EXPLORING THE EMPLOYEE RESIGNATION PROBLEM AT ZYX COMPANY IN JAKARTA

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Abstract. The competition among the construction companies will have intense competition. The company should develop its own competitive advantages so the client will be satisfied with the work of the company. Human resources are quite important in construction companies. In this case, a family construction named PT. ZYX has only realized how important it is to manage human resources properly so that their business can continue to run as it should. The company knows that they have shortcomings in managing their human resources. The problem that PT. ZYX face the situation of their employees in the field who resign in the middle of the project. It will affect the project as a whole. If it continues, then it will damage the image of the company. This research conducted to address the existing problems by implementing organizational change within the company. This research uses semi-structured interviews and non-participant observation. this research produced several issues, there are employee resign, an organizational structure that is not implemented and company changes. In addition, there are other findings from the results of interviews, there is the nepotism that happens in the company, employee loyalty to the company and the problem of official contracts between the company and employees. From the result of the issues, it can be concluded that the main source of the issue is the organizational structure. The company does not implement the organizational structure and the company does not have any specific division to take care of their human resource. The company only has a Personnel Division to take care of the employees' administration. The company needs a Human Resource Division to take care of all the human resource of the company. This Human Resource Division will manage human resource well and solve the existing problem that relates to the employees. In this research, the researcher uses Lewin's Change Model to change the organization and make a new division to the HR Division. So the company needs to change its organizational structure and design new division which is the Human Resource Division.

Keywords: *EmployeeResignation, Human Resource, Lewin's Change Model, Organizational Change, Organizational Structure*

1.Background
1.1 Introduction
The competition among the construction companies will have intense competition. The company should develop its own competitive advantages so the client will be satisfied with the work of the company. As a construction company, resources are important to the project can go according to plan. Three categories which affect worker productivity, are labor factors include age, education, experience, working hours, payment methods, absence and size of work team; factor work activities include field location work, type and amount of material, and weather conditions; and field management factors include congestion, transportation distance, availability workers, machinery, materials, equipment, and field management (Wuryanti, 2010).

Business strategies including construction business are oriented to the function of management activities and the ways that are planned and implemented to win a competition. One of the ways or strategies to compete in the construction business is by increasing its human resource management of the company to the lowest workforce (Kaming, 2007).

The Company usually open vacancies for field workers who only work for one or two projects. The process of looking for workers is usually taken based on previous workers' relatives, so without an

official process. Lately, there have been reports that there are some projects that are delayed from the planned time. After the analysis, it was caused by workers in the filed resign in the middle of the ongoing project. So that it inhibits the work being done. They can resign in the middle of the project because there is no formal agreement to tie them to work in full on one project. The company only rely on agreement implicitly through ordinary conversation the company also cannot take new workers in the middle of the project because it can disrupt the ongoing workflow, besides those workers who join in the middle of the project need more time to adapt to the work environment that has been built. Therefore, the company usually never takes new employees in the middle of the project. Something like this has been repeated several times, the company is starting to worry if this continues to be left, and they will suffering material and immaterial losses. Moreover, the company must maintain its integrity in front of clients. Therefore, the company needs a division that is intended not only to manage employees data but also to manage the company's needs for employees and vice versa also all the needs of employees so that employees will stay in the company and work as they should.

1.2 Research Objective
The objective of this research is to find out what the company should do to prevent employees from resigning so that it will not interfere with the project. Also, give the recommendation to the company how to manage their employees.

1.3 Research Question
The question of this research are:
What are the issues that the company faces with regard to employee resignation?

1.4 Problem Identification
The problem identification of this research is that the company PT. ZYX does not have a human resource division that manages all the employees. The company only have a division that only manages the employees' data. The company has suffered from the resignation of the workers in the middle of the projects. So it affects the schedule of the project and even could delay the time of the project. Before, the company only recruit the employee without a formal process so it makes the employees easier to resign from the project. If it continues, the company will suffer from the material and immaterial losses. Also, it will damage the company image and integrity in front of the clients. The company needs internal changes that will make their human resource management will be better
This research is limited to only focus on the problem solving of the company PT. ZYX. The employees of PT. ZYX is become the respondents of this research, especially them who work at personnel management and field workers. In addition, the study case was conducted at PT. ZYX as the company object which wants to be studied to solve their employees' management problem issue.

1.5 Research Limitation
This research is limited to only focus on the factors that caused the employee to resign in the middle of the project at PT. ZYX.The scope of this research applied to a small business with fixed employees no more than twenty persons. This research is conducted in 2018-2019. This data is only obtained from this company, and this research only conducted at this company. Thus, it may not be applicable to other companies.

1.6 Factors That Employee Resign
The salary of the company is important but it does not buy employee loyalty. According to James K.Harter from Gallup said that 75 percent for costly voluntary can be influenced by the manager (Robinson, 2008). Like the (Schwantes, 2017) said there are six reasons why the employees quitting.
1.6.1 Career Advancement/Promotional Opportunities
Having the opportunity to learn, grow and progress at work is one of the best predictors of turnover. The Gallup study found that employees strongly agreed with this and argued that they had twice as much chance of going up. In addition, 92 percent of employees say that they planned to be with the company in the following year.
1.6.2 Pay/Benefit
According to Gallup, "engaged employees are far more likely to perceive that they are paid appropriately for the work they do (43%), compared to employees who are disengaged (15%) or

actively disengaged (13%). Another result of reality is to find out the feelings between each colleague. if a colleague is not committed to quality, payments and benefits are a problem. The manager's main task is to supervise employees who are not committed to existing work standards.

1.6.3 Lack of Fit to Job

Harter illustrates that the most effective managers are those who help other workers to build jobs according to their individual abilities.

Harter said that managers who put people into roles that match their talents and abilities, where they are connected to their jobs are managers who win big. Companies will choose people who are psychologically fit with their jobs.

1.6.4 Management or The General Work Environment

Harter told Mark C. Crowley at Fast Company that improving employee turnover was because management or work environment began with managers who had to set clear goals.

1.6.5 Flexibility/Scheduling

Gallup reports that 53% of employees say a better work-life balance and better personal well-being are "very important" to them. Especially for female employees. They also found that 51% of employees said they would switch to jobs that would allow them to work as much as flexible, and 37% would switch to jobs that would allow them to work out of the location at least part of the time.

1.6.6 Job Security

To overcome this problem as a potential catalyst for employees who will move, they need to feel that the company they work for is on a strong footing and ready to develop. The more stable they see their employers, the more likely they are to see their future. One way companies can show stability is to share a history of stable growth with specific examples of how they survive in difficult economic times or openly communicate their vision for future growth to all employees. Employees (and job candidates in the interview process) want to hear stories that resonate within them - they must believe in the future of the organization and can see themselves participating in it. Therefore, managers at all levels are very important in creating an original and interesting vision that is played in the hearts of their employees.

1.7 The Differences Between Human Resources Division and Personnel Division

The personnel management is using a traditional approach that is relating to labor and its relationship with the entity, HR management is using the modern approach that is focused on the most effective entity labor, to achieve organizational goals. Therefore, personnel management treats the employees as a machine or tools rather than assets. The personnel management pays their employees based on job evaluation, but HR management based on performance evaluation.

2.1 Research Data Collection Techniques

There are three data collection techniques used in this research which are, literature review study, observation and interview.

2.1.1 Literature Review Study

Literature study is used to strengthen the data of the research. The literature review is obtained from the website, journal, article, and previous researches and other sources which made the theoretical basis.

2.1.2 Observation

The observation is used to see the real condition of the company and also to see the real relationship among the employees. Observations were made to see the activities actually carried out in the office. In addition, it is also done to see facilities, how to communicate between employees, and what activities the employees do while in the office. By making observations, it is expected to be able to get data that cannot be explained in the interview. Besides, that observation can also strengthen or weaken the statements of interviewees and make it easier for researchers to determine problem identification and how to solve these problems.

2.1.3 Interview

The interviews conducted twice. The first is to get the identify the problem that happens in the company and the second is to get the data to solve the problem. The process of the interview has been done by the researcher with several informants who are currently working at PT. ZYX. The informants are working at a different place, such as in the office and on the field, but still related to the topic of this research. Interviews are conducted directly and indirectly such as through online media

(WhatsApp application)- this is due to some reason such as the field work that hard to reach. The interview conducted with semi-formal techniques, this is due to make the informants comfortable and relaxed in answering the questions. This interview used a semi-structured interview with the stakeholder that related to this research. One of the common qualitative methods is an in-depth interview that is implemented in this research to get information and data. It is the technique designed to obtain a clear view of how the issues in the company arise and how people in the company deal with it.

2.2 Data Processing and Analysis

This part describes the process of coding the interview. Coding is a process of organizing, compiling, sorting and summarizing the data obtained from the interview. For developed the data analysis, coding is the basis. The first step of the coding process is creating a storyline. The storyline is quite important because it will guide the data should be coded and organized, decide the concepts for communicating the evaluation and gives the basic structure for the scheme of the coding process.

The next step is to create the codes. The coding involved the words, number, symbol, phrase, notes, and observation. The prior knowledge will help to construct the codes. The emergent codes are needed which is a set of codes emerged from reading and analyzing. Then, notes all the informant's ideas, reaction, and other response emerged. The notes are quite helpful to see the points of issue.

3. Result and Discussion

3.1 Issues

3.1.1. Career Advancement

Based on the data that the researcher get from the research, this issue cannot be found in this company. From the results of the study, it was not stated that the career advancement in the company was one of the factors that became the reason for the employees to resign in this ZYX Company. The career path in the company is clear, moreover, this is a business family. So they who enter the company already know the strengths and weaknesses of this company. So that the advancement career is not a reason to resign.

3.1.2 Pay/Benefit

In this company, there are some issues with the pay/benefit. The employee at the field who resign in the middle of the project said that the workload and the pay is imbalanced. This is one of the main reason why the employee resigns.

3.1.3 Lack of Fit to Job

Organizational structure is something that is should be there in a company. They use it as a reference in dividing their duties and their role in the company. But in this company, they do not consider that the organizational structure is important. The people in the field need a division that can really take care of their staff who don't just take care of the administration. This division will also be responsible for recruitment so that it can reduce employee turnover and will not hinder the predetermined schedule of the project

3.1.4 Management or The General Work Environment

Based on the data that the researcher get from the research, this issue cannot be found in this company. From the results of the study, it was not stated that the management or the general work environment in the company was one of the factors that became the reason for the employees to resign in this ZYX Company.

3.1.5 Flexibility or Scheduling

Based on the data that the researcher get from the research, this issue cannot be found in this company. Scheduling within this company is quite clear. Besides, those who work in this company already know how to work within the company.

3.1.6 Job Security

Based on the data that the researcher get from the research, this issue cannot be found in this company. This company is in a fairly good condition and has developed quite well in recent times. If seen in the future this company will develop even better because as stated that the infrastructure industry in Indonesia will continue to grow in the next few years. So this is not included in the reason why the employee resigns.

3.2 Other Findings

3.2.1 Nepotism-Contract Issue

Almost all workers are recruited through informal processes. Because this is a family company, most of the people who work here are still the relationship between the company's founder. For example, the general manager who turns out to be in charge of financial and field matters held by the company's son-in-law. To enter a company there are no official contracts that exist only verbally. Until sometimes it makes some employees feel uncertainty about their status in the company. At the field they worked without a formal written contract, they only provided data to the office and was finally able to work directly in the field. This is what causes workers in the field to easily resign amid the ongoing project. They feel that there is nothing legally binding on them to stay in the company.

3.2.2 Loyalty

The employees who work for the company from the beginning is still working in the company until now. Also, the other employees are work around 3-12 years. One of the things that makes them comfortable is a family between employees who are quite close. In addition, because there are not too many company employees, it makes it easy for fellow employees to interact and get closer to each other.

3.2.3 Change in Organization

The company has not experienced changes for a long time. Employees did not demand change, they only followed the flow that occurred inside the company. The actual changes need to be done within the company because the current state of the company is not good enough especially the problem regarding employees. Employees within the company seem to be in a comfort zone so they refuse to make changes.

4. Conclusion and Recommendation

4.1 Conclusion

Based on the research question, asking about what the company should do to prevent employee resignation problem, this research will answer with the theory that stated the factors that makes the employee resign. There are six factors that make the employee resign, namely career advancement, pay benefit, lack of fit to the job, management or the general work environment, flexibility or scheduling, and job security. From those factors, there are only a few factors that happen to be a reason the employee resigns in this company. Pay benefit and lack of fit to a job are factors that found in this company, the other factors are not found. But besides that, from this research the researcher found other reason, there are a nepotism-contract issue, loyalty, and change in the organization. So the answer from the research questions above is that the company should focus more on the employees and manage the employees properly.

4.2 Recommendation

After looking at the issues within the company, there needs to be a change from the Personnel Division to HumanResource Division. The Personnel Division only deals with employee administration, while companies need divisions that not only can manage employee administration but also manage their human resources. The Human Resource Division has a significant role to solve the problem of recruitment and development, as well as a description of the problem. While the Personnel Division cannot carry out the recruitment process, they only take care of data from employees.

Formal agreements between employees and companies will also be handled by the Human Resource Division. This will solve the problem regarding the employees who leave the existing project because they will have an official agreement so it is not easy to resign. In addition, the Human Resource Division will also determine the recruitment process and examine the position in the company that matches the capabilities of each person, so that their work will be in accordance with their abilities. Employees will have clear tasks and will not overlap with tasks that are not part of it.

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