni as the owner of Golden MM about the quality and skill of the employees in his SME sector are similar with his bigger business competitor.

"It can be yes or no. Because I have talked to the competitor's employee and I asked about the requirements and salary. Like I have said before, it can be yes or no. Yes because of the requirement for clerk is similar with ours. No because their employee management is possibly different."

Some requirements which are informed by the owners of SME are various. General requirements specified by SME owner of Golden MM in the recruitment process:

According to the explanation from Mr. Mohammad Husni as the owner of Golden MM, the criteria for prospective worker are:

"The first requirement is that we are looking for 18 to 25 years old age range. Then the second requirement is must be at least high school graduate. Third, the applicant has to keep up their appearance, because in our retail business, we have to serve customers with good appearance. The fourth and the last is have a high motivation of working and honest."

When Mr. Mohammad Husni was asked by researcher about how did he measure an indicators such as honesty and motivation, he answered:

"The measurement most of my decision was based on my own intuition. I can not say that my intuition would always right, but the important stage to measure the decision was right or not was using the result of their (applicant) performance during the contract period."

According to the statement of Mr. Mohammad Husni as the owner of Golden MM regarding skills and qualities sought by Golden MM, here is his statement:

"Because we only open the vacancy for clerk, the skills and qualities I need for them as a worker is to do the tasks I give them, I need high-spirited and thorough workers. It is because there will be hundreds kinds of goods that must be tidied up and counted by them every day.

In addition, the communication ability when they interact with the consumers becomes very important. Because in order to serve the costumers, an employee must be able to act friendly and assertive in giving information about the goods we sell.

We also look for workers who are appreciate time and honest. Because based on my experiences I've got since these last ten years, most of the workers who work for us, because we are SME-based business with limited payroll capability, some of the workers decide to take some goods that we sell when the supervision is slacking. Therefore, honesty is one of the worker's qualities we look for"

b. Omah Kentang

Then Mrs. Handini Ilfadilla's opinion as the owner of Omah Kentang was:

"Yes, we are looking for similar quality and skill so that we can compete in services."

General requirements specified by SME owner of Omah Kentang in the recruitment process:

According to Mrs. Handini Ilfadilla as the owner of Omah Kentang, the criteria that they are looking for are:

"General requirements for our employee are high school graduate, able to cook, clean and honest."

When Mrs. Handini Ilfadilla was asked by researcher about how did she measure an indicator of honesty, she answered:

"The measurement? I didn't use any measurement. I would choose an applicant that can attract me the most while the interview process. Because for me honesty can not measured by a short period of time, it would takes time. As long as the applicant can manage a good performance during the contract period and keep gaining my trust, then I would hire the applicant to be my employee."

According to the information from Mrs. Handini Ilfadilla as the owner of Omah Kentang regarding the skills and qualities sought by Omah Kentang, here is her statement:

"For the skills, obviously I'm looking for the prospective workers who have cooking skill and making drinks because Omah Kentang is engaged in culinary sector. As for qualities I am more likely looking for workers who can preserve the hygiene as the main quality, because it will affect the quality of the food we serve. The rest is down to the quality of workers who are honest, skillful, and friendly to the customers."

c. Rotterdam Bakery

The same thing was also stated by Mrs. Olina Aprilia as the owner of Rotterdam Bakery:

"Yes, of course we are looking for the same quality with the competitor so that we can compete in work quality and efficiency."

According to Mrs. Olina Aprilia as the owner of Rotterdam Bakery, the criteria that they are looking for are:

"General requirements for employee in Rotterdam are high school graduate, has high work motivation, loyal, and honest. Yet for some positions we have certain criteria. In the position which is in charge of machine operating we specify the applicant is an Engineering major graduate of Vocational High School, and in the position of bread ingredients compounding is a Culinary Art major graduate of Vocational High School. For lower position such as in bread packaging, we allow Elementary and Junior High School graduate applicant."

When Mrs. Olina Aprilia was asked by researcher about how did she measure an indicator of honesty, she answered:

"Honesty is a hard thing to be measured. With my experience as an owner, the process of you trusting someone with a responsibility wouldn't be happen in a short period. That is also the reason I tended to employ my family rather than anyone from outside family in an important position. But, I think there is nothing wrong when you give the applicant chance to prove that they can be a honest employee."

According to the information from Mrs. Olina Aprilia as the owner of Rotterdam Bakery regarding the skills and qualities sought by Rotterdam Bakery, she stated:

“As for skills, it can be various, the main priority is the prospective workers know and able to operate the grinder bread machine, know the process of making bread, and how to compound the ingredients.

The qualities that I am looking for are the workers who know what they should do when they are in a specific position. For example, they know that in the whole process of making bread they should maintain their own hygiene and the surrounding environment in order to maintain the quality of the bread. I also look for innovative workers so that this corporation can implement effective and efficient ways of working.”

Based on the interview result regarding the skill and qualities that SMEs sought and employee requirements, it can be concluded that Golden MM, Omah Kentang and Rotterdam Bakery are using age restriction, education level as consideration of qualities and relevant skill as consideration of skills.

2. Identification of Recruitment Methods at Golden MM, Omah Kentang and Rotterdam Bakery

Recruitment is a planning decision of human resources development about the number of employees and when they are needed, and also what criteria are needed in an organization. Basically, recruitment is an effort to fill the position or vacant job in a organization or corporation, therefore, there are two labor resources which are from the external and internal of the organization.

Nowadays, most organizations and corporations are recruiting actively. They have to be aggressive especially in searching of certain

qualified workers. Since the competition against the other corporations is very tight, a slight lateness in recruitment can make qualified worker taken by the other corporation. The corporation is no longer looking for hard labors, but rather looking for special skilled and high dedicated labors.

Surely there are still many corporations that is passively waiting for the applicants to come. Yet, that condition will harm the corporation itself because its work activities do not run well. Job vacancy can be filled either from inside or outside the corporation. Job vacancy which is from inside the corporation use internal recruitment channel while external job vacancy use external recruitment channel.

In recruiting, SME also compete in the searching of prospective workers in the middle of its limited financial resource. Family-based SME also involve their family members into its organizational structure. Providing job vacancy for their family shows familial element in SME which their management system is family based corporation. As stated by some SME owners:

a. Golden MM

According to the explanation from Mr. Mohammad Husni as the owner of Golden MM, resource and method that are used in recruitment of Golden MM are:

"We always use some methods such as walk-in interview, advertisement, and also through some acquaintances of my employee who are looking for a job. Yet it is not rare to involve my friend's children or my relatives who are looking for a job.

The statement from the owner also supported by the employee. According to the explanation from Mr. Hendy Permadi who works as a clerk in Golden MM regarding his process of finding out a job vacancy in Golden MM are:

"The first time I knew that there is a job vacancy here was from my friend who has stopped working. Then I immediately came here to ensure it."

b. Omah Kentang

According to Mrs. Handini Ilfadilla as the owner of Omah Kentang, resources and methods that are used in recruitment of Omah Kentang are:

"The first is recommendation from our employees and acquaintances, we also put in consideration if there is a relative who need a job when there is a vacant job. We also use advertisement in the searching of new workers."

The statement from the owner also supported by the employee. According to the explanation from Mrs. Tutik who works as a clerk in Omah Kentang regarding her process of finding out a job vacancy in Omah Kentang are:

"I was told by the owner when she had just opened this restaurant."

c. Rotterdam Bakery

According to Mrs. Olina Aprilia as the owner of Rotterdam Bakery, resource and method which are used in Rotterdam Bakery recruiting are:

"Via advertisement, direct enrollment in our factory, employee's recommendation, and relatives who need a job, we also make the residents of Tulungrejo Bumiaji as a priority."

The statement from the owner also supported by the employee. According to Mr. John who works as a staff in Rotterdam Bakery regarding his process of finding out a job vacancy in Rotterdam Bakery are:

"I was told by my neighbor."

Based on interview results regarding the identification of recruitment methods that are implemented at Golden MM, Omah Kentang and Rotterdam Bakery can be concluded that each SMEs are using external and internal recruitment sources. The external recruitment source used to fill the low level position such as clerk. The internal recruitment source used to fill the high level position such as manager operational.

3. Identification of Selection Methods at Golden MM, Omah Kentang and Rotterdam Bakery

Employee selection is the initial process of identifying and selecting prospective workers to occupy certain positions. This selection activity is very important in getting the best prospective workers. Many corporations decide to recruit prospective workers by themselves so that it will not cost much, but some corporations invite some experts to do the recruitment and the cost is expensive.

It is different when corporations are recruiting, there is a planned and unplanned ones. Small corporation are often recruiting unplanned, recruiting occurs when the corporation needs extra workers. SME tends to held unplanned selection and its process is not handled by some experts. It tends to be done by its owner. As stated by the SME owners in Batu:

a. Golden MM

According to the explanation from Mr. Mohammad Husni as the owner of Golden MM, selection stage that are used in recruitment of Golden MM are:

"For the selection we only held an interview and look at their performances in the contract period."

Then Mr. Mohammad Husni's opinion proceed about the selection managing of the relatives who work at Golden MM when

he was asked about the equality among the employees who are his relatives and employees who are not:

"It depends, if it is myself who asked them to work here, they don't have to attend the interview because I have talked to them before. But if it is them who ask for the job, I employ the same way."

When the researcher ensure him whether he employs his relatives in Golden MM, his explanation was:

"Yes. I also employ my relatives such as my nephew and niece and my colleague's children."

The explanation from Mr. Mohammad Husni as the owner of Golden MM regarding the selection stages is supported by the explanation from his employees who are his relatives and who are not in Golden MM are:

According to the explanation from Mrs. Syarifah Haryanti as the Operational Manager when she was asked if she is a relative with the owner was:

"Yes, I am one of his family. He is my husband."

Then she continue with her statement about the initial stage on the first time she worked at Golden MM:

"When I started to work here I have never attended the selection at all, because the owner is my husband. However, the first time I was offered the job since the Operational Manager position was unoccupied the due to the former employee was fired. Then, when I was offered to occupy the position, it was simpler from what I thought before. The benefit is we don't have to employ other person for this

position because the job is to manage the financial problem."

When she was asked about her position on the first time she works at Golden MM, whether she occupied Operational Manager since the beginning she said:

"Yes, I occupied this position directly. But I had been taught about my job by my husband before."

One of the other employees as a clerk in Golden MM, Mr. Hendy Permadi when he was asked whether he is the relative of the owner, his said:

"I am not a relative of the owner of Golden MM."

Then when he was asked regarding the selection stages until he was accepted at Golden MM, his answer was:

"First of all, I was interviewed by Golden MM owner, then I went through a contract period for six months and finally I was accepted as a permanent employee."

b. Omah Kentang

According to Mrs. Handini Ilfadila as the owner of Omah Kentang regarding the selection stages that are used by Omah Kentang, her explanation was:

"We only use interview as selection media to find out about the personality of the prospective workers and to find out about what knowledges that the worker has in culinary business."

Then Mrs. Handini Ilfadilla's opinion proceed regarding the selection managing of the relatives who work in Omah Kentang when she was asked about the equality among employees who are her relative and employees who are not:

"Of course yes, to find out their seriousness, they have to pass the same stages with the other employees. Yet the situation can be informal because we have known each other since we are family."

When the researcher ensure her whether she employs her relatives in Omah Kentang, her statement was:

"Yes, we employ our relatives."

The explanation from Mrs. Handini Ilfadilla as the owner of Omah Kentang regarding the selection stages is supported by the explanation from her employees who are her relatives and who are not in Golden MM:

According to the explanation of Mrs. Nurmala as the Person in Charge of Omah Kentang when she was asked if she is a relative of the owner, she stated:

"I am not a relative of the owner of Omah Kentang."

Then she proceed with her statement about the initial stage on the first time she works at Omah Kentang:

"When I applied, I was interviewed by the owner. Then I was accepted as a permanent employee."

When she was asked about her position on the first time she worked at Omah Kentang, whether she occupied the position as the Person in Charge since the beginning, she stated:

“No, the first time I worked as waitress, because when the first time Omah Kentang was opened, the controlling and daily deposit were done by the owner.”

Then she explained about the selection stages that she went through when she was promoted as Person in Charge of the restaurant:

“I was interviewed about my readiness and was explained by the owner about my responsibilities that I have to do as a Person in Charge of Omah Kentang. Then I went through the trial period for two weeks as Person in Charge.”

One of the other employees as a waitress in Omah Kentang, Mrs. Tutik when she was asked whether she is a relative of the owner, her statement was:

“Yes, I am a distant relative of Omah Kentang owner.”

Then when she was asked about what are the selection stages she went through until she was accepted at Omah Kentang, her answer was:

“I was just interviewed by the owner about my readiness.”

c. Rotterdam Bakery

According to Mrs. Olina Aprilia as the owner of Rotterdam Bakery about the stages of the selection used by Rotterdam Bakery, she stated that:

“The applicants must through administrative selection which is the completeness of the applicant's file, then the interview to assess the quality of the applicant's knowledge, and trial for certain period of the contract that we have set for the workers who can pass the first two stages of the selection.”

Then Mrs. Olina Aprilia proceed about selection management on family members who work at Rotterdam Bakery. When she was asked about the equality between the employees who are relatives and the non-family employees, she stated:

“No, however, the final decision whether he/she can work here or not is my personal decision.”

When the researcher ensure whether she employs her family members at Rotterdam Bakery, her statement was:

“Of course I employ my relatives who need the job. Because the advantage for me is that my own relatives are more trustworthy than the people I have just known.”

Mrs. Olina Aprilia's statement as the owner of Rotterdam Bakery regarding the selection stages are supported by the statement of the employees who are relative and the non-family employees who work at Rotterdam Bakery:

According to Mr. Widi as the Operational Manager of Rotterdam Bakery, when he was asked whether he is a relative of the owner of Rotterdam Bakery, his statement was:

“Yes, I’m a relative of the owner of Rotterdam Bakery.”

Then proceed on his statement regarding the initial stage of his selection when he works Rotterdam Bakery, his statement was:

“I asked the job to her. And then I immediately start to work after I had been personally interviewed by the owner.”

Then when he was asked whether he occupied the position as the Operational Manager when the first time he worked at Rotterdam Bakery, he stated that:

“No, I did not. I was trained in the production sector.”

And then he explained the selection stages he had passed when he was promoted to become Operational Manager, his statement was:

“There were no selection, when the prior manager resigned, I was personally asked by the owner to fill that position.”

One of the staffs at Rotterdam Bakery, Mr. John was asked whether he is a relative of the owner of Rotterdam Bakery, his answer was:

“I am not a relative of Rotterdam Bakery's owner.”

Then when he was asked regarding the selection stages he had been through until he was accepted to be an employee at Rotterdam Bakery, his answer was:

“First it was the checking of the file's completeness, and then I was interviewed. After I passed the selection, I worked as contract employee for three months, and then I became a permanent employee.”

Based on the interview results regarding to the identification of selection methods that are implemented at Golden MM, Omah Kentang and Rotterdam Bakery can be concluded that each SMEs used administrative test for first stage of selection and then continued with knowledge and skill test through interview and contract period.

4. Identification of Assessment Process at Golden MM, Omah Kentang and Rotterdam Bakery as SME to the Possession of Skills and Qualities within the Recruitment and Selection

In the recruitment and selection process at Golden MM, Omah Kentang, and Rotterdam Bakery, there are several components that are considered to be used as an assessment. The skill and quality matters of the applicants become a consideration of the owners of Small and Medium-sized Enterprises (SMEs). As these statements given by the SMEs owners:

a. Golden MM

The statement regarding the assessment of Golden MM on every ability the applicants have, Mr. Mohammad Husni stated that:

“Of course. Although we are also aware about the limited payroll capability, we will still assess each ability of our prospective workers so that we can employ them with the best result.”

Even though with limited payroll, Golden MM is still looking for the same workers' skills and qualities as the competitors with larger business scale. According to the statement given by Mr. Mohammad Husni:

“It could be yes, and it could be no. Because I've talked with a competitor's employee several times and I asked some things such as the requirements and salary. The result is that, it could be yes or no. Yes, because the requirements they set for clerk are almost the same as what we established. No, because maybe the management of the employees is different.”

Then regarding the assessment in Golden MM on the applicants' skills and qualities, Mr. Mohammad Husni stated:

“However for the assessment, I do not use an on-paper assessment, which means I record all the applicants' skills and abilities on a note. But I more likely see his/her ability in conveying his/her ideas and the way he/she answers the questions I gave. From that, I give the assessment personally.”

b. Omah Kentang

The information regarding the assessment of Omah Kentang on every ability the applicants have, Mrs. Handini Ifadilla stated:

“We assess every ability that the prospective workers have because we look for the best prospective workers to work at our place.”

In order to find the best workers, Mrs. Handini Ifadilla as the owner of Omah Kentang is determined to find workers with the same qualities as the competitors with larger business scale, just as she stated:

“Yes, we look for the same skills and qualities so that we can remain competitive on the service issues.”

Then proceed to the way of Omah Kentang assess the applicants' skills and qualities, Mrs. Handini Ifadilla stated:

“We assess the prospective workers' skills and qualities through interview session and other people's recommendation if the prospective worker is the contact of our relation.”

c. Rotterdam Bakery

The information of the assessment of Rotterdam Bakery on every applicants' ability, Mrs. Olina Aprillia stated:

“Yes, we assess every ability of our prospective workers. Because we need workers with the most suitable ability to what we are looking for to work in some certain positions.”

In order to employ workers with relevant skills, Rotterdam Bakery is ready to compete with the competitors with larger business scale in getting prospective workers to work at their place. That statement is based on Mrs. Olina Aprillia's answer, which was:

“Yes, of course we look for the same skills and qualities as our competitors so that we can compete on the work quality and efficiency.”

Then regarding the way Rotterdam Bakery assess the skills and qualities the applicants have, Mrs. Olina Aprillia stated that:

“The assessment process is done by the person in charge of the factory through the stages we've made that is administration, interview, and trial stage.”

Based on interview result regarding to identification of assessment processes of applicant's skills and qualities it can be concluded that each SMEs are assessing the skills and qualities that applicant possessed through the selection processes from administrative to interview and contract period.

5. Identification of SMEs' Constraints in the Implementation of Recruitment and Selection

In the implementation process of recruitment and selection in SMEs sector, there are some constraints experienced by those who held a recruitment. Financial constraint is the obstacles that SMEs

often faced when conducting a recruitment and selection process. As the explanation given by the following SMEs owners below:

According to Mr. Mohammad Husni as the owner of the Golden MM, constraints and challenges faced by the Golden MM as SME in the implementation of recruitment and selection are:

“The challenge is probably more on the financial. To advertise job vacancies is not cheap and also the quality of the applicants can also be an obstacle sometimes because they may also be able to see the business scale that I have hence sometimes there are some applicants who are only junior high school graduates.”

And then proceed by the statement from Mrs. Handini Ilfadilla as the owner of Omah Kentang regarding constraints and challenges faced by Omah Kentang as SME in the implementation of recruitment and selection:

“The biggest challenge is in the cost. Our ability as SME to pay the workers is limited with the capital and the income which are not as big as the competitors who's the business scope are larger than ours. Therefore, the prospective workers' interest will have different views in the salary issues. However, we adjust these current conditions with the standards we sought for prospective workers, so the workload and their salary is decent.”

Similar information is also conveyed by Mrs. Olina Aprillia as the owner of Rotterdam Bakery regarding the constraints and challenges faced by the Rotterdam Bakery as SMEs in the implementation of recruitment and selection:

“If you ask the challenges experienced by businesses that are in the SME category I'm sure the answer would be financial problems. Our ability to pay the workers' salaries is limited.”

Based on the interview results regarding to the SMEs constraint in implementing recruitment and selection processes it can be concluded that financial resources to held a recruitment and selection processes and to attract applicant from the total amount of salary is the main problem for Golden MM, Omah Kentang and Rotterdam Bakery as SME.

C. Data Analysis

1. Identification of Skills and Qualities that Golden MM, Omah

Kentang and Rotterdam Bakery seeks from the Applicant

Based on the analysis of the triangulation method through interviews obtained by researchers and has been described in sub-chapter 4.B.1, some components of the general requirement to work in SME Golden MM , Omah Kentang and Rotterdam Bakery are:

Table 4.1
Components of General Requirement

No.	Applicants General Requirements	Golden MM		Omah Kentang		Rotterdam Bakery	
		Apply	No	Apply	No	Apply	No
1	Age	✓		✓		✓	
2	Educational Level	✓		✓		✓	
3	Relevant Skill	✓		✓		✓	

(Source: Processed Data, 2017)

Explanation from table 4.1:

1. Age. Each SMEs has set age restriction and limitation in their requirement, it is aimed to prohibit the child labor in their SME and to maximize the performance of employee.
2. Education level. Each SMEs has set minimum education level for certain position, Rotterdam Bakery is the only one from three SMEs to employ employee that graduates from elementary school. Golden MM and Omah Kentang has set minimum level of education level for applicant is senior high school graduates.
3. Relevant Skill. Each SMEs demanding relevant skill from its applicants to certain position, it aimed to maximize performance of future employee.

Further details regarding the general requirements as well as other components assessed by each SMEs are also obtained through interviews conducted by the researchers and are described in subsection 4.2:

Tabel 4.2

Consideration Components of Recruitment and Selection on SMEs

No.	Consideration Components	Golden MM		Omah Kentang		Rotterdam Bakery	
		Apply	No	Apply	No	Apply	No
1	Skill Components:						
a	Communication Skill	✓		✓			✓
b	Appearance (Cleanliness)	✓		✓		✓	
c	Honesty	✓		✓		✓	
d	Precision	✓		✓		✓	
e	Punctuality	✓		✓		✓	
f	Relevant skill	✓		✓		✓	
2	Assessing every skill of the applicants	✓		✓		✓	
3	Finding workers with the same qualities and skills as the competitors with Larger business scale	✓		✓		✓	

(Source: Processed Data, 2017)

Explanation from table 4.2:

1. Skill component that demanded by each SMEs owner are communication skill; Appearance (Cleanliness); Honesty; Precision; Punctuality; Relevant skill. Rotterdam Bakery is the only SME from three that doesn't required communication skill for the applicant. Each owner of SMEs thought that skill component is important and can enhanced the performance of future employee.
2. Assessing every skill of the applicants. Golden MM, Omah Kentang and Rotterdam Bakery are assessing each skill from its

applicant because they sought the best future employee to work for them.

3. Finding workers with same qualities and skills as larger enterprise.

From the explanation number 2, it shown that each owners are expecting employee with same skills and qualities that larger enterprises had.

2. Identification of Recruitment Methods at Golden MM, Omah

Kentang and Rotterdam Bakery

Based on the data triangulation analysis, the interview results in sub-chapters 4.B.2 show that the Golden MM, Omah Kentang, and Rotterdam Bakery use internal and external recruitment channels. If it is validated using triangulation theory analysis, which has been stated by Swasto (2011: 45-47) (as described in the table 4.3 below):

Table 4.3
Recruitment Sources and Methods on SMEs

No.	Recruitment Channels	Golden MM		Omah Kentang		Rotterdam Bakery	
		Apply	No	Apply	No	Apply	No
1	Internal Recruitment Channels:						
a	Mutation		✓		✓		✓
b	Promotion		✓	✓		✓	
c	Job Posting Program		✓		✓		✓
2	External Recruitment Channels:						
a	Walk-ins	✓		✓		✓	
b	Through local workers	✓		✓		✓	
c	Employment Bureau		✓		✓		✓
d	Private employment institutions		✓		✓		✓
e	Advertisements	✓		✓		✓	
f	Educational institutions		✓		✓		✓
g	Professional associations		✓		✓		✓
h	Leasing		✓		✓		✓
i	Nepotism	✓		✓		✓	

(Source: Processed Data, 2017)

Explanation of Table 4.3 Recruitment Sources and Methods is as follows:

a. Walk-ins

With this method, the applicants come by themselves to the corporation and then fill in the application form that has been provided. These applications are stored in an archive until there are vacancies available.

b. Through Local Workers

In this method, there is no formal way conducted, but the management encourages the workers to participate in spreading about the need for candidates with specific criteria. In their implementations, Golden MM and Omah Kentang are often use this method, but for Rotterdam Bakery is more inclined to disseminate to the residents around Tulungrejo Village, Batu City, because it is in accordance to the mission of the owner of Rotterdam Bakery to promote and provide jobs to the residents around the factory.

c. Advertisements

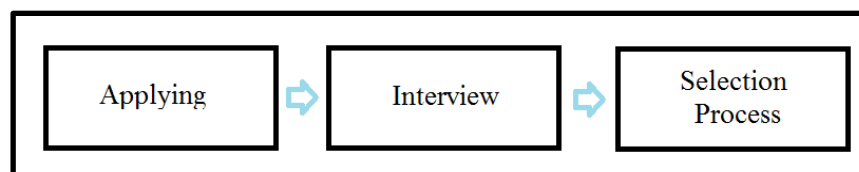
In this method, the corporation can obtain large quantities of applicants and with immensely different qualifications. These are the advantage and disadvantage. But the disadvantages can be reduced, if the formal requirements are made as specific and strictly as possible. So that there can be done a preliminary screening through the application letters that come in, before the people are summoned. At Golden MM, Omah Kentang, and Rotterdam Bakery, this method is rarely used because the cost is quite expensive. Moreover, as SME, these corporations will overwhelm themselves in the end if they put too high specifications due to the limited payroll ability.

d. Nepotism

As a family corporation, Golden MM, Omah Kentang, and Rotterdam Bakery actively include their family members to work there. Omah Kentang and Rotterdam Bakery use the same selection process for family members who work for them, but Golden MM does not oblige the relatives who work there to attend in the selection.

e. Promotion

Promotion is the only internal recruitment channel used by the Golden MM, Omah Kentang, and Rotterdam Bakery. Promotion is only used for strategic positions such as Operations Manager for Golden MM and Rotterdam Bakery, as well as the person in charge for Omah Kentang. This is because the owners only want the people who can be trusted (can be relatives or non-family workers who have worked a long time) to occupy that position.



Picture 4.4: Stages of Recruitment on SMEs
(Source: Processed Data, 2017)

According to the researcher observation, the recruitment methods used by Golden MM, Omah Kentang, and Rotterdam Bakery can be concluded weak. This is because the systems used in internal source of

recruitment. It can cause jealousy to the non-family member employee because the strategic position only filled by the family members of the owner.

3. Identification of Selection Methods at Golden MM, Omah Kentang and Rotterdam Bakery

According to the researcher observation, selection methods used by Golden MM, Omah Kentang, and Rotterdam Bakery can be said as applicable in the role as an SME. The selection process is made as simple and efficient as possible even though the accuracy of the selection is remain questionable. The triangulation theory analysis on the stages of selection used by Golden MM, Omah Kentang, and Rotterdam Bakery through the theory of Swasto (2011: 45) (as described by the table 4.4 below):

Table 4.4
The Stages of Selection on SMEs

No.	Selection Methods	Golden MM		Omah Kentang		Rotterdam Bakery	
		Apply	No	Apply	No	Apply	No
1	Administrative test	✓		✓		✓	
2	Knowledge and skill test	✓		✓		✓	
3	Psychological test		✓		✓		✓
a	Intelligence test		✓		✓		✓
B	Personality test		✓		✓		✓
c	Interest Test		✓		✓		✓
d	Aptitude test		✓		✓		✓
e	Achievement test		✓		✓		✓

(Source: Processed Data, 2017)

The explanations of Table 4.4 Selection Methods on SMEs are as follow:

a. Administrative Test

Administrative test is the checking of identity, education history, employment history, and other activities outside of work contained in the application letters whether they suit the job's necessary requirements, which have been mentioned in the job advertisements.

b. Knowledge and Skill Test

At Golden MM, Omah Kentang, and Rotterdam Bakery, knowledge and skills tests are taken during the contract period, which means the participants must pass the test in order to undergo the interview stage of the contract. Based on researcher observation, when the applicants have passed the interview stage and undergo the contract period, the chance to get accepted is 80:20, but if they do not the chance to get accepted is 50:50.

On the implementation of the selection, each of SMEs do not apply psychological test because after going through triangulation analysis with interview method, SMEs do not have sufficient financial resources to carry out psychological test because it requires the experts to implement such tests.

4. Identification of Assessment Process at Golden MM, Omah Kentang and Rotterdam Bakery as SME to the Possession of Skills and Qualities within the Recruitment and Selection

Based on the analysis of the triangulation method through interviews obtained by researchers and has been described in sub-chapter 4.B.4, some assessments used in SME Golden MM , Omah Kentang and Rotterdam Bakery are:

Table 4.5
Assessments used in SMEs

No.	Assessment Method	Golden MM		Omah Kentang		Rotterdam Bakery	
		Use	No	Use	No	Use	No
1	Methods used in assessing the skills and qualities of the applicants:						
A	Through Interview	✓		✓		✓	
B	Through Performance Assessment during	✓		✓		✓	
	The Initial Employment Contract						

(Source: Data Processed, 2017)

Explanation from table 4.5:

- a. Through interview. Each SMEs assessed the possession of employee's qualities and skills through interview, answering question that related to the job their applied.
- b. Through performance during contract. Each SMEs assessed the possession of employee's qualities and skills through performance during contract period. The result of the work and the performance are seen from the contract period.

5. Identification of SMEs' Constraints in the Implementation of Recruitment and Selection

On the implementation, the recruitment and selection process of SMEs faced the same challenges. According to the triangulation method analysis through interviews with SMEs owners which have been explained in sub-section 4.5, the results are:

Table 4.6

The Constraints on the Implementation of SMEs Recruitment and Selection

No.	Constraint	Golden MM		Omah Kentang		Rotterdam Bakery	
		Undergo	No	Undergo	No	Undergo	No
1	Cost	✓		✓		✓	
2	Incompatible applicants	✓			✓		✓

(Source: Processed Data, 2017)

Financial constraint is the biggest obstacle for SME in the implementation of recruitment and selection. The limited fund becomes an obstacle, because basically one of the persuasions that attract and make the applicants willing to work for the corporation is the salary. Hence the SMEs seems losing the chance to recruit workers with high potential and special expertise. The stigma that SMEs are jobs for workers with the level below the undergraduate degree (S1) becomes more obvious due to the limited payroll ability.

6. The Elements of Family Business on SMEs

According to the triangulation analysis with interview method, it can be concluded that Golden MM, Omah Kentang, and Rotterdam Bakery are family business due to the results of the interviews show that:

Table 4.7
The Elements of Family Business on SMEs

No	Family corporation elements	Golden MM		Omah Kentang		Rotterdam Bakery	
		Yes	No	Yes	No	Yes	No
1	Employs family	✓		✓		✓	
	Members						
2	Family members occupy	✓			✓	✓	
	strategic positions						
3	Family members undergo		✓	✓		✓	
	the same selection process						

(Source: Processed Data, 2017)

On the implementation, Golden MM, Omah Kentang, and Rotterdam Bakery employ their family members. However, the placement of the position and the management of the selection are different. At Golden MM and Rotterdam Bakery, these SMEs put family members on strategic positions with the excuse that their own family is more trustworthy than employing other people on a strategic position which manage the corporation financial management. On the other hand, Omah Kentang prefers to place non-family employee on strategic positions. Then on selection management for the family

members, Golden MM does not oblige its family members to take part in the selection like the non-family workers, but in Omah Kentang and Rotterdam Bakery, family members are obliged to take part in the selection and initial contract period as in the non-family workers.

If it is analyzed using triangulation based on the placement theory by Chua et al., (1999) about the elements of family business, then it is explained through:

Table 4.8
The Elements of Family Business on SMEs

No	Family Business elements	Golden MM		Omah Kentang		Rotterdam Bakery	
		Yes	No	Yes	No	Yes	No
1	Highly Committed	✓		✓		✓	
2	Knowledge Continuance	✓		✓		✓	
3	High Level of Complexity		✓		✓		✓
4	Lack of discipline	✓		✓		✓	
5	Informal	✓		✓		✓	

(Source: Processed Data, 2017)

The explanation of Table 4.7 regarding The Elements of Family Business on SMEs are:

a. Highly Committed

Family members who work at the company owned by their own family tend to be more loyal to the company because of the blood ties with the owner.

b. Knowledge Continuance

The owners are tend to be more open about the issues of the corporation because of the tendency to be more trusting their family members than non-family workers. It is proven by the strategic positions are more likely occupied by the workers with family relation than the non-family workers.

c. Lack of Discipline

Workers who have family relation tend to be more indifferent to the rules of the company because the owner is a member of their own family.

d. Informal

Workers with family member status are more likely communicate informally to the owner of the company due to family relation.

7. Characteristics of SME on Golden MM, Omah Kentang and Rotterdam Bakery.

According to the triangulation analysis based on journal released by Bank Indonesia, it can be concluded that Golden MM, Omah Kentang, and Rotterdam Bakery are SME due to the journal released by World Bank, SMEs can be grouped into three types (Bank of Indonesia & LPPI, 2015), that is:

Table 4.9
Characteristics of SME based on Employee Number

No	SME Characteristics based on employee number	Golden MM		Omah Kentang		Rotterdam Bakery	
		Meet	No	Meet	No	Meet	No
1	Micro (up to 10 people)	✓		✓			✓
2	Small (up to 30 people)		✓		✓	✓	
3	Medium (up to 300 people)		✓		✓		✓

(Source: Data Processed, 2017)

The explanation of Table 4.8 regarding The Characteristics of SME based on Employee Number are:

- a. Golden MM currently has ten employees with the details of one operational manager, two cashiers, and seven clerks. So in the conclusion Golden MM is on category of a micro business.
- b. Omah Kentang currently has eight employees with the details of one person as the person in charge of the restaurants and seven people as waitresses. So in the conclusion Omah Kentang is on category of a micro business.
- c. Rotterdam Bakery currently has twenty employees with the details of one Operational Manager, five administration staffs, ten in bread production, two in bread packaging, and two in distribution.

So in the conclusion Rotterdam Bakery is on category of a small business.