

Human Resources Readiness Assessment in The Framework of Business Development

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**Human Resources Readiness Assessment in The
Framework of Business Development**

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ABSTRACT

This paper aims to describe the readiness of human resources in the context of business development in the business of "Tibo-tibo" women fishermen in North Minahasa, Indonesia. Descriptive qualitative research methods were used to analysis valuable data and information. Data collected with observation, questionnaires and in-depth interviews technique.

The results showed that human resources are very supportive of doing business development as seen from the experience business as a fish seller, productive age, and motivation to work and family support as a fisherwoman. The results of subsequent studies are human resources challenging to identify traditional work behaviour, short-term work habit, lack of creativity on product and marketing innovation and also the habit on making loan in high interest. This research recommends human capital and social capital empowering to increase local potential.

Keywords: Human Resources Readiness, Human Resources Challenges, Business Development.

INTRODUCTION

The marine and fisheries sector in North Minahasa Regency is one of the potential sectors to improve economic development in the context of poverty alleviation. Huge potential of fish is available in the territorial waters of North Minahasa Regency. With a coastline of 292.20 km, North Minahasa Regency has the second highest production of fisheries capture in North Sulawesi Province at 17,672.03 tons in 2015 (Central Bureau of Statistics in North Minahasa). The availability of abundant fish is one of the strong motives for coastal communities to work as fishermen whereas women do business as "Tibo-tibo". The "Tibo-tibo" business of fisherwomen is categorised as an informal business activity taken by selling raw fish in the market or carrying baskets of fish by going around the village. They sell fish caught by their husband (fishermen) and there is also a way to buy fish on a big boat (Pajeko ship) and then sell it to other Tibo-tibo to be marketed or sold directly to consumers. This business is the main activity of women who live on the coast of North Minahasa Regency with the purpose to increase the income of their family.

The outcomes of selling from the "Tibo-tibo" business are uncertain because they depend on weather's factors consequently there are those who benefit IDR 500,000 / month and some people make more money. Income from Tibo-tibo's business results is not well-adjusted with the growing demands of family needs, consequently it requires more innovative business behaviour, not just catching and selling fish, but new ways of thinking, knowledge and skills must be developed to increase the added value of the fish as well as how the right, fast and broad marketing strategy is applied. Business innovation is required in order to make the business more developed, sustainable and competitive. Innovation is the application of creativity to grasp a value from a business

(Andreas Budihardjo, 2017). Innovation is changing processes or creating more effective processes, products and ideas. For a business, it means implementing new ideas, creating dynamic products or improving services. Innovation will make business more successful, saving time, money, and competitive advantage to develop and adjust business in the market (Reuvid, 2019; Distanont & Khongmalai, 2018). According to Slaughter (1998) as quoted by Thomas Brychan al (2014) explaining innovation is the implementation of creative ideas in organizations. Tibo-tibo fisherwomen's businesses certainly require creative ideas so that work behaviour becomes more creative and productive which will have an impact on products created, marketing taken, and structuring business strategies which are more competitive and institutional empowerment.

The fact that the availability of potential fisheries resources in North Minahasa Regency is very supportive of business development, however the availability and readiness of human resources are more significant. Without the support of human resource readiness, business development will not run optimally, instead it will only suffer losses. The role of human resources is essential for business performance, competitiveness and business development. (Huselid, 1995; Niels Bosma et al., 2004; Díaz-Fernández et al., 2014; Katou, 2008)). The point of all this is that human resources are important and valuable assets which will add value to the products and services created so that businesses are able to grow and increase profits. In order to support Tibo-Tibo fisherwomen's business work more innovatively, then their human resources must be prepared first.

The readiness of human resource in the concept of human resource management is associated to cognitive capacities, capabilities and desired behaviours (Gibb, Stephen, 2006). Cognitive capacities are basic intelligence, conceptual intelligence for processing information; capabilities associate to practical abilities or practical experience while capabilities and desired behaviour are related to social skills, interactivity, mediation abilities, emotional abilities. Other paper considered that capability is a combination of competence and identity. Competence is a formula of Skill + Knowledge, Identity consists of Cultural values or beliefs + Roles + Traits) (Bowles & Schönheimer, 2007). Human resource readiness in Human capital theory consists of individual capability, individual motivation, the organizational climate, workgroup effectiveness, and leadership (Mayo, A., 2000). As an entrepreneur various capacities of self are needed in the form of competencies such as: a) Risk Assumption; b) Autonomy / self-determination; c) Search and analysis of information; d) Quality of work; e) Communication; f) Self-confidence; g) Develop social networks / generations of support networks; h) Dynamism Change management; i) Initiative; j) Innovation; k) Integrity; l) Leadership; m) Self-control; n) Results orientation; o) Social mobility; p) Negotiation; q) Troubleshooting. (Lorena Roblesa and Marta Zárraga-Rodríguez, 2015).

Human resources' readiness in this paper is formulated as the readiness of self-capacity as an entrepreneurial woman who not only strives as a Tibo-tibo fisherwoman but can also make innovations in business development. Self-capacity readiness is not only in the form of hard skills such as the ability of innovation and products diversification, innovation and marketing strategies as well as institutional innovation, but also in the form of soft skills which is mental attitude as an entrepreneur. There is much evidence that having knowledge and skills alone is not enough to develop a business well, but it must be supported by a variety of mental attitudes as an entrepreneur such as a) Trusting and confident in themselves to be able to become an entrepreneur; b) Have a strong ability to be an entrepreneur, c) Willing to work hard; d) Discipline; e) Resilient and

persistent; f) Dare to take risks; g) Work diligently and thoroughly; h) Strong will to get ahead of current conditions; i) Quick response to numerous changes in situations and conditions (Sunarso, 2010).

This purpose of this research is to describe the readiness of human resources and any challenges in developing business. This paper will also formulate strategies to improve human resources in the context of the development of innovative businesses.

RESEARCH METHOD

This research is categorised as a sort of descriptive qualitative research with the purpose to analyse data and information concerning the dimensions of human resource's readiness and challenges in the context of business development. Data collection techniques used a questionnaire which were distributed to 257 women who ran Tibo-Tibo fish (Tibo-Tibo fisherwomen) in 4 sub-districts located TWon the coast of North Minahasa Regency with the purpose to get data and information on human resource profiles. In-depth interviews were conducted with the purpose to find out thorough information that has not been discovered through a questionnaire, while observation is intended to gain phenomenon of women's work behaviour who do this business.

RESULTS AND DISCUSSIONS

Human resource is one of the resources which certainly establishes business development to become more innovative businesses. The results exhibited that the readiness of human resources in the business of "Tibo-tibo" fisherwomen in North Minahasa Regency was recognised as follows:

1) Business Experience

Readiness of human resources, among others, can be seen from the experience of fish selling efforts. The work of fisherperson and Tibo-tibo fish cannot be separated from one another for seaside communities. This condition has been occurring for a long time so far. The findings presented that the experience in business was very varied, however the majority of respondents, accounting for 121 people (35.96%) had quite high business experiences which is 6.1 - 10 years. There is also work experience under 2 years (12 people or 04.67%), then work experience ranging from 2.1 years - 6 years of 95 people (3.96%), while work experience over 11 years is 29 people (11.29%). Conducting business development tremendously requires human resources that have experience in doing business. They understand very well when is the right time to sell fish through their business experience so that other unproductive periods can be used to add economic value to fish through the development of fish-based products such as smoked fish, fish nuggets, fish balls, fish crackers, and fish flour.

2) Productive Age

The results displayed that the majority of respondents, accounting for 108 people (42.02%) were at the age of 41-50 years, then there were 90 people (35.02%) aged 31-40 years and 36 people (14.01%) were above 51 years and the least were 23 people (08.95%) who were under 30 years old. The age factor is not an obstacle in doing business development, but the results of this study showed that those with a productive age who do business development are expected to produce more new innovations and longer endeavours so that businesses based on local potential are

more advanced and able to be competitive. The impact is growing profits and employment as well as economic growth.

3) Work Motivation

Work motivation is a purpose or motivation for someone to work. The results of in-depth interviews with numerous respondents exposed their motivation to be Tibo-tibo as the following:

- (1) The availability of maritime potential (fish) is huge and it is not hard to obtain it except bad weather. In their opinion it is quicker to get money for their daily needs by becoming "Tibo-tibo" fish.
- (2) Working time is not tied to other people, but it can be self-regulated, hence they can do household activities such as caring for children and cooking.
- (3) No other skills exist to do other work. This finding shows that the comfort factor to try the business attracting them to Tibo-tibo fish business.

The women who were selected for this business development would not worry about the source of raw materials (fish) because of the availability of potential fish in the area of residence. Women will not leave their initial business as "Tibo-tibo" by doing business development. They keep doing the business that has been done so far, however the business is developed with a variety of fish-based product diversification and marketing innovation. This will encourage them to try to be more innovative and productive by doing the business development since there will be a higher return on economic value.

4) Support of the husband as a fisherwoman

One supporting factor in developing a business is family support in this case the husband. The results of interviews with respondents discovered that husbands did not prevent their wives from doing business, but they gave their wives an opportunity to sell the fish which they obtained when they went to sea. This finding indicates that there is a division of roles in work between husband and wife. The husband's role is to look for fish at sea while the wife's role is to sell the fish from the husband's business as fishermen. This role has long existed in the fishing community and has been the local culture until now. There is also a husband who helps his wife in the market when it is needed to clean the fish because there are buyers who want the fish purchased to be cleaned first. This finding presents that women's efforts to improve the family economy are inseparable from the support of their husbands and this is a driving factor for business development.

To implement business development, there are several challenges which are identified as follows:

1) Business behaviour is still conventional

Their business behaviour from generation to generation is only buying and selling fish although it does not bring much profit as it depends on weather's factors. This conventional behaviour will not transform them much in terms of income because there is no business touch with the values of creativity, innovation and competitiveness. If this business is developed, the business behaviour will change, that is not only buying and selling fish, but also working behaviour that is driven by creativity and innovation. Other conventional behaviour in doing business is individual work (own work). Business development involves cooperative and collaborative behaviour.

2) Short term business orientation

Their activities are only selling fish with the purpose to satisfy their daily needs such as buying rice, soap or other small necessities. This very simple business' purpose displays a short-term business orientation. It is necessary to change the mindset of long-term oriented thinking to develop business so that the purpose of the business is not only to develop business, but also to have sustainable competitiveness.

3) Weak creativity in manufacturing products and marketing innovation

Creative and innovative work behaviour will create superior works. In general, the results exhibit that women who work as "Tibo-tibo" fish are not creative in doing business so they do not have fish-based product innovation and innovation in marketing. Training is required to improve their knowledge and skills related to product development and marketing **in the context of business development**.

4) **The habit of** making high-interest loans

One characteristic of the underprivileged including the families of Tibo-tibo fisherwomen is that they make loans from other people with high interest rates. The loan has an interest rate of 10-20% per month which is utilised to cover the snowballing family needs. This loan unable them to get out of poverty as the loan repayment only depends on the fish selling's profits.

Based on the research findings, numerous strategies which can be applied to advance human resources in order to grow business are: 1) Empowerment with a the approach of human capital aims to increase the capacity of human resources so that they can improve products based on local potential, make online marketing innovations and develop entrepreneurial attitudes and mentality; 2) Empowerment with the social capital approach intends to build values, norms, cooperation, relationships, to reinforce business organizations culture.

CONCLUSIONS

The fundamental thing to do is to organise human resources in line with development needs once a business requires to equally develop in the form of product development, marketing and institutional strengthening. Without competitiveness, a business will not endure in the market, thus the readiness of human resources is directed at increasing capacity in the form of knowledge and skills but also the attitude and mental readiness as entrepreneurs. The findings of this research concluded that from the aspect of business experience, age, business motivation and the role of the family in this case the husband is very supportive of business development. This research also found several challenges which are faced in conducting business development. Therefore, the strategy which can be implemented is to do empowerment based on human capital and social capital so that business development runs in line with development needs.

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