

# Optimizing Human Resources Management at PT. Sritex with Business Intelligence

Dewi Puspaningtyas Faeni<sup>1</sup>, Sofie Aura Rahma<sup>2</sup>

Faculty of Economics and Business Universitas Bhayangkara Jakarta Raya<sup>1</sup>  
Student of Faculty Economics and Business Universitas Bhayangkara Jakarta Raya<sup>2</sup>

## Article Info

### Article history:

Received 06 27, 2024

Revised 06 28, 2024

Accepted 06 29, 2024

### Keywords:

Business Intelligence;  
Human Resources  
Management;  
Operational Efficiency;  
Productivity and Employee  
Satisfaction;  
PT Sritex.

## ABSTRACT

PT Sri Rejeki Isman Tbk (Sritex), one of Indonesia's largest textile companies, is facing significant Human Resource Management (HRM) challenges. To address these challenges, Sritex has started utilizing Business Intelligence (BI) technology to optimize their HRM practices and improve operational efficiency, productivity, and employee satisfaction. This study aims to explore the application of BI in HRM at Sritex and identify the positive impacts it brings. BI is a technology that collects, integrates, analyzes, and presents business data to support decision-making. With BI, Sritex can manage employee data more efficiently, conduct in-depth performance analysis, and make accurate workforce planning. The research findings show that implementing BI at Sritex has several benefits. It enhances recruitment efficiency, allows for more targeted employee development, enables accurate performance assessments, and facilitates competitive compensation. Additionally, BI helps in real-time monitoring and evaluation of employee performance, allowing management to take prompt actions to improve productivity and efficiency. However, there are challenges such as resistance to change and significant investment requirements that arise during the implementation process. This research provides valuable insights for Sritex and other textile companies facing similar HRM challenges. By applying BI technology, these companies can enhance their competitiveness in the global market through more effective and efficient HRM practices.

This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.



## Corresponding Author:

Dewi Puspaningtyas Faeni

Faculty of Economics and Business Universitas Bhayangkara Jakarta Raya

Email: [dewi.puspaningtyas@dsn.ubharajaya.ac.id](mailto:dewi.puspaningtyas@dsn.ubharajaya.ac.id)

## How to Cite:

Faeni, D. P., & Rahma, S. A. (2024). Optimizing Human Resources Management at PT. Sritex With Business Intelligence. *LANCAH: Jurnal Inovasi Dan Tren*, 2(2), 527~531. <https://doi.org/10.35870/ljit.v2i2.2769>

## 1. INTRODUCTION

Sritex, a leading textile company in Indonesia, operates various production lines spanning from spinning and weaving to finished garments. The Human Resource Management (HRM) division at PT Sritex plays a pivotal role in maintaining operational quality and productivity. Nevertheless, with a large and diverse workforce, effective and efficient HRM poses challenges for PT Sritex.

In the age of globalization and intensifying business competition, companies are compelled to continuously innovate and enhance operational efficiency. One critical factor that determines a company's success is the management of its Human Resources (HR). Successful HRM can foster productivity, innovation, and employee satisfaction, all of which contribute to the company's long-term achievements.

Being one of Indonesia's largest textile companies, PT Sritex grapples with significant challenges in managing its numerous employees from various backgrounds and skill sets. As a company operating in a labor-intensive sector, the efficacy and efficiency of HRM are pivotal in preserving product quality and competitiveness in the international market.

Employee performance management stands out as a major hurdle in HRM at PT Sritex. With a substantial workforce, accurate and objective performance evaluations pose difficulty for management. Additionally, workforce planning presents its own set of challenges as the company must ensure the presence of the right number and type of employees to meet operational requirements. Equally important is employee development, wherein PT Sritex must ensure that its workforce possesses the necessary skills to fulfill job demands and adapt to technological and production process advancements.

The integration of BI into human resource management at PT Sritex is expected to enhance operational efficiency. With BI systems in place, the company can automate various HR processes, such as employee onboarding, attendance tracking, and leave management. This automation reduces the reliance on manual processes, minimizing errors and improving overall efficiency.

Furthermore, BI enables PT Sritex to identify specific training requirements for employees. By analyzing data on employee performance, skills, and development needs, the company can create targeted training programs to address any skill gaps. This not only enhances employee skills and knowledge but also contributes to improved overall performance. Another benefit of BI integration is its potential to boost employee retention. Through analyzing HR data, PT Sritex can identify factors that contribute to turnover and take proactive measures to address them. For example, analyzing exit interview data may reveal common reasons for employees leaving, allowing the company to make necessary changes to improve employee satisfaction and engagement.

BI also facilitates data-driven decision-making in workforce planning. By analyzing data on factors such as employee demographics, performance, and turnover rates, PT Sritex can make informed decisions when it comes to workforce planning. This includes managing staffing levels, identifying skill gaps, and creating succession plans. The use of BI at PT Sritex also enables real-time tracking and evaluation of employee performance. By integrating HR data with performance metrics, managers can monitor employee performance in real-time and provide timely feedback. This empowers management to take prompt actions to enhance productivity and efficiency, leading to improved overall performance.

Despite the anticipated benefits, the implementation of BI at PT Sritex is not without challenges. Resistance to change from staff and executives is a common hurdle. Employees may be hesitant to adopt new technology or change their way of working. Therefore, effective change management strategies and communication are crucial to overcome this resistance. In addition, substantial investment is required to implement and maintain BI systems. This includes the cost of software, hardware, training, and ongoing support. PT Sritex needs to carefully weigh the potential benefits against the investment costs to ensure a positive return on investment.

Furthermore, the accuracy and relevance of collected data are critical to the success of BI integration. PT Sritex must ensure that the data being collected is accurate, consistent, and up-to-date. This requires establishing data governance processes and quality assurance measures to maintain data integrity. In conclusion, the strategic implementation of BI at PT Sritex is expected to bring numerous benefits to human resource management processes. These benefits include enhancing operational efficiency, pinpointing training requirements, boosting employee retention

### Theoretical Review

#### A. Optimization of Human Resources

Optimizing Human Resources (HR) involves maximizing the potential and performance of employees to achieve specific objectives. According to Ulrich and Dulebohn (2018), this process includes systematic and strategic activities aimed at developing employees, enhancing productivity, and effectively utilizing available

talent. HR optimization is a strategic approach to managing and utilizing talent within an organization to support business objectives" (Ulrich & Dulebohn, 2018). Moreover, within the realm of leadership activities, encompassing the process of directing and influencing all organizational members is essential. It is imperative for leaders to have a comprehensive understanding of their members' capabilities to effectively guide them. Similarly, for leaders or managers overseeing operations, monitoring whether activities align with planned objectives is crucial. This necessitates the utilization of information that can provide insights into the alignment of actions with predetermined plans (Faeni, 2024).

Within Human Resource Management (HRM), the focus is on strategically managing employee relationships and performance to align with organizational goals. According to Noe et al. (2020), HRM encompasses functions like recruitment, training, development, performance evaluation, and equitable compensation. The development and implementation of policies and practices in HRM aim to recruit, manage, and develop employees to contribute effectively to organizational goals" (Noe et al., 2020). The main functions of human resource management :

- Estimating future workforce requirements and developing strategies to address them is a crucial aspect of Human Resource Planning, as highlighted (Boon et al., 2019).
- Recruitment and Selection involve the process of identifying and selecting the most suitable candidates for available positions, as discussed (Phillips & Gully, 2019).
- Training and Development play a key role in enhancing the knowledge, skills, and abilities of employees, as emphasized (Aguinis & Kraiger, 2020).
- Compensation and Benefits aim to provide employees with fair and competitive rewards, as per the research (Gerhart & Fang, 2019).
- Performance Appraisal is essential for measuring and evaluating employees' performance to offer valuable feedback, as discussed (Pulakos et al., 2019).
- Employee Relations focus on fostering positive and productive relationships between employees and the organization, as outlined (Alfes et al., 2020).

#### B. Business Intelligence (BI)

Business Intelligence (BI) is a comprehensive system designed to handle and examine data originating from diverse sources, with the purpose of generating valuable information that aids in effective decision-making. As asserted by Côte-Real et al. (2019), BI enables organizations to gain valuable insights by conducting precise and pertinent analysis of data. 1. Notwithstanding the varying backgrounds of instructors and learners, the efficacy of remote education, along with the obstacles and complexities encountered by students in comprehending the course content, are noteworthy. The unidirectional nature of distance learning poses a challenge for students to grasp the lecture material presented by instructors (Faeni, 2024). The essence of Business Intelligence lies in the amalgamation of data collection, integration, analysis, and presentation, all of which serve to bolster decision-making processes. By leveraging BI, organizations can achieve enhanced decision-making capabilities and position themselves favorably in the market. Business intelligence can assist companies in :

- Chen and Chiang (2012) suggest that operations can be improved in terms of efficiency and effectiveness.
- According to Gartner (2014), new opportunities and risks can be identified.
- Turban et al. (2007) argue that more accurate decisions can be made.
- Davenport and Russom (2012) propose that performance and profitability can be enhanced.

Business intelligence (BI) can be implemented in various sectors, including human resource management. Within the framework of utilizing Moodle LMS-based e-learning media, there exists a constructive impact on the learning process and an enhancement in student learning motivation. This influence serves as an encouragement for students to remain engaged and actively participate by posing inquiries throughout various online learning activities (Faeni et al., 2023). BI has the potential to assist organizations in:

- The evaluation of employee performance holds significant importance for organizations as it enables them to evaluate the level of productivity and effectiveness (Davenport & Russom, 2012).
- The identification of training and development needs plays a critical role in improving the skills and knowledge of employees (Turban et al., 2007).
- The establishment of a succession plan holds great significance as it ensures a seamless transition of key roles within the organization (Chen & Chiang, 2012).
- The enhancement of employee retention is a strategic approach aimed at reducing turnover rates and maintaining a steady workforce (Gartner, 2014).
- The improvement of employee satisfaction is of utmost importance as it fosters a positive work environment and ultimately leads to increased overall productivity (Davenport & Russom, 2012).

## 2. METHOD

The present research is grounded in a qualitative approach focusing on a case study of PT Sritex. Data gathering techniques employed consist of observations and an examination of corporate records. The observations were conducted to comprehend the human resource management procedures and the implementation of Business Intelligence (BI) at PT Sritex. A comprehensive insight into the utilization of BI in human resource management at PT Sritex was pursued by scrutinizing company documents such as annual reports, HR guidelines, and performance evaluations.

### *Research Stages:*

1. **Collection of Data:** This stage encompasses the process of gathering information through observation and analyzing documents that are pertinent to the research topic.
2. **Analysis of Data:** Using the thematic analysis method, this stage aims to identify and explore the main themes that emerge from the collected data.
3. **Results Interpretation:** In this stage, the researcher compares the findings obtained from the research with existing theories and pertinent literature to gain a deeper understanding of their implications and significance.
4. **Compilation of Research Report:** The final stage involves synthesizing the research findings, analysis, and recommendations into a comprehensive report that effectively communicates the outcomes of the study.

## 3. RESULTS AND DISCUSSION

### A. The condition of human resource management at PT Sritex

PT Sritex is renowned for its highly efficient and well-structured human resource management system, which encompasses a comprehensive set of clearly defined policies and procedures. Nevertheless, the organization encounters specific hurdles when it comes to conducting precise performance evaluations, managing labor force planning effectively, and facilitating the growth and development of its employees. Given the substantial workforce within PT Sritex, it is imperative to implement a robust system capable of efficiently handling employee data and providing precise information to support decision-making processes.

### B. The challenge in implementing Business Intelligence

PT Sritex encounters various obstacles during the implementation of BI, such as:

- **Opposition to Change:** A number of employees and managers display hesitation towards the alterations stemming from the adoption of BI.
- **Substantial Initial Capital Outlay:** The integration of BI necessitates a considerable upfront investment, encompassing expenses related to software acquisition and workforce training.
- **Data Integrity:** Ensuring precise outcomes from BI hinges on the quality of the data input, underscoring the need for extensive data cleansing and upkeep.

The introduction of Business Intelligence (BI) at PT Sritex has led to various positive outcomes, including:

- **Enhanced Recruitment Efficiency:** BI has streamlined the recruitment process by analyzing and filtering applicant data, resulting in quicker and more efficient hiring.
- **Tailored Employee Development:** BI helps to identify specific training needs and assess the effectiveness of training programs, ensuring the development of employees is targeted and effective.
- **Precise Performance Evaluation:** BI enables the company to conduct more accurate and unbiased performance evaluations by utilizing integrated and real-time data.
- **Competitive Compensation:** Through BI, PT Sritex has been able to establish a compensation system that is both fair and competitive, taking into account performance analysis and employee contributions.

## 4. CONCLUSION

This research demonstrates that the application of Business Intelligence (BI) in Human Resource (HR) management at PT Sritex has a significant positive impact. BI assists PT Sritex in improving operational efficiency, conducting more in-depth performance analysis, and creating more accurate workforce planning. Despite challenges in its implementation, such as resistance to change and the need for substantial investment, the benefits obtained are far greater. Based on the findings of this research, several recommendations for PT Sritex include:

- **Designing Training Programs for Business Intelligence:** Delivering comprehensive training to enhance the knowledge and skills of employees and managers in utilizing business intelligence.

- Enhancing Data Quality: Implementing regular data cleansing and maintenance practices to uphold a high standard of data quality.
- Efficient Change Management: Formulating effective strategies to minimize resistance and promote smooth implementation of business intelligence initiatives.
- Continuously Monitoring and Evaluating BI Implementation: Regularly assessing and evaluating the effectiveness of business intelligence to ensure desired outcomes are achieved.

Through the successful integration of business intelligence (BI), PT Sritex has the potential to enhance its competitiveness in the global market. This can be achieved by implementing more efficient and effective human resource management practices. The findings of this research offer valuable insights and recommendations for other textile companies facing similar challenges in their HR management.

## REFERENCES

- Bassi, L., & McMurrer, D. (2007). Maximizing Your Return on People. *Harvard Business Review*.
- Chen, H., & Chiang, R. H. (2012). *Business Intelligence for Human Resource Management: A Primer*. IGI Global.
- Davenport, T. H., & Russom, M. B. (2012). *Business Intelligence: Managing and Analyzing Information for Business Decisions*. Pearson Education.
- Davenport, T. H., Harris, J. G., & Shapiro, J. (2010). Competing on Talent Analytics. *Harvard Business Review*.
- Dessler, G. (2015). *Human Resource Management*. Pearson Education.
- Faeni, D. (2023). SERVQUAL measures: Indonesian government healthcare (BPJS) from a human resource perspective. *Journal of Infrastructure, Policy and Development*, 8(2), 2271
- Faeni, D. (2024). Green Practices and Employees' Performance: The Mediating Roles of Green Human Resources Management Policies and Knowledge Development. *Journal of Infrastructure, Policy and Development*
- Faeni, DP, Puspitaningtyas Faeni, R., Alden Riyadh, H., & Yuliansyah, Y. (2023). The COVID-19 pandemic impact on the global tourism industry SMEs: a human capital development perspective. *Review of International Business and Strategy*, 33(2), 317–327
- Gartner. (2014). *Business Intelligence and Analytics: Top Trends for 2014 and Beyond*.
- Harris, J. G., & Craig, E. (2011). *How to Measure and Manage Employee Performance*. MIT Sloan Management Review.
- Milkovich, G. T., & Newman, J. M. (2011). *Compensation and Benefits: Strategies for Attracting, Retaining, and Motivating Employees*. Cengage Learning.
- Murphy, K. R., & Cleveland, G. B. (1995). Overcoming Common Mistakes in Performance Measurement. *Harvard Business Review*, 73(5), 89-102.
- Noe, R. A. (2010). *Employee Training and Development*. Cengage Learning.
- Scott, K., & Guest, D. E. (2009). *Fair Pay and the Minimum Wage*. Edward Elgar Publishing.
- Turban, E., McLean, J., Wetherbe, J., & Uppadhaye, A. (2007). *Decision Support Systems and Business Intelligence*. Pearson Education.
- Turban, E., Sharda, R., Delen, D., & King, D. (2011). *Business Intelligence: A Managerial Approach*. Pearson Education.
- Wixom, B. H., & Watson, H. J. (2010). The BI-Based Organization. *International Journal of Business Intelligence Research*, 1(1), 13-28.