

# **The Effectiveness of the Role of Human Resources in Managing Workload to Support MSME Business Growth at UD. Kreasi Lutvi**

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## **Abstract**

This study aims to evaluate the effectiveness of the role of human resources (HR) in managing workload to support business growth at UMKM UD. Kreasi Lutvi at Living Lab Glugur Rimbun. UMKM has an important role in the local economy, and one of the determining factors for their success is effective HR management in dealing with the existing workload. This study uses a qualitative approach with interviews and in-depth observations of the owner and employees at UD. Kreasi Lutvi. The results of the study indicate that good workload management, such as clear division of tasks, training and development of employee skills, and increased work motivation, have a positive effect on operational efficiency and business productivity. In addition, the use of technology in the production process also accelerates performance and reduces manual workload. This is expected to be a reference for other UMKM in optimizing the role of HR to achieve sustainable growth.

**Keywords:** Effectiveness, Human resources, workload, HR management, UMKM, business growth, UD. Kreasi Lutvi.

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## Introduction

Micro, Small and Medium Enterprises (MSMEs) play a strategic role in the Indonesian economy, contributing significantly to Gross Domestic Product (GDP) and employment. However, many MSMEs face challenges in Human Resource (HR) management, mainly related to unbalanced workloads and lack of managerial skills. In the context of MSMEs, HR management is often neglected or considered less important. This is due to limited resources, both in terms of financial and managerial knowledge. As a result, many MSMEs do not have a structured HR management system, such as training, selective recruitment, and regular performance evaluation.

In obtaining appropriate human resources, one of the things that needs to be considered is workload (Budiasa, 2021). According to the Regulation of the Minister of Home Affairs Number 12 of 2008, workload refers to the amount of work that must be done by a position or organizational unit and is calculated as a result of the multiplication between work volume and time norms. If the worker's ability exceeds the demands of the job, a feeling of boredom may arise (Parashakti, 2023). A concrete example of this challenge can be seen in MSME UD. Kreasi Lutvi, a cassava chips producer that has grown rapidly. Despite having successfully penetrated the international market, the company faces challenges in managing effective HR to support business growth. Limitations in HR management can hinder the company's maximum potential in facing global competition.

So the role of Human Resources (HR) in the success of MSMEs is very important and strategic. Employees who have high skills, knowledge and motivation will be able to manage their workload better, resulting in increased business productivity. Conversely, without effective HR management, small and medium enterprises are vulnerable to problems such as low motivation, high turnover rates, and reduced output quality, which can ultimately hinder business growth.

## Literature review

### A. The Role of MSMEs in the Indonesian Economy

Micro, Small, and Medium Enterprises (MSMEs) have a strategic role in the Indonesian economy, especially in their contribution to Gross Domestic Product (GDP) and employment (Ministry of Cooperatives and SMEs, 2020). However, MSMEs often face various challenges, especially in the effective management of Human Resources (HR) to support business growth (Budiasa, 2021).

### B. Management of Human Resources (HR) in MSMEs

Human Resources are the most important asset in an organization, including MSMEs (Hasibuan, 2016). HR in MSMEs includes owners, managers, and employees who play an important role in productivity, innovation, and business competitiveness (Sutrisno, 2016). Effective HR management includes planning, recruitment, training, job placement, and periodic performance evaluation (Daryanto & Bintoro, 2017). However, limited financial resources and managerial knowledge often cause suboptimal HR management in MSMEs (Budiasa, 2021).

### C. Workload in HR Management

Workload is an important aspect in HR management that needs to be considered so that employees can work optimally (Regulation of the Minister of Home Affairs Number 12 of 2008). Workload is defined as the amount of work that must be done in a certain period of time, which includes physical and mental workload (Mangkunegara, 2017). An unbalanced workload, either excessive or insufficient, can cause stress, boredom, and reduce employee motivation and performance (Parashakti, 2023; Robbins & Judge, 2017).

#### **D. Workload Effectiveness and Its Impact on HR Performance**

Workload effectiveness is the suitability between the volume of work and the ability and time available to complete tasks with quality (Purwanti, 2022). Effective workload can increase employee motivation, performance, and loyalty, while excessive workload can cause stress and decreased productivity (Akhmad, 2019). Richard M. Steers (in Purwanti, 2022) stated that work effectiveness is influenced by the characteristics of the organization, environment, workers, and management policies and practices.

#### **E. Workload Management Strategy to Improve HR Effectiveness**

To improve HR effectiveness in managing workload, organizations need to implement strategies that include workload analysis, efficient scheduling, training and skills development, improved communication, provision of resource support, performance monitoring and evaluation, and creating a healthy work environment (Hasibuan, 2017; Mangkunegara, 2017). This strategy aims to optimize employee performance while maintaining their welfare so that MSMEs can grow and compete in the global market.

#### **F. Case Study: UD. Kreasi Lutvi and Challenges of HR Management**

UD. Kreasi Lutvi as an MSME engaged in the production of cassava chips has shown significant growth, including exports to international markets (Deli Serdang, 2022). However, this company faces challenges in HR management, especially in managing employee workloads to remain effective and productive. Limited HR management can hinder the company's maximum potential in facing global competition (Muhdi, 2023). Therefore, research on the effectiveness of the role of HR in managing workloads at UD. Kreasi Lutvi is very important to provide recommendations for improving the performance and competitiveness of MSMEs.

Therefore, research on the effectiveness of the role of HR in managing workload to support the growth of MSME businesses, especially UD. Kreasi Lutvi, is important. This research is expected to provide insights and recommendations for improving HR management, which in turn will contribute to improving the performance and competitiveness of MSMEs in the global market.

In HRM itself there is recruitment, job placement, development, salary, and post (retirement). In work placement there is workload. Job placement is the placement of employees or employees in job positions that are in accordance with the abilities and skills of employees. Workload is divided into 2, namely physical workload and mental workload.

Physical workload can be interpreted as work that requires physical energy in human muscles that will function as a source of power. While Mental Workload is work that is mental and difficult to measure through changes in the vital functions of the body. Excessive workload can cause increased stress in employees, if employees are not stressed then the resulting performance will not decrease. Therefore, the company needs to reduce this such as, not giving excess workload to employees.

#### **Research Methods**

This research uses qualitative methods with descriptive research and library research. The qualitative approach was chosen because the focus of the research was to understand the phenomenon in depth in a natural context without experimental manipulation. While the library research method is used to find data from various relevant literature sources, including textbooks, scientific journals, and official documents that discuss theories and research results related to problems that occur in UD UMKM. Kreasi Lutvi, especially regarding the

effectiveness of the role of Human Resources (HR) in managing workload to support business growth. This method also leads to assessment and direction which is carried out by interviewing the staff some employees about the amount of workload carried out in the company.

## **Results and Discussion**

### **A. History of UD. Kreasi Lutvi**

Established in 1997-1998, UD. Kreasi Lutvi has grown rapidly from small production to exports to South Korea, Malaysia, and Singapore. They produce cassava chips with various flavors and packaging sizes, employ around 62 employees, and have obtained halal and ISO 22000 certification as proof of product quality.

### **B. Definition of HR in MSMEs**

HR is an important factor that includes owners, managers, and employees who have the skills, knowledge, and attitudes to achieve business goals. HR development through training and education is crucial to increasing the competitiveness of MSMEs.

### **C. Role of HR in MSMEs**

HR acts as a planner, operational implementer, decision maker, time and workload manager, innovator, and customer relationship manager. Effective HR management can increase productivity, innovation, and adaptation to market changes.

### **D. HR Workload in MSMEs**

Workload includes tasks, responsibilities, working hours, and quality of work. Excessive workload can cause stress and reduce employee performance, so proper management is needed.

### **E. Workload Effectiveness and HR Role**

Workload effectiveness is the suitability between the volume of work and the ability and time available. An effective workload increases employee motivation and performance, while excessive workload causes stress and high turnover, inhibiting the growth of MSMEs.

### **F. Strategies to Increase HR Effectiveness in Managing Workload**

Strategies include workload analysis, efficient scheduling, training, good communication, providing resource support, performance monitoring, and creating a healthy work environment to optimize employee performance and welfare.

This journal emphasizes the importance of good HR management in MSMEs to manage workload effectively, in order to support business growth such as that experienced by UD. Kreasi Lutvi, while providing recommendations for HR management strategies that can be applied to increase the competitiveness of MSMEs in the global market.

## **Conclusions**

According to research that has been conducted, MSMEs have an important role in the Indonesian economy, but often face challenges in HR management, especially related to workload and managerial skills. The study at UD Kreasi Lutvi shows that effective workload management and sustainable HR development increase productivity and business growth. With a clear division of tasks, training, and skills enhancement programs, UD Kreasi Lutvi manages its HR efficiently, supporting local and international market expansion. A simple and adaptive management approach is the key to the success of this business in facing various operational challenges. The effectiveness of the role of Human Resources (HR) in managing workload is crucial to support the growth of Micro, Small and Medium Enterprises (MSMEs) such as UD. Kreasi Lutvi.

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