

## Analysis of Human Capital Plan Implementation In Improving Human Resource Performance at PT Furnimate Creation (PT FMC)

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**Keywords:** human capital plan, human resources, employee performance, HR management, furniture industry

### **Abstract**

*This study aims to analyze the implementation of a human capital plan to support the effectiveness of human resource management at PT Furnimate Creation (PT FMC), a furniture and interior design company. The background of this study is based on the importance of human resources as a strategic asset in creating competitive advantage, as well as the existence of a research gap that shows that studies related to the implementation of an integrated human capital plan in project-based and customization companies are still limited. This study uses a qualitative approach with descriptive methods. Data were collected through in-depth interviews, observations, and documentation, involving the company's management and employees. Data analysis techniques were carried out using an interactive analysis model that includes data reduction, data presentation, and conclusion drawing, and its validity was tested through triangulation of sources, techniques, and time. The results of the study indicate that the implementation of the human capital plan at PT Furnimate Creation (PT FMC) has been carried out in a structured manner through aspects of competency-based recruitment, employee training and development, performance assessment using a balanced scorecard approach, and a compensation system tailored to employee contributions. This implementation has been proven to support increased employee productivity and performance. However, several obstacles remain, such as limitations in the development of specialist competencies and the suboptimal integration between HR planning and the company's business strategy. The conclusions of this study indicate that human capital planning plays a crucial role in improving the effectiveness of HR management and supporting organizational sustainability. Therefore, a more integrated and long-term HR development strategy is needed to enhance company competitiveness.*

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## INTRODUCTION

The era of globalization, characterized by rapid digital transformation, has compelled organizations to adapt swiftly to increasingly complex and highly competitive business environments (Anusuya & Soundarapandian, 2024). In this situation, human resources (HR) have become one of the most critical determinants of organizational success. Human resources are no longer perceived merely as factors of production; instead, they are recognized as strategic assets that play a significant role in generating sustainable competitive advantage and supporting long-term organizational growth (Utamy et al., 2020). Consequently, organizations must prioritize effective and strategic HR management to remain competitive in a dynamic business landscape.

The concept of human capital highlights that the value and performance of an organization are strongly influenced by the quality of its workforce, including employees' knowledge, competencies, skills, experience, creativity, and capacity for innovation (Kucharcikova, 2024).

Therefore, organizations are required to develop systematic and integrated human capital planning aligned with their overall business strategies and objectives. Human capital planning involves several essential components, such as recruitment and selection, employee training and development, performance evaluation, and compensation management, all of which contribute significantly to enhancing employee productivity, motivation, and organizational effectiveness (Fauziyah & Farisanu, 2022). Through well-structured human capital planning, organizations can ensure that their workforce remains capable of meeting current and future business demands.

In the creative industry, particularly within the furniture and interior design sector, the demand for competent, innovative, and adaptable human resources has become increasingly important. The rapid advancement of digital technology has transformed operational and production processes, requiring companies to continuously improve employee competencies through sustainable training and development programs. The utilization of modern technologies, including digital design software and advanced production systems, has become an integral aspect of maintaining organizational competitiveness and efficiency (Hartoyo & Iskandar, 2023). This indicates that organizational success is determined not only by the quality of products and services offered but also by the ability of employees to innovate, adapt to technological developments, and provide added value to customers. Such conditions are highly relevant to PT Furnimate Creation (PT FMC), a company engaged in furniture customization and interior design services that relies heavily on the quality, creativity, and competence of its human resources to sustain business performance and competitive advantage.

Despite the growing importance of strategic human resource management, various organizations continue to encounter challenges in implementing effective HR practices. Previous studies reveal several common issues, including mismatches between employee competencies and organizational requirements, inadequate training implementation, and ineffective performance appraisal systems (Kustiawan et al., 2022). These problems can negatively impact employee productivity, reduce organizational efficiency, increase turnover rates, and ultimately hinder the achievement of organizational goals. In addition, previous research on human resource management has generally focused on specific aspects, such as employee performance or training programs, without comprehensively examining the integration of all human capital elements within a strategic planning framework. Research specifically addressing integrated human capital planning in project-based and customization-oriented industries, such as the furniture and interior design sector, also remains relatively limited..



Figure 1. FMC Company Logo

Furthermore, studies discussing holistic human resource planning from short-, medium-, and long-term perspectives are still scarce, even though comprehensive and sustainable HR planning is essential for ensuring workforce readiness and supporting

**organizational continuity (Li et al., 2024). Effective human resource planning enables organizations to anticipate future workforce needs, enhance employee competencies, and maintain operational sustainability in an increasingly competitive business environment (Bayu et al., 2023). This issue is particularly relevant for PT Furnimate Creation (PT FMC), which is currently experiencing business growth and expansion, thereby requiring adaptive, integrated, and long-term HR management strategies to support its organizational development.**

**Based on these conditions, this study is considered important to provide a more comprehensive understanding of the implementation of integrated human capital planning in supporting effective human resource management. This research is expected to contribute both theoretically and practically, particularly for PT Furnimate Creation (PT FMC) and similar companies, by offering insights into strategies for improving human resource quality, enhancing organizational performance, and achieving sustainable business growth.**

## **RESEARCH METHODS**

This study uses a qualitative approach with descriptive methods to analyze the implementation of human capital plans in human resource management. A qualitative approach was chosen because it provides a deep understanding of the phenomena studied and systematically describes conditions consistent with the realities on the ground (Creswell & Creswell, 2021). Descriptive methods are used to explain phenomena factually and accurately based on data obtained during the study.

The research was conducted at a company engaged in the furniture and interior design sector, PT Furnimate Creation (PT FMC). The data sources in this study consisted of primary and secondary data. Primary data was obtained through in-depth interviews with management and employees, as well as direct observation of human resource management activities. Meanwhile, secondary data was obtained from company documents, scientific literature, and employment-related regulations. The simultaneous use of primary and secondary data aims to increase the completeness and accuracy of the information obtained (Sugiyono, 2021).

Data collection techniques included interviews, observation, and documentation. Interviews were used to gather in-depth information regarding human capital planning and management. Observations were conducted to directly understand actual conditions on the ground, while documentation served as supporting data to strengthen the research findings. The combination of these three techniques is considered effective in qualitative research for obtaining comprehensive and in-depth data (Moleong, 2021).

Data analysis was conducted using an interactive analysis model that includes data reduction, data presentation, and conclusion drawing. The analysis process was carried out continuously from the data collection stage until valid conclusions were obtained. This model allows researchers to process data systematically and repeatedly, resulting in more accurate findings (Miles et al., 2020). To ensure data validity, triangulation techniques were used, including triangulation of sources, techniques, and time. The application of triangulation aims to increase the credibility and validity of data obtained in qualitative research (Creswell & Creswell, 2021).

## **RESULTS AND DISCUSSION**

The research results show that the implementation of the human capital plan at PT Furnimate Creation (PT FMC) has been systematically and structured, taking into account the organization's short-, medium-, and long-term needs. This planning not only focuses on meeting current workforce needs but also aims to support the company's operational sustainability and future business development. Comprehensively, the planning encompasses various important aspects, such as recruitment, training and development, performance appraisal, and an integrated compensation system, supporting the achievement of organizational goals effectively and efficiently.

PT FMC's vision is to become a modern furniture company based on technology and human creativity, offering professional service and a focus on customer satisfaction. To achieve this vision, PT FMC has established the following missions:

1. Providing maximum satisfaction to consumers.
2. Adopting and developing modern technology in the furniture design process.
3. Continuously innovate in furniture design according to consumer needs.
4. To become the market leader in domestic furniture according to segmentation for private residences and businesses.
5. Improving human resource competency and performance through training and professional development.
6. Building a positive and collaborative work culture.
7. Committed to using high quality and environmentally friendly raw materials.
8. Establish harmonious long-term relationships with suppliers, business partners and consumers.

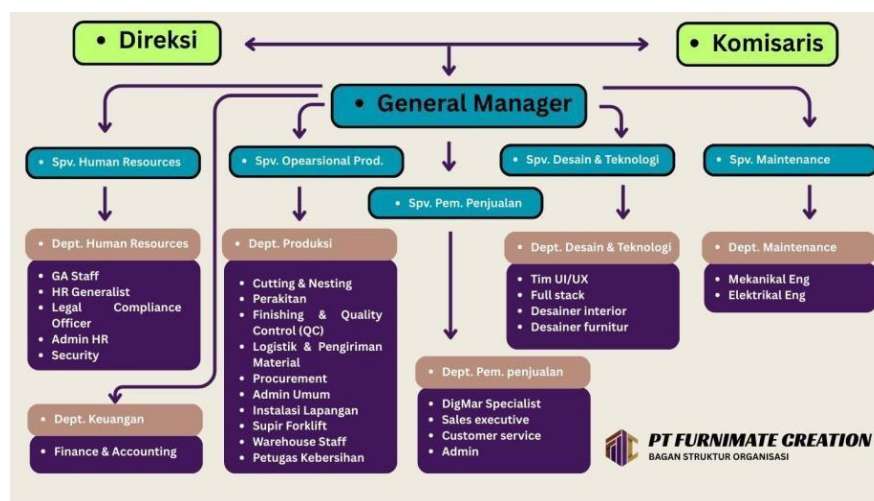


Figure 2. PT FMC work clothes

In implementing work attire for all employees, PT FMC has specific policies for each division, such as operational and managerial. Employees in managerial and operational positions have several differences in uniform policies, depending on their function and purpose. Operational employees must be equipped with personal protective equipment (PPE) to minimize workplace accidents during production activities.

In terms of performance assessment, PT Furnimate Creation (PT FMC) applies the balanced scorecard approach as a measuring tool to evaluate employee performance in a more comprehensive and integrated manner. This approach focuses not only on financial aspects but also encompasses internal business processes, learning and growth, and customer satisfaction. By using a balanced scorecard, the company is able to link individual performance with the organization's strategic objectives, ensuring that each employee's work activity clearly contributes to achieving the company's vision and mission. Furthermore, this system allows for more objective

and measurable performance measurement through established key performance indicators (KPIs). This aligns with research showing that a structured, objective, and indicator-based performance assessment system can increase the effectiveness of employee evaluations and support more accurate managerial decision-making (Kustiawan et al., 2022). Thus, the implementation of the balanced scorecard serves not only as an evaluation tool but also as a strategic instrument for improving overall organizational performance.



**Figure 3. Organizational Structure**

PT FMC has an organizational structure based on a human resource (HR) management strategy that encompasses short-term, medium-term, and long-term planning. All of these strategies have been systematically and thoroughly designed by the company to support the achievement of organizational goals effectively and sustainably. PT FMC's organizational structure is presented in the form of a chart that clearly illustrates the division of duties and responsibilities. Each position within the organization has a distinct job description, function, and job description according to their respective roles and contributions to the company's operations. This division aims to create good work coordination, increase efficiency, and ensure that all company activities run according to established plans.

In terms of recruitment, the company has implemented a competency-based recruitment process tailored to the specific needs of each division. This process is carried out through a selection process that considers the match between individual abilities and job demands, thus producing a qualified workforce that is relevant to the company's needs. This finding aligns with research that states that competency-based recruitment can improve the level of alignment between organizational needs and the quality of the workforce obtained, thus positively impacting overall organizational performance (Bayu et al., 2023). With thorough HR planning, PT FMC is able to ensure the availability of the right workforce, both in terms of quantity and quality, in line with the company's business dynamics and developments.

Furthermore, in the area of training and development, PT Furnimate Creation (PT FMC) has integrated conventional training methods with technology-based approaches to continuously enhance employee competencies. The company's training programs are primarily focused on improving technical skills related to furniture design and production, as well as strengthening employees' ability to utilize technologies that support current industry demands. In addition to technical competencies, PT FMC also emphasizes the development of soft skills, including

communication, teamwork, problem-solving, and customer service abilities. These findings are consistent with previous studies indicating that structured, continuous, and job-oriented training programs significantly contribute to improving employee skills, productivity, and overall performance (Hartoyo & Iskandar, 2023). Therefore, competency development at PT FMC is not solely intended to improve individual capabilities, but also to strengthen the company's competitiveness in an increasingly dynamic and competitive industry environment.

In terms of compensation management, PT Furnimate Creation (PT FMC) has implemented a comprehensive reward system consisting of both direct and indirect compensation. Direct compensation includes salaries, incentives, bonuses, and overtime payments that are adjusted according to employees' responsibilities and workloads. Meanwhile, indirect compensation is provided through various benefits and welfare facilities, such as health insurance, leave entitlements, and other employee support programs. The compensation system is designed based on the principles of fairness, appropriateness, and competitiveness within the labor market, ensuring that employees receive proportional rewards for their contributions to the organization. A fair and competitive compensation system has been shown to increase employee motivation, job satisfaction, loyalty, and organizational commitment while also reducing turnover rates. This finding supports the argument of Fauziyah and Farisanu (2022), who stated that an appropriate compensation system has a significant positive influence on employee performance and job satisfaction. Consequently, the compensation strategy implemented by PT FMC functions not only as a form of appreciation for employee contributions but also as an important mechanism for retaining and developing high-quality human resources.

However, the research findings also reveal several challenges in the implementation of the company's human capital plan that require serious attention. One of the primary obstacles is the limited development of specialized competencies, particularly in areas that demand advanced technical expertise and innovation. Although the company has implemented various training and development programs, the existing approaches still tend to be general in nature and have not fully addressed the specific competency needs required by the increasingly complex and rapidly evolving furniture and interior design industry. As technological advancement and market competition continue to intensify, companies are expected to possess employees with specialized, innovative, and technology-oriented skills. Therefore, PT FMC needs to develop more targeted, adaptive, and specialized competency development strategies to ensure that employees are capable of meeting industry demands and supporting the company's long-term growth and sustainability. These limitations also reflect a gap between ideal competency requirements and the actual capabilities of the workforce. This can impact individual and team performance in completing complex, high-value-added tasks. Therefore, companies need to develop more adaptive training approaches, such as specialized training, on-the-job learning, and collaboration with external parties to continuously improve the quality of workforce competency.

Furthermore, the integration of human resource planning with the company's overall business strategy is also not yet fully optimal. In some cases, HR planning is still positioned as an administrative function focused on meeting short-term workforce needs, without a strong link to the organization's strategic direction. However, from a modern management perspective, the HR function should act as a strategic partner capable of contributing to the decision-making process and the formulation of business strategy. This lack of integration indicates that the transformation

of the HR function from administrative to strategic has not yet been fully achieved, especially in companies in the growth stage (Utamy et al., 2020).

This condition further highlights the gap between human resource planning and its practical implementation within the organization. Although PT Furnimate Creation (PT FMC) has established a relatively well-structured human capital planning framework, inconsistencies in implementation are still evident due to limitations in resources, organizational systems, and the company's readiness to adopt a fully integrated strategic approach. As a result, the company faces significant challenges in ensuring that the human capital strategies that have been formulated can be implemented effectively and generate measurable impacts on organizational performance.

Overall, the implementation of the human capital plan at PT Furnimate Creation (PT FMC) can be considered relatively effective and has contributed positively to the company's operational performance and organizational effectiveness. Various aspects of human resource management, including competency-based recruitment, employee training and development, performance appraisal systems, and compensation management, reflect the company's systematic efforts to improve the quality and capability of its workforce. These efforts indicate that PT FMC has established a strong foundation for developing a more structured and sustainable human resource management system.

Nevertheless, to achieve sustainable competitive advantage, the company still needs to strengthen several strategic areas. One important aspect is the development of advanced and specialized competencies aimed at creating a highly skilled workforce with strong added value and innovation capabilities. In addition, the integration between human resource strategies and overall business strategies must be enhanced so that the HR function does not merely operate administratively but also plays a strategic role in supporting organizational growth and long-term business objectives. This perspective is consistent with the view that effective human capital management requires alignment between employee capabilities and the company's strategic goals (Subeitan et al., 2023).

The findings of this study confirm that planned, integrated, and sustainable human resource management is a critical factor in improving organizational performance over the long term. The implementation of a human capital plan that not only focuses on administrative functions but also accommodates the strategic needs of the company will become a key determinant in strengthening organizational competitiveness amid increasingly dynamic and competitive industrial conditions.

## **CONCLUSION**

Based on the research results and discussion, it can be concluded that the implementation of the human capital plan at PT Furnimate Creation (PT FMC) has been quite effective and structured in supporting human resource management. HR planning, which encompasses recruitment, training and development, performance assessment, and the compensation system, has been able to support the company's operational needs and improve overall employee performance.

The implementation of competency-based recruitment helps companies acquire a workforce that meets organizational needs, while ongoing training and development programs play a crucial role in improving employee skills and productivity. Furthermore, the use of a measurable performance appraisal system and fair compensation contribute to increased employee motivation and job satisfaction. This study also found that several aspects still need improvement, particularly

in the deeper development of specialist competencies and the integration of HR planning with the company's overall business strategy. These limitations indicate that the implementation of human capital planning is not yet fully optimal and still requires strengthening to generate sustainable competitive advantage. Thus, it can be concluded that human capital planning plays a crucial role in improving the effectiveness of human resource management. Therefore, companies need to continue developing more integrated, adaptive, and long-term HR management strategies to support future growth and competitiveness.

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