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HUMAN RESOURCES MANAGEMENT BUSINESS ETHICS REVIEW AT PT XYZ

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Abstract: Business ethics in managing Human Resources (HR) is very necessary because it is related to humans. Where every human being has the right to receive fair treatment, regardless of ethnicity, race or religion. PT XYZ is a startup that is engaged in the culinary industry. With a number of employees above 500 people, managing HR in accordance with business ethics is crucial. This research was conducted using descriptive qualitative method. The result is that PT XYZ has generally carried out HR management in accordance with business ethics. But PT XYZ still has tasks such as establishing workers' organizations and making regulatory pocketbooks.

Keywords: Business Ethics, Startup, Human Resources

INTRODUCTION

In running company activities, business ethics is certainly needed, especially in terms of managing employees or human resources (HR). The ethics of HR management is very important because HR as a cog in employee activity will correlate in the same direction as the company's performance. The better the HR management, the better the performance. Human resources are an important component in a company. Employees are not just assets of the company, but more than that, the company's work partners. Then as two equal work partners, employees must be treated properly. Their rights, especially those which include human rights, must be fulfilled. In accordance with applicable ethical standards and moral principles.

Indonesia is one of the countries with the highest number of startups in Southeast Asia. These startup companies absorb a high number of workers. Reported from detik.com, Minister of Communication and Information Rudiantara said that in 2020 the digital economy will contribute 11% of Indonesia's gross domestic product (GDP). Given how large the number of workers who work in this sector of course management must be in accordance with the principles of business ethics.

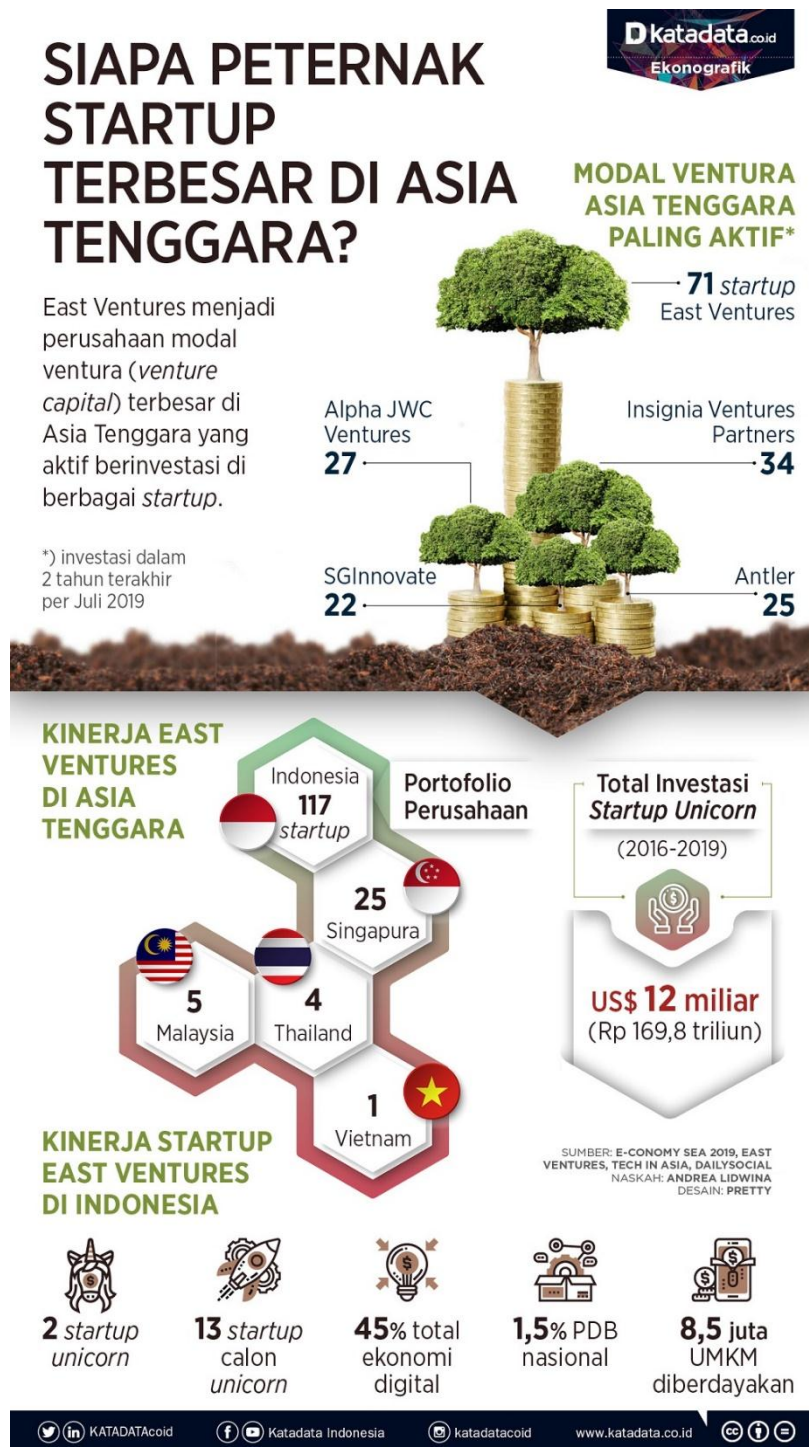


Figure 1. Startup Infographics

PT XYZ is a startup company that began operating in 2017, offering healthy cooked lunch services on-site as well as being delivered to the company in the form of ready meals. The types of services offered are as follows:

1. Food Facility Management
2. Corporate Branded Outlets

3. Meeting & Event Package

4. Boxed Meals

PT XYZ's core business is B2B (Business to Business) and B2C (Business to Customer) based catering services. Food ordering is done in two ways, namely through an Android / IOS-based smartphone application and through the company's internal website platform.

LITERATURE REVIEW

Ethics is the science of morality, is a critical and fundamental thought about moral teachings. Etymologically ethics comes from the Greek language 'ethos' which has the meaning of character, character, decency or custom. Ethics is a guide to moral principles about good and bad or wrong and right.

Business according to KBBI (Big Indonesian Dictionary) is a commercial business in the world of commerce; business fields; trading business. In general, business is the activity of producing, distributing, or selling goods and services for the benefit of individuals and organizations.

Muslich (2004: 9) says that business ethics is a knowledge of the ideal procedures of business management and regulation that considers universally accepted norms and morality.

According to Velasquez (2005) Business ethics is a formal standard study, how standards are applied to the systems and organizations that humans use today to produce and distribute goods and services and apply to people in the organization.

So, we can conclude business ethics is a universal moral principle in carrying out business activities. Where business activities must not harm others, violate the law, do not violate the rules that apply in the social community, and religion in general.

Ethical principles consist of:

1. Principle of Autonomy

Humans make decisions and act based on their self-awareness and conscience.

2. The Principle of Honesty

Honesty in all matters including business matters is fundamental. In matters of contracts and agreements all parties must be honest in implementing the agreement.

3. The Principle of Justice

The principle of justice must be done so that all parties get their rights and carry out their respective obligations.

4. The Principle of Mutual Benefit

Business activity is a symbiosis of mutualism, which is that all parties involved must benefit.

Human resource management (HRM) is an employee management process from recruitment, employee placement, training, to termination of employment to support organizational activities.

Management ethics is the application of ethical principles to the relationship between HRM and its activities. Principles such as Equal Employment Opportunity, namely the absence of discrimination in employment based on race, color, or religion, gender and national origin.

Planning a code of ethics that applies to companies that function also to create added value both economically and otherwise. Here are the steps:

1. Determine the ethical standards to be inculcated.
2. Identify critical ethical factors that can be used in driving the concept of corporate ethics.
3. Identifying the abilities, procedures, and competencies needed.
4. Integrate the concept of ethics in the business strategy undertaken.
5. Develop concrete steps that can be used in implementing, monitoring and evaluating ethical concepts that are implemented.

Implementation of HRM ethics is fulfilled as an employee, at least there are 3 rights owned by an employee, namely:

1. Basic Workers' Rights when They Are Employees.
2. Personal Rights.
3. Rights for Employees related to Work Relationship Problems with the Company.

According to UU No. 13 of 2003 concerning Employment and the rights of employees are regulated as follows:

1. Equal Opportunity and Treatment.
Every worker has the same opportunity without discrimination to get a job.
2. Job Training.
Every workforce has the right to obtain and / or improve and / or develop work competencies in accordance with their talents, interests and abilities through job training.
3. Workforce Placement.
Every worker has the same rights and opportunities to choose, get, or change jobs and earn a decent income at home or abroad.
4. Protection, Wages, and Welfare.
Every worker/laborer has the right to obtain protection for: occupational safety and health; morals and decency; and treatment in accordance with human dignity and values and religious values.
5. Industrial Relations.
Every worker/laborer has the right to form and become a member of a trade union/labor union.

RESEARCH METHODS

The research method used is descriptive qualitative. Descriptive qualitative method is narrating social behavior that specifically occurs in a particular social context. The author makes direct observations of PT XYZ. In addition, the author refers to valid sources such as scientific journals, lecture modules, and other sources.

FINDINGS AND DISCUSSION

At the end of 2018 PT XYZ changed its company structure on a large scale. PT XYZ changed the name of the HR (Human Resources) division to HC (Human Capital). In addition to changing the name of the organizational structure within the HC division also

changed. They increase the number of teams with their respective specializations, such as Legal, Talent Acquisition, General Affairs, Payroll, Assistant Manager, and Manager.

HCM value triangle

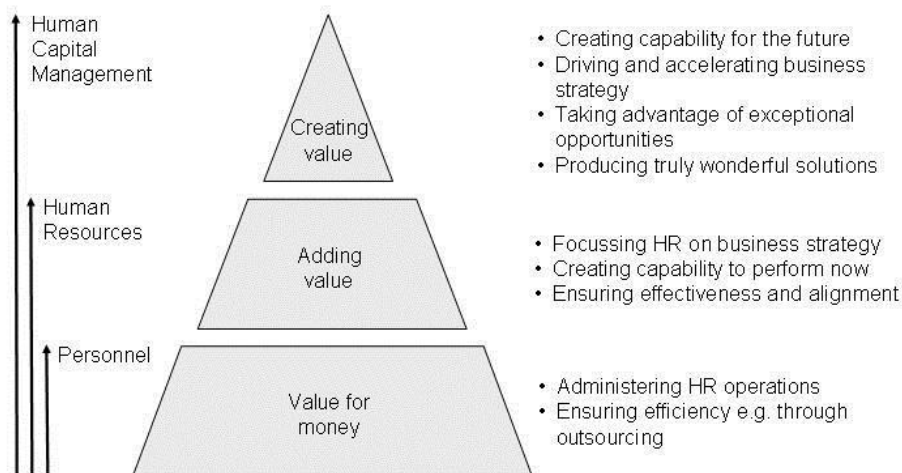


Figure 2. HCM Value Triangle

The change from Human Resources to Human Capital in order to improve the function of the human resource strategy, so that the role of HC creates value for the company. This changed was certainly not without cause, this was all in order to improve the quality of HR management, considering the number of PT XYZ's employees was already above 500 people.

Based on the literature review that has been described, the following is the implementation of HRM ethics presented in the table:

Table 1. Implementation of HRM Ethics at PT XYZ

HRM Ethics	Implementation
Equal Opportunity and Treatment	<ul style="list-style-type: none"> - Recruitment of employees does not look at gender, ethnicity, race, or religion. - Employees are very diverse from various backgrounds, working together to respect each other whatever the position.
Orientation	<ul style="list-style-type: none"> - Every new employee who enters will be given an orientation about company introduction, regulations on employees, and basic knowledge about HACCP (Hazard Analysis Critical Control Point) - Regulatory pocketbooks are not yet available for employees to re-read and understand

Work training	- Every employee routinely receives technical, managerial and leadership training
Workforce Placement	<ul style="list-style-type: none"> - In the recruitment process, prospective employees have been notified where they will be placed. - In the work contract the company has the right to transfer employees to certain branches. But it does not rule out the possibility of employees raising objections, of course, for reasons that make sense. Human Capital is very open for discussion rooms.
Protection and Health	<ul style="list-style-type: none"> - From the first month the official employee works, BPJS Employment and Health BPJS will be paid directly according to UU Ketenagakerjaan Indonesia. - In addition to BPJS Health the company provides other supporting private insurance. - The company also provides a reimbursement system for outpatient care. - For health protocols to prevent the spread of SARS-CoV-2, the company provides health supplements, masks, disinfectants and hand sanitizers.
Employee Leave Rights	- A month after officially working the employee has been granted one day's leave and will increase one every month.
Remuneration	- The salary component consists of basic salary, position allowance, present transport, and duty allowance before deducting PPH 21 and other deductions.
Well-being	- The company provides lunch and snacks every day, with a varied and nutritious menu.
Industrial Relations	- PT XYZ does not have a union. But as employees can discuss issues related to salary, discipline, or anything directly to the HC staff, can be through the chat application or face to face.

Conflict Resolution	- Every conflict that occurs between employees or employees with the company, is discussed with a culture of familiarity. During this time there has been no conflict that led to the court.
Work termination	- Termination of work carried out by the procedure of employees will be notified at least a month before termination - Employee rights such as paid leave and salaries will still be fulfilled by the company.

CONCLUSION AND SUGESTION

From the discussion that has been presented, the author can draw the conclusion that PT XYZ has carried out good HR management ethics. The company made efforts to create a company culture of mutual respect no matter what the position or background. Even so there are still many things that can be improved and improved again.

The author's suggestion for PT XYZ is that the HC division must be enlarged again, given the increasing number of employees. Surely HC staff will lack manpower to serve so many people. Thus, the problems that occur related to HR management can be resolved quickly. PT XYZ must also make a company manual or digital edition in PDF format, so that employees can reread and better understand the regulations. The company is also expected to form a union so that communication between workers and the company is more structured.

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