Implementation Of Green Human Resources Management To Improve MSME Competitiveness

Lenny Christina Nawangsari\textsuperscript{1)}, \textsuperscript{2)} Nia Kusuma Wardhani\textsuperscript{3)}
\textsuperscript{1),2)} Dosen Fakultas Ekonomi dan Bisnis Universitas Mercu Buana Jakarta

\textsuperscript{*}Korespondensi: nia_wardhani@yahoo.com


SUMMARY

Quality human resources and have global competitiveness are the determinants of the success of MSMEs. Green Human Resource Management (Green HRM) is one of the tools that can be used to manage the MSME workforce. Green human resource management is the management of human resources in a sustainable manner by paying attention to environmental aspects to preserve nature in the management of the company. The application of green HRM is one form of efforts to increase productivity and company commitment (MSMEs) in preserving the environment.

The purpose of this community service activity is to provide knowledge to MSME actors about improving the quality of human resources through training and assistance involving stakeholders, namely local governments, entrepreneurs and academics to improve MSME competitiveness and implementing Green HRM strategies to improve MSME employee performance.

Keywords: Green Human Resource Management, MSMEs, competitiveness

RINGKASAN

Sumber Daya Manusia yang berkualitas dan memiliki daya saing global menjadi penentu keberhasilan UMKM. Green Human Resource Management (Green HRM) merupakan salah satu tools yang dapat digunakan untuk mengelola tenaga kerja UMKM. Green Human Resource Management adalah pengelolaan Sumber Daya Manusia secara berkelanjutan dengan memperhatikan aspek lingkungan untuk melestarikan alam dalam pengelolaan perusahaan. Penerapan green HRM merupakan salah satu bentuk upaya peningkatan produktivitas dan komitmen perusahaan (UMKM) dalam melestarikan lingkungan.

Tujuan dari kegiatan Pengabdian kepada masyarakat ini adalah untuk memberikan pengetahuan kepada para pelaku UMKM tentang peningkatan kualitas Sumber Daya Manusia melalui pelatihan dan pendampingan yang melibatkan stakeholders yaitu Pemerintah Daerah, pengusaha dan akademisi untuk meningkatkan daya saing UMKM dan menerapkan strategi Green HRM untuk meningkatkan kinerja Sumber Daya Manusia di UMKM.

Kata Kunci: Green Human Resource Management, UMKM, daya saing

Lenny Christina Nawangsari, Nia Kusuma Wardhani - Dosen Fakultas Ekonomi dan Bisnis Universitas Mercu Buana Jakarta
1. INTRODUCTION

1.1. Background

MSMEs are an important economic element for the economic growth of the community and are one type of business that is able to absorb a lot of labor because of its labor-intensive nature, because it has the potential for large job opportunities growth and increased income. In addition, MSMEs as contributors to the National Gross Domestic Product (GDP), have an important role for Indonesia’s economic recovery. The government is committed to continuing to support MSMEs to be able to survive, develop, and grow amidst the challenges of the pandemic and transformation through the National Economic Recovery Program (PEN).

The number of MSMEs is very large and spread in various regions, from urban to rural areas. Based on data from the Ministry of Cooperatives and Small and Medium Enterprises (KemenkopUKM) in March 2021, the number of MSMEs reached 64.2 million with a contribution to Gross Domestic Product of 61.07 percent or Rp. 8,573.89 trillion. Currently, MSMEs are able to absorb 97 percent of the total workforce, and can collect up to 60.42 percent of total investment in Indonesia.

Qualified human resources and have global competitiveness are the determinants of the success of MSMEs. For this reason, HR management is needed so that each individual who works can contribute optimally to MSMEs. The workforce as the main MSME players need to understand environmental management as one aspect in order to increase business productivity.

Green Human Resource Management (Green HRM) is one of the tools that can be used to manage the MSME workforce. Green human resource management is the management of human resources in a sustainable manner by paying attention to environmental aspects to preserve nature in the management of the company. The function of Green HRM is to become a driver of environmental sustainability within the organization by aligning its practices and policies with sustainability goals that reflect an environmental focus (Nawangsari and Sutawidjaya, 2019).

Competition is one of the problems faced by MSMEs in the era of globalization. Every company will be faced with various opportunities, threats and challenges to survive in a constantly changing business environment. To survive in these conditions, a company must understand market conditions and be able to adapt to consumer demand, considering that consumers play an important role in the success of a company in creating new products or services.

One of the efforts that must be made by MSME business actors in facing competition is to maintain business continuity. In order to maintain business continuity in this intense competition, MSMEs must have a competitive advantage. By having a competitive advantage and even maintaining that competitive advantage, the performance of a business will be superior to its business competitors who do not have a competitive advantage.

Based on the policies implemented by the Ministry of Cooperatives and SMEs in 2015-2019, Cooperatives and SMEs are directed to: increase productivity, feasibility and added value so that they are able to grow to a larger and competitive scale. The policy direction for improving the quality of human resources is carried out through several strategic steps to increase the competitiveness of MSMEs, among others through increasing the capacity of MSME human resources in the regions through training and assistance involving stakeholders, namely the Regional Government, entrepreneurs and academics to improve the competitiveness of MSMEs and increase the entrepreneurial spirit with business, profitable and sustainable. Strengthening MSMEs is focused on improving the performance and competitiveness of MSMEs as the achievement of performance targets through programs, activities and outputs that must be implemented through integration and cooperation in the planning, implementation, data and information processes.

The implementation of green HRM is a form of effort to increase productivity and company commitment (MSMEs) in maintaining environmental sustainability. Several forms of green HRM implementation in companies are carried out through performance management, training, development and learning, compensation and benefits as well as organizational culture (L. Mathis, Robert & H. Jackson, John 2011). The implementation of green HRM requires a strong commitment from management through a comprehensive form of planning.

With a comprehensive plan, the implementation of green HRM provides several benefits for the company, including: improving the employee retention process, increasing the company's name in
the general public, getting better employees, increasing productivity and company sustainability, reducing the environmental impact caused by the company and increasing competitiveness and improve the company's overall performance (Cherian and Jacob, 2012).

Based on this description, it can be seen that green HRM is important to be applied to MSMEs. But in its implementation, several strategies are needed so that the process of implementing green HRM in MSMEs can provide optimal results.

1.2. Identification of problems

Based on the description of the situation analysis above, the existing problems can be identified as follows:

1. Lack of understanding of MSME actors about the importance of HR performance management so that each individual can contribute optimally to MSMEs.
2. The program to increase capacity building has not been effective in supporting the green HRM implementation strategy to increase the competitiveness of MSMEs.
3. Lack of understanding of MSME actors in maintaining environmental sustainability to increase MSME productivity.

1.3. Activity Purpose

Community Service Activities for MSME actors aim to:

a. Provide knowledge and insight for MSME actors about the importance of HR performance management so that each individual can contribute optimally to MSMEs.

b. Provide knowledge and insight to MSME actors regarding programs to increase capacity building and increase the entrepreneurial spirit in supporting green HRM implementation strategies to increase MSME competitiveness.

c. Provide knowledge and insight of MSME actors in maintaining environmental sustainability to increase MSME productivity.

2. METHOD

The target of this service activity is MSME Owners-Managers in Jakarta. There were 40 participants who took part in this service activity.

The method used to achieve the objectives of the activity is material dissemination, presentation, discussion and question and answer as well as monitoring and evaluation of the implementation of the activity. The flow of the stages of the Community Service Program activities carried out is illustrated in Figure 1 below:

Figure 1. The flow of the stages of the Community Service Program activities

Presentation and discussion activities are carried out via zoom on Thursday, March 17, 2022. The event takes place from 14.00 to 16.00 WIB with URL address https://www.youtube.com/watch?v=LP3H1SMc82k.

Lenny Christina Nawangsari, Nia Kusuma Wardhani - Dosen Fakultas Ekonomi dan Bisnis Universitas Mercu Buana Jakarta
The event was opened by opening and singing the songs Indonesia Raya and Mars UMB, then continued with a prayer and remarks from the Dean of FEB UMB. Followed by group photos and presentations from PkM partners from Universiti Teknologi Mara, Malaysia. After that, it was followed by a presentation by UMB Lecturers and discussions and questions and answers were held.

3. RESULTS AND DISCUSSION
This community service is carried out online via Zoom. Community service activities with the topic of Implementation of Green Human Resource Management Based on MSME Development in collaboration with Universiti Teknologi Mara, Malaysia.

With the method of delivering material delivered by resource persons, participants can clearly understand the material because the material is delivered in a structured, systematic way so that it is very easy to understand.

From the results of the implementation of this training activity, it can be concluded that it is in accordance with the expectations and needs of the participants. So that the majority of participants considered this event very good and satisfying.

This program is very useful because the material discussed by the speakers is the concept of improving the quality of human resources to increase the competitiveness of MSMEs and implementing a green HRM strategy to improve the performance of MSME employees as well as providing community assistance in an effort to grow and improve the competitiveness of MSMEs.

Community service activities with the topic of Implementation of Green Human Resource Management Based on MSME Development in collaboration with Universiti Teknologi Mara, Malaysia.

From the results of the discussion, it was shown that the participants' interest in studying Green Human Resource Management was quite high and there was a need for continuous empowerment of MSMEs and to increase the potential for collaboration between Universiti Teknologi Mara and MSMEs in Jakarta.

The method of delivering material delivered by resource persons is in the form of presentations so that participants can understand the material because it is delivered in a structured, systematic way so that it is easy to understand.

From the results of the implementation of this training activity, it can be concluded that it is in accordance with the expectations and needs of the participants. So that the majority of participants considered this event very good and satisfying.

From the results of participant evaluation through questionnaires, several further topics were proposed related to digital marketing to increase turnover and improve MSME products, besides that participants needed topics related to green management, K3, capital development for MSMEs and how to increase import exports to MSMEs.

Isi simpulan ditulis Times New Roman 11. Simpulan merupakan ikhtisar dari penelitian yang telah dilakukan. Simpulan bukan merupakan ringkasan dari hasil pembahasan yang mengacu pada teori tertentu, tetapi hasil dari analisis/uji korelasi data yang dibahas.

4. CONCLUSIONS AND RECOMMENDATIONS
4.1. Conclusion
Community service activities can be carried out well even though they are not carried out face-to-face but via online via zoom.

The method of delivering material delivered by resource persons from UMB Lecturers and Universiti Teknologi Mara, Malaysia to participants from MSMEs in Jakarta, can be
understood clearly, because the material is delivered in a structured, systematic way so that it is very easy to understand.

Based on the results of the survey to the Community Service participants on the results of the implementation of the activities, it can be concluded that the activities carried out were in accordance with the expectations and needs of the participants. Most of the participants considered this event very good and satisfying.

4.2. Recommendations

1. Continuous training activities are needed so that assistance can run more optimally, which is carried out between UMB and partners through community service activities.
2. Assistance is needed for participants to improve the quality of human resources so that they can increase competitiveness in MSMEs
3. There is a need for further training related to sustainable business management and expanding marketing.

ATTACHMENT

PHOTOS OF ACTIVITIES DURING SERVICE TO THE COMMUNITY
The importance of human resources for SMEs

One of the strong characteristics of MSMEs is that they are labor-intensive, use simple and easy-to-understand technology and are able to become a place for people to work (Anggraeni et al., 2013).

The role of labor is very important for MSMEs. Labor is no longer a worker, but has become a business capital for MSMEs (human capital).

The Role of the Environment for MSMEs

- become an important factor for the development of SMEs
- contribute to environmental problems
- there is gas, liquid and solid waste pollution, so companies are obliged to participate in solving environmental problems (Agan et al., 2013).

To ensure business continuity

- it is necessary to introduce environmental and social aspects within the business framework (Kondoh et al., 2014).

Environmental management in business operational processes (MSMEs), has a positive influence on the sustainability of MSMEs in the short and long term (Zenget et al., 2011).

Implementation of Green HRM

Implementation can be in the form of performance management, training, development, and learning, compensation and benefits as well as organizational culture (Jackson et al., 2011).

The implementation of green HRM requires a strong commitment from management at the top level, through a form of comprehensive planning as a guideline by employees at the operational level (Fayyazi et al., 2015).
What is Green Human Resources Management (GHRM)

- It is the development of human resource management (HRM) which in Indonesia is known as human resource management, namely; a policy and practice that is needed by someone who carries out the aspects of people or recruitment, screening, training, compensation, and assessment (Desler in Tiffani, 2013).
- Green HRM is focused on systemic planning related to human resource management practices that are in accordance with organizational goals in environmental management (Millaret al., 2016).

**Benefits of Green HRM Implementation for MSMEs**
- Improvements in employee retention processes
- Improve productivity and sustainability of MSMEs
- Reduce the environmental impact caused by MSME activities
- Improve competitiveness
- Improve the overall performance of SMEs

**GHRM Implementation Strategy in MSMEs**
- Determining the priority of green HRM criteria for MSMEs based on their level of importance
- Environmentally friendly and innovative Product Development
- Diversification
REFERENCES


