Literature Review Human Resource Management: Strategy, Evaluation, and Development

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Abstract: Human resource management is a very important aspect in general. Therefore, the functions in the management of human resources must be carried out optimally so that the needs concerning individual, company, organizational or institutional goals can be achieved. In addition, with good human resource management procedures, it is hoped that the shortcomings and problems faced by the Indonesian people, namely those related to competitiveness, can be overcome. One proof that the Indonesian nation is still not ready to compete in the global world can be seen from the competitiveness of its human resources. The results of the article are: 1) Strategy has an effect on HR Management; 2) Evaluation has an effect on HR Management; and 3) Development has an effect on HR Management

Keywords: Human Resource Management, Strategy, Recruitment, Information Technology

INTRODUCTION

The purpose of writing this Literature Review Paper is to better understand the Literature Review of Human Resource Management, so that it can be implemented in writing scientific articles or Thesis. This Literature Review Paper examines theories and scientific articles from reputable journals, as Outcome Base Education (OBE) to produce a conceptual framework for further research.

In detail, the purpose of writing this literature review article is to determine the effect or relationship between exogenous variables (HR Management Strategy, Evaluation of Recruitment Policy, and Mastery of Information Technology) on endogenous variables (Human Resource Management):

Formulation of the problem

Based on the background, the problem that will be discussed in the literature review article is formulated to generate hypotheses for further research. The problem formulation of this article is:
1) Does Strategy affect HR Management?
2) Does Evaluation affect HR Management?
3) Does Development affect HR Management?

LITERATURE REVIEW

Human Resources Management

Human resource management/人力资源管理 is a series of organizational activities directed at attracting, developing, and retaining an effective workforce. Human resource management is needed in the context of a complex and constantly changing environment.

Basically, HR management is one of the functions in a company or organization that focuses on recruitment, management and direction for the people who work in the company. As well as providing knowledge to achieve company goals.

In addition, the management and HR department are also responsible for developing the company by implementing all of the company's values and culture. Also ensure that the company has a good and solid team and understands employee empowerment.

Main Functions of HR Management

- Strategic management. Collaborate with other parts of the organization to establish goals and create quality products/services
- Hiring and planning workforce
- Identifying employee duties, selecting and recruiting the best employees
- Develop human resources Measure employee performance, teach new abilities/skills
- Award. Justice in payments, as well as benefits such as insurance
- Build relationships between unions and employees
- Build company relationships with employees & work with unions
- Risk Management. Creating procedures for a safe and comfortable work environment

Human resource management is basically a description of the administration or management of education by identifying its functions as a process setting, administrative or educational management designed to interrelate between individual and organizational goals. According to Castetter (1981:3) the administrative or management processes include planning, recruitment, selection, induction, appraisal, development, compensation, bargaining, security, continuity, and information. (Nuryanta, 2008). HR has been studied by many previous researchers including: (Desfiandi et al., 2017).

Strategy

Human resources are essential for the effective functioning of an organization. Initially human resource management acquired second-class status in many organizations, but its importance has changed in the last 2 decades.

Its true significance stems from the increasing complexity of the law, the recognition that HR is a valuable tool for increasing productivity, and there is now an awareness of the high costs associated with poor HRM.

Strategic human resources are focused on aligning human resource strategies with business strategies. In this role, employees work as strategic partners, helping to ensure the
success of the business strategy. By carrying out this role, employees increase their business capacity to execute strategy. The implementation of business strategy into the implementation of human resource management programs is realized by employees as strategic partners.

The effectiveness of the human resource function has a substantial impact on the company's profit performance. Poor resource planning will lead to a revenue explosion followed by a costly lay-off in terms of unemployment compensation payments, training and morale burdens. Therefore, the president's chief executive is directly responsible to the CEO, and many companies develop strategic human resource plans and integrate these plans with other strategic planning activities.

The strategies that have been studied by many previous researchers include: (Sari & Ali, 2019), (Yeni et al., 2019), (Shobirin & Hapzi Ali, 2019), and (Shobirin & Hapzi Ali, 2019).

Evaluation

Talking about evaluation, there are three words that have similar meanings which are sometimes used separately and sometimes used in a series. The three words in question are:

a. Evaluation, is an assessment of something. So for convenience, the word evaluation must first be equipped with the object being assessed. For example, evaluation of learning, in elementary schools, middle schools, and so on. In addition to the word evaluation, there are other words that have a similar meaning to evaluation, such as assessment and measurement.

b. Assessment is the activity of determining the position of an object on a number of variables that are the focus, for example testing students and reporting the results. The term assessment is also used to collect information about specific needs.

c. Measurement is the activity of placing numerical values or numbers on an object using an instrument such as a ruler, scales, stopwatches, and so on. Measurement is rarely done alone, but is often done in connection with evaluation, assessment or research. Then the full definition of evaluation intended in this book is performance evaluation. In this context, many management experts also put forward their formulations.

In this context, many management experts also put forward their formulations, including:

a. Wibowo, Performance evaluation is carried out to provide an assessment of work results or work achievements obtained by organizations, teams or individuals.

b. Surya Dharma, Performance evaluation is a formal system used to evaluate employee performance periodically determined by the organization.

c. Wirawan, Performance evaluation as an appraisal process by an appraiser (official) who conducts an appraisal (appraisal) collects information about the assessed performance (employee) that is assessed (appraise) which is formally documented to assess the appraised performance by comparing it with their performance standards periodically to assist decision making HR management.

d. Dick Grote (2002), Performance appraisal is a formal management system that provides for the evaluation of the quality of an individual's performance in the organization. Performance appraisal is a formal management system provided for evaluating the quality of individual performance in an organization.
Wayne Mondy et al (2002), Performance appraisal (PA) is a system of review and evaluation of an individual's or team's job performance. Performance appraisal is the process of evaluating or deciding how someone is functioning.

Evaluation is very common in an organization. With the evaluation, everything is expected to be according to the initial plan. So, the existence of these evaluation activities is certainly not without reason. Therefore, it is important to know and understand the purpose of evaluation, its functions and stages. The following is a summary of the evaluation objectives, functions, and stages carried out, such as:

- Provide input for program planning.
- Provide input for the continuation, expansion, and termination of the program.
- Provide input to modify the program.
- Obtain information about the supporting and inhibiting factors of the program.
- Provide input for motivation and guidance for program managers and implementers.
- Provide input to understand the scientific basis for program evaluation.

From the opinions of these management experts, we can conclude that performance evaluation (performance appraisal), is a formal evaluation system of an organization that is used to assess the performance of individuals (employees) within a certain predetermined period, (generally once a year) by comparing them with performance standards that have been agreed upon and determined in advance. (Abdullah, 2014).

**Training and development**

Training and Development Training and Development is an activity to improve employee skills in banking by increasing knowledge and understanding of general knowledge and general economic knowledge of a banking sector, including increasing job information in decision-making theory to deal with problems in an organization. Training and Development Goals

- Increase knowledge
- Improve Attitude
- Improve and add expertise in certain fields
- Increase employee productivity

Another definition of employee training is quoted from Andrew E. Sikula. According to him, employee training is a short-term educational process, using a systematic and organized procedure, in which non-managerial personnel learn technical skills and knowledge for a specific purpose.

Law Number 13 of 2003 concerning Manpower also includes the definition of job training, namely all activities to provide, obtain, improve, and develop work competencies, productivity, discipline, attitudes, and work ethic at certain skill and expertise levels, according to the level and job or job qualifications.

Employee development is defined as the process by which employees, with the support of their superiors, undergo various employee training programs to improve their skills and acquire knowledge, as well as new skills. Its direction is more on preparing employees as individuals to take on different or greater responsibilities.

Employee development is a major factor for employee retention in the workplace, especially today, where the workforce is dominated by the millennial generation. The most
popular methods of employee development that companies use include training and leadership development programs. Employee development is an investment for the company. Directly, these investments have an impact on employee engagement and productivity, which will ultimately increase the company's success.

Human resource training and development in a corporate organization is an effort to improve the quality of employees' work life so as to produce products and services of the highest quality possible with the planned targets. Therefore, employees as company assets must have the opportunity to be able to participate in training and human resource development (Human Resource Development), so that every employee in a company can discover and bring out the potential that exists in him that may still be hidden.

**WRITING METHOD**

The method of writing scientific articles is by using qualitative methods and literature studies or Library Research. Reviewing literature books in accordance with the theories discussed, especially in the scope of Human Resource Management (HRM). Besides that, analyzing reputable scientific articles and also scientific articles from unreputed journals. All scientific articles cited are sourced from Mendeley and Google Scholar.

In qualitative research, literature review must be used consistently with methodological assumptions. This means that it must be used inductively so that it does not direct the questions posed by the researcher. One of the main reasons for conducting qualitative research is that the research is exploratory. (Ali & Limakrisna, 2013).

Furthermore, it is discussed in depth in the section entitled "Related Literature" or Literature Review ("Review of Literature"), as the basis for formulating hypotheses and will then become the basis for making comparisons with the results or findings revealed in the study. (Ali & Limakrisna, 2013).

**DISCUSSION**

1. **The Influence of Strategy on HR Management**

   Strategy in HR management has an effect on the management of Human Resources because a good strategy will also have a good impact on HR management and thus, based on articles from relevant research and reviewed in the journal "Employee Improvement Strategy" by (Dhany Iskandar, 2018) In From this article it can be concluded that a good management strategy will result in resource management that has a positive impact on employee productivity and performance. In addition, this article states that good management will result in much better company performance than companies that do not implement HR management strategies. Based on the evaluation of the test and the value of the Critical Ratio (CR), the influence of HR management on employee productivity has a trajectory coefficient of 1,080 with a CR value of 2,998. Because the CR value is greater than the critical value with an alpha of 5%, namely 1.96, it means that the influence of HR management on employee productivity is significant and positive. (Dhany Iskandar, 2018)

   Likewise with the research results from the Thesis "The Influence of Human Resource Development Strategies on Improving Performance and Service Quality at PT. Bank Muamalat Indonesia, Tbk” by (Harahap, 2016) Also shows that the strategy in HR management will greatly affect performance and service. In his research, the author suggests
that if Bank Muamalat develops strategies in HR management, it will have a more positive impact on employee productivity at the Bank. Where, if the constant value is 4.272, it states that if the quality of participants, instructors, materials, and facilities is constant, the quality of service will increase by about 4.272%. And if the coefficient value of the quality of participants is 7.425, it states that if the quality of participants increases by 1%, the quality of service increases by 7.425%. Conversely, if the quality of participants decreases by 1%, the quality of service decreases by 7.425%. Here the quality of participants has a positive and significant influence on the quality of service. The higher the quality level of participants, the quality of service will increase.

The research conducted by Wowo Naryo. Thesis, Faculty of education, State Islamic Institute of Syekh Nurjati Cirebon 2011, entitled "The Impact of Human Resource Development Strategy on Improving Performance and Quality of Education in Al-Azhar 3 Islamic Elementary School Cirebon". The purpose of this study was to prove the impact of human resource development strategies on the performance and quality of education at SD Islam Al-Azhar 3 Cirebon. The results of this study prove that the strategy of developing human resources at SD Islam Al-Azhar 3 Cirebon has a positive impact on the performance and quality of education. School performance increased (8.69%), principal performance increased (5.62%), teacher performance increased on average (11.47%), and quality of education increased on average (7.24%) after implementing the strategy human Resource Development.

2. Effect of Evaluation on HR Management

Based on the results of research and reviews from (Kelatow, Adolfina, & Trang, 2016) that evaluation has a positive effect on employee performance, job evaluation (X1) and employee performance (Y), Based on the calculation results, job evaluation has a significant influence on employee performance. Where job evaluation is a good tool to determine whether employees have provided adequate work results and have carried out performance activities in accordance with work standards set by the organization.

Partial influence between job evaluation (X1) and employee performance (Y). Based on the calculation results obtained from the research results, the significance value (sig.) t for employee performance is 0.003 smaller than 0.05. Thus, job evaluation (X1) has an effect on employee performance.

And considering based on the results of research and review of the journal “Performance Evaluation of Human Resource Management with PT. Bank XYZ with Human Resource Scorecard” (Mardatilah, Yos Indra; Nasution, Harmein; Ishak, Aulia;, 2013)

HR performance measurement carried out resulted in an assessment where 16.67% of employee performance was very good, 44.44% of employee performance was good and 38.89% of employee performance was at an average level. This study provides suggestions to the company, especially HR management in conducting performance appraisals. Based on lagging indicators and leading indicators that pay attention to the balance between business and target achievement, improvements and performance improvements can be made into the company's strategy in increasing company productivity in general and improving HR performance in particular by evaluating efforts such as communication and cooperation carried out by HR itself. in addition to evaluating the achievement of targets. This means that
in improving human resource management, job evaluation is also an important point. As the data attached above, in terms of HR management, evaluation is needed, especially evaluation of communication and cooperation between HR itself.

3. The Effect of Development on HR Management

From the results of research and journal reviews entitled "The Influence of Career Development, Training, and Motivation on Employee Performance at PT. Air Manado" by (Kaengke, Tewal, & Uhing, 2018), Career development variable, calculated = 12.596 > t-table = 1.660, p-value significance = 0.000 <0.05, thus Ho is rejected and Ha is accepted which means there is significant effect of career development on employee performance. Thus, hypothesis 2 which states that there is a significant effect of career development on employee performance is accepted or proven. The results of this study are in line with the research findings of Kakui and Gachunga, 2016; Dewi and Susila, 2016; Harlie, 2011. PT. Air leaders need to pay attention to the career development of their employees so that they can perform well. And the training variable, t-count = 4.593 > t-table = 1.660, of significance p-value = 0.000 <0.05, thus Ho is rejected and Ha is accepted which means there is a significant effect of training on employee performance. Thus, hypothesis 3 which states that there is a significant effect of training on employee performance is accepted or proven. The results of this study are in line with the research findings of Agusta and Sutanto, 2013; Julianry, Syarif, and Affandi, 2017; Tuage, Tewal and Uching, 2014. The leadership of PT. Water must improve the standard of training provided so that it can get employees who have good skills and can provide good performance for the company. (Kaengke, Tewal, & Uhing, 2018).

Thus, it can be concluded that the development and training both simultaneously and partially are very influential on the management of Human Resources, where it is able to support employee careers and performance.

The external environment variable that has a positive effect on competitive advantage is training. The government's role in advancing the Islamic banking industry is to improve the quality of human resources through training programs funded by the government. The results of the analysis show that training is not only carried out by the government but is mostly carried out by the Islamic banks themselves. The training carried out can improve the capabilities and expertise of human resources in improving services and accommodating the needs and desires of customers. Infrastructure support does not have a significant effect on the competitive advantage of Islamic banking. This is because Islamic banks are active in strengthening promotion and distribution strategies. While the training variable has a significant positive effect on the competitive advantage of Islamic banks. (Pasrizal, 2019). From the results of this research, we can conclude that training is a major factor that influences HR management. The existence of training is able to improve the performance of employees, which means that the achievement of HR management has been achieved.

Conceptual Framework

Based on theoretical studies and scientific article reviews, the conceptual framework for this literature review is:
Based on theoretical studies, reviews and research results from relevant journals as well as pictures from the conceptual framework, it can be formulated: 1) Strategy affects HR Management; 2) Evaluation affects HR Management; and 3) Training and Development has an effect on HR Management.

In addition to x1, x2 and x3 which affect Human Resource Management, there are many other factors that influence, including:

1. Leadership (x4): (Limakrisna et al., 2016), (Bastari et al., 2020), (Anwar et al., 2020), (Ali et al., 2016), (Djoko Setyo Widodo, P. Eddy Sanusi Silitonga, 2017), (Chauhan et al., 2019), (Elmi et al., 2016).

2. Creativity (x5): (Desfiandi et al., 2017), (Yacob et al., 2020), (Richardo et al., 2020), (Christina Catur Widayati et al., 2020), (Prayetno & Ali, 2020b), (C.C. Widayati et al., 2020).


4. Knowledge (x7): (Desfiandi et al., 2017), (Prayetno & Ali, 2020a), (Mukhtar et al., 2016), (Brata, Husani, Hapzi, Baruna Hadi Shilvana AliBrata, Husani, Hapzi, 2017), and (Toto Handiman & Ali, 2019)

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the formulation of the articles and discussions studied in this article, it can be concluded that to make hypotheses to build further research are:

1. Strategy affects HR management. Where a good management strategy will get good human resources and have good performance and productivity as well.

2. Evaluation affects HR management. In its implementation, evaluation is very necessary to review the work of employees, so that it will be very potential for HR management where in this management evaluation becomes one of the important variables that need to be improved.

Figure 1: Conceptual Framework
3. Training and Development have an effect on HR Management. Training and Development is a means to determine the career path of an employee in the future. With the training and development of employees, they will become more loyal to the company because it is felt that they will have a fairly long career path in the future.

**Suggestion**

Regarding the results of research and reviews in accordance with relevant articles, it is better for every organization to start paying attention to strategy, evaluation, training and development in managing Human Resources. Because by developing and increasing the value of these factors, it can slowly increase the performance of employees who are members of the organization.

**BIBLIOGRAPHY**


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