Establishing Recruitment Strategy for a Small and Medium Enterprise Engaged in Wedding Organizers

Rosyidah Rahmah
Entrepreneurship Department, BINUS Business School Undergraduate Program
Bina Nusantara University,
Jakarta, Indonesia 11480
rosyidah.rahmah@binus.ac.id

Dian Kurnianingrum
Entrepreneurship Department, BINUS Business School Undergraduate Program
Bina Nusantara University,
Jakarta, Indonesia 11480
*dian_k@binus.ac.id

Abstract
The event organizer company has been known in Indonesia since 1990. This company was founded to assist its clients in organizing an event. Most of the event organizers at that time were engaged in the music and art industries. As time goes by, there are opportunities to establish an event organizer for weddings. Many brides-to-be work, so they don't have time to organize their wedding. The SWO company, which is the object of this research, is a small and medium-sized enterprise engaged in wedding organizers. This study aims to assist the company in carrying out the recruitment process of its business. As a final result, researchers are expected to formulate the best recruitment strategy for the company. The researcher conducted an environmental analysis using the SWOT analysis technique and determined the strategy using the TOWS matrix to find the best strategy. There is four strategies that can be used by SWO, namely: maintain employer branding to form a prominent company brand image, maximize the publication of job vacancies on social media, enhance and ensure brand image is seen to improve recruitment process and attract talent, and also creating a referral system but there are still several stages of the recruitment process.

Keywords
Wedding Organizer, Management, Recruitment, Strategy, Environmental Analysis

1. Introduction
Creative business ventures in the event organizer field have begun to develop in Indonesia since 1990 (Ahmad Syaikhon, 2013). The event organizer is in charge of assisting consumers in organizing quality events. The event organizer industry in Indonesia began to flourish after the monetary crisis in 1998. At that time, the event organizer business mainly was engaged in the arts; they held music performances, both domestic and foreign musicians, and held other art performances. The kind of events served began to vary, ranging from birthdays, farewell events, competitions, and even started to exploring wedding events (Ahmad Syaikhon, 2013). The number of event organizer companies in Indonesia in May 2018 is estimated to have reached 1,218 companies by the Indonesia Event Industry Council (Ivendo). Nearly half of these companies are located in the nation's capital, Jakarta (Adi Ahdlat, 2020). SWO is a small and medium-sized company engaged in wedding organizer services. The company was established in 2009. The company owner catches the phenomenon where brides-to-be, especially in big cities, are worked, so they don't have enough time to plan their wedding party. The SWO company answered the consumer pain by providing wedding packages which included invitations, photos, catering, decorations, buildings, make-up, and event processions. The main problems faced by small and medium enterprises (SME) in developing their businesses are primarily rooted in owner management capabilities and capital (Hartono Hartono & Deny Dwi Hartomo, 2018; Niode & Idris Yanto, 2009). This problem is not only faced by SMEs in Indonesia but also abroad (López-Ortega et al., 2016; O’Brien et al., 2019). SWO, as a small and medium business, also faces similar problems.
At the beginning of the Covid-19 pandemic, the event organizer business had experienced a decline in revenues, but now the condition is starting to improve (Caesar Akbar, 2020). Companies can stay exist by changing wedding planning so the event is in line with the health protocol set by the government. Nowadays, the company plans to increase its number of employees. Currently, the company is run by the owner and five employees who have roles in finance, marketing, the person in charge of the ceremony, and the person in charge of the vendor. The demand for services that continues to grow encourages owners to look for additional personnel who are planned to be the person in charge of ceremonies and vendors.

The company faced many obstacles in recruiting additional personnel. The company's lean organizational structure does not provide a career path for employees and prospective employees. The company's flexible work system leads to an incentive-based salary system. This salary system is less attractive to talent because it causes the basic salary offered by the company to be less attractive. It is not easy to find employees who match the criteria desired by the company. As a result, the company faced a high employee turnover rate.

1.1 Objectives
The purpose of this research is to find the right recruitment strategy for the company. This research is study case research which conduct in SWO companies, a company engaged in wedding organizers. Researchers exercise an external and internal analysis to understand the strengths, weaknesses, threats, and opportunities faced by the company, then find the right strategy using the TOWS matrix. It is hoped that this research can provide the input required by the company.

2. Literature Review
2.1 Strategy and Human Resources Planning
Human resource planning is closely related to the strategic planning of the company (Edström & Lorange, 1984; Guest et al., 2003; Snell & Morris, 2019). All strategic planning of human resources management must be able to support the long-term and short-term goals of the organization (Edström & Lorange, 1984). Figure 1 explains the relationship between a company's strategic planning and strategic human resource management (Snell & Morris, 2019).

The vision, mission, and values of the organization identify the goals and scope of the organization (David & David, 2017; Wheelen et al., 2018). It includes the company's long-term goals and becomes the basis for establishing the principles and philosophies of the organization. The human resources division utilizes these basic principles and philosophies to formulate the ethical code of conduct of the organization.

Before the company can formulate a strategy to achieve its vision and mission, it must first analyze external and internal conditions (Wheelen et al., 2018). External conditions examined include opportunities and threats (Dyson, 2004). These opportunities and threats include changes in the business environment and competition (David & David, 2017; Helms & Nixon, 2010). Changes in economic, ecological, technological, demographic, social, legal, and regulatory conditions directly or indirectly have both positive and negative impacts on business. Analysis of competitive conditions is carried out, including consumers, competing companies, new players, substitute goods, suppliers, and stakeholders. The results of this analysis can provide an overview of the company's position in the market. The human resources department also requires external analysis to measure labor supply with the specifications needed in the business environment. Companies are also advised to conduct a Human Resources benchmark to collect the necessary information to develop a human resource strategy (Snell & Morris, 2019). The internal analysis concluded that the company will understand its strengths and weaknesses (Helms & Nixon, 2010; Wheelen et al., 2018). The results of this analysis can show the company's core competencies; it can also describe the condition of the company's resources, which are related to people, processes, and systems. The human resources department can use internal analysis to shape the company culture, determine the required human resource competencies, and adjust the composition of human resources according to needs. This analysis can also be used to make supply and demand projections from employees (Snell & Morris, 2019).
One of the tools that companies can choose to set strategy is to use the TOWS matrix (Al-Mayahi & Mansoor, 2012; Dandage et al., 2019; Wheelen et al., 2018). Figure 2 illustrates how the TOWS matrix is used to formulate corporate strategy (Wheelen et al., 2018). This research analyzes the company’s internal and external conditions and then groups it using SWOT analysis. The SWOT analysis results are inputted into the TOWS matrix so that the company can analyze the right strategy (Al-Mayahi & Mansoor, 2012). The company’s strategy is then designed based on an analysis of the environment faced by the company. The strategies in the TOWS matrix are divided into SO (Strength Opportunity), ST (Strength Threat), WO (Weakness Opportunity), and WT (Weakness Threat) strategies (Teece, 2010). SO strategies utilize the company’s internal strengths to take advantage of the external environment, while ST strategies utilize the company’s strengths to avoid external threats. WO strategies aim to increase the company’s ability to be able to maximize existing opportunities. In contrast, WT strategies are defense strategies to reduce negative impacts due to treatment from the external environment.

Sources: Snell, Morris (2017)

Figure 1. Linking Strategic Planning and Human Resources Planning

Sources: Wellen, 2012

Figure 2. TOWS Matrix
After the strategy is formulated, the company's next step is to implement the plan or strategy. The company then designs the structure and systems of its organization. Relegating the company's strategy to other functions within the organization and ensuring that each section's strategies are in line with the company's strategy, then allocating the available resources to achieve company goals (Okumus, 2003). Evaluation needs to be done after the plan is implemented to determine the strategy's effectiveness.

The basic principle of human resource management is to put the right people in the right places (Wright et al., 2016). The human resource strategy must be in line with the company's strategy (Edström & Lorange, 1984; Gascó et al., 2004). To support the company's strategy, the human resource department is responsible for shaping the work culture within the company, determining the competencies and composition of the workforce needed, creating efficiency, and maximizing the productivity of human resources (Snell & Morris, 2019). The human resources department must ensure that the recruitment, training, compensation, and even termination strategies are aligned with the company's main objectives. When the strategy is executed, the human resources department is responsible for ensuring the capability of human resources in carrying out their duties by providing training. The human resources department is also responsible for motivating employees by giving rewards and ensuring that the working relationship of employees both vertically and horizontally goes well. Employee performance evaluation is measured to ensure that their performance is in line with company expectations and strategies.

2.2 Employee challenges

In managing human resources, companies face many challenges. These challenges arise due to differences in demographics, ethnicity, culture, age, gender, religion, and education (Bing et al., 2016; Halbesleben & Buckley, 2004; Snell & Morris, 2019). These differences lead to differences in each behaviour. Challenges also come from the shift in cultural and social aspects associated with the company, such as changes in employee rights, changes in views regarding the protection of employee data privacy, changes in employees' views on work, and the relationship between employees and their families. Therefore, the human resources department must create policies and procedures that align with these differences and changes.

2.3 Productivity and cost challenges

Productivity can be defined as the output obtained from a certain number of inputs (Guest et al., 2003). Companies can increase productivity by reducing inputs or adding resources. Companies reduce inputs by saving costs, and companies can increase resources such as humans or employees, equipment, and supplies to increase the company's output. Most companies agree that employee costs are the biggest costs incurred. Therefore the company must be able to increase the productivity of its employees so it can produce the best results for the company (Birdi et al., 2008). From the human resource point of view, productivity management is related to matching the number of workers required with the technology available and the company's strategic direction. Companies have to increase the number of employees to increase their capacity, but nowadays, companies can hand over some of their work to other companies or offshoring. Outsourcing or hiring workers temporarily can also be chosen because it can save employee costs (Snell & Morris, 2019). Still, in some countries, regulations regarding outsourcing are strictly regulated because it is considered detrimental to employees.

2.4 Employer Branding

Employer branding is a picture of the company's image regarding the workplace that can attract talented talents to join the company. Therefore, companies need to create strategies regarding employer branding in order to gain a competitive advantage and one of the ways to get the best talent (Tikson et al., 2018). Employer branding consists of things that are offered by the company such as a comfortable work environment, great benefits, facilities provided (Ahmad & Daud, 2016). The same opinion described by Weerawardane and Weerasinghe it can be mentioned that the more the company’s image looks prestigious the more potentials will get attracted to the firm as being a member of the company will heighten its self-image (Weerawardane & Weerasinghe, 2018).

2.5 Previous Literature

Researchers widely use SWOT analysis and TOWS matrix as tools to find the best strategy for companies (Al-Mayahi & Mansoor, 2012; Dandage et al., 2019; Dyson, 2004; Terrados et al., 2007). Dyson used a SWOT analysis to find the best development strategy for the University of Warwick (Dyson, 2004). Terrados et al. used a SWOT analysis to determine plans for new energy development in the province of Jaen in northern Spain (Terrados et al., 2007). Al-
Mayahi and Mansoor use a SWOT analysis to identify internal strengths and weaknesses and external opportunities and obstacles faced by the government to implement e-Government. Al Mayahi and Mansoor also use the TOWS matrix to create the right strategy in e-Government development (Al-Mayahi & Mansoor, 2012). Dandage et al. use SWOT analysis and TOWS matrix to estimate global risks faced by international projects (Dandage et al., 2019).

3. Methods
Excellent human resource managers "combine" human resource planning with the strategic planning of the entire organization. Human resource planning is related to strategic planning in several aspects, but fundamentally speaking, we can focus on two issues: strategy formulation and strategy execution. This research focuses on human resource planning and strategy formulation of the recruitment process. Human resource planning provides possible input for the strategy formulation process, that is, whether the company has the type and number of personnel available to execute the given strategy (Snell & Morris, 2019). Due to the limitations of this research topic in the context of SMEs, the researcher considers a qualitative research model as the most appropriate strategy, because we hope to understand the topic from the perspective of managers or SME owners, especially in the field of wedding planning services. Therefore, we used the explanatory case study method to investigate the recruitment process for SME wedding services at SWO. A case study can be classified as a single case, multiple cases, embedded case, or holistic case (Stake, 1995; Yin, 2013). This study adopts a case study strategy and uses a single instrumental case study analysis.

4. Data Collection
Our goal is to consider the experience of key stakeholders (management and non-management in the case study SWO) in recruitment. In this study, we used an interview protocol consisting of three stages. First, we created interview questions based on the research questions of this research. Secondly, in order to ensure that the question is clear, concise and answerable, three experts in the field read and gave feedback on the problem. Based on the comments, we updated the interview questions. Then, we conducted three pilot interviews. Through the pilot study, we aim to understand from a realistic perspective how long the interview will take and whether the interviewee can answer the question. This process provides the final revision of the interview questions (Maxwell & Miller, 2008). In addition, we are Interview. First, we asked the participants’ permission during the interview, and they signed the consent form. Second, we explained the purpose of the research and the confidentiality of the interview, which means that the transcription and recording of the interview will be Not to be shared with any other third parties. Third, after the interview is transcribed, we send the transcribed files are given to participants to check if they want to delete or change any sentence or not. Therefore, the process of the interview agreement shows that the ethical process is realized. In addition, in order to eliminate the bias in our research, during the data analysis process, the second researcher selected three interviews in each case to compare the topics analyzed by the first researcher. As a result, when we checked the subject through the double-checking process, we realized that the subjects from two different researchers were similar. We conducted semi-structured in-depth qualitative interviews with 5 SWO participants. From November to December 2021, a total of 5 participants participated in SWO's face-to-face semi-structured interviews. The interview lasted 50 to 55 minutes.

The interview was conducted in the workplace of the interviewee, involving managers and non-management personnel. The interview was recorded digitally and transcribed verbatim. We reminded interviewees that their confidentiality is guaranteed and their solicited honest opinions. Respondents have a good understanding of SWO’s recruitment process.

Given the widespread use of the SWOT method by practice and academic use, it is not surprising that many research SWOT as a tool for strategic analysis. Grant (2008) recommends that managers use the SWOT tool to develop the knowledge and insights needed to make good strategic decisions and to guide the development of their organizations by designing theory-based strategies. SWOT is used to analyze human resource planning and will be used as input to determine strategy (Grant, 2008). After using the SWOT analysis, the next step is to use the TOWS matrix to determine the right strategy. SWOT is an approach that involves identifying specific and positive organizational goals based on the strengths, weaknesses, opportunities, and threats that have a negative and impact on organizational goals.

5. Results and Discussion
Recruitment is a very important process for companies where a company is looking for talent to fill several positions in its company. After a more in-depth analysis of recruitment at SWO, the authors found the weakness of the SWO recruitment process, namely that it did not use a paid platform so that when publishing job vacancies it was only done
on SWO's social media. However, the advantages of SWO in recruitment are a structured and scheduled recruitment process, the recruitment process is relatively fast and the company has a good brand image so that attracting prospective talent will be easier besides that SWO offers greater pay for performance compared to UMR if the target specified is reached. As for the opportunity from SWO, currently, freelance work is in demand by many people such as final year students and also other workers who have a passion in the field of Wedding Organizers, besides that, working as a Wedding Organizer is in great demand by many people. However, with the passage of time and the development of business in the world of wedding organizers, there is one threat faced by SWO as there are other companies that implement a referral system accompanied by a very simple recruitment process. The things described above are an analysis of the Weaknesses, Strengths, Threats, and Opportunities faced by the SWO.

5.1 Strategies formulated using TOWS matrix for establishing recruitment

Strategy is nothing more than defining the long-term goals and objectives of the organization and allocating the necessary resources to execute the plan to achieve those goals. Strategy formulation includes establishing the mission of the organization, listing specific goals and deliverables, formulating an implementation plan and formulating policy guidelines. Weihrich, H. (1982) proposed the TOWS matrix as a conceptual framework for system analysis, which helps to match external threats and opportunities with the organization’s internal weaknesses and strengths (Weihrich, 1982). TOWS analysis has been widely used as a strategic management tool. These strategies are created by maximizing strengths (S) and opportunities (O) and minimizing weaknesses (W) and threats (T) (Gottfried et al., 2018). The TOWS matrix forces practice managers to analyze their company’s situation and formulate strategies, tactics and actions to effectively and efficiently achieve their organizational goals and missions (Weihrich, 1982). The TOWS matrix is used as a conceptual framework for future research on the combination of external factors and internal factors of the enterprise and strategies based on these variables. In this article, the TOWS matrix has been used to formulate strategies to establish recruitment strategies.

According to the TOWS matrix, first determine the strengths and weaknesses of establishing a recruitment strategy and other internal factors. Then determine external factors such as threats and opportunities to establish a recruitment strategy. The following four types of strategies will be developed based on the TOWS matrix:

1. Strength–Opportunity (Maxi–Maxi) strategy: According to the advantages of the recruitment process, develop strategies to make full use of the opportunities available in the recruitment process.
2. Weakness-Opportunity (Mini–Maxi) strategy: According to the opportunities available in the recruitment process, develop strategies to overcome weaknesses in the recruitment process.
3. ST (Strength-Threat) (Maxi–Mini) strategy: According to the advantages of the recruitment process, develop strategies to deal with the threats of the recruitment process.
4. WT (Weakness-Threat) (Mini–Mini) strategy: Develop strategies to minimize weaknesses in the recruitment process and avoid threats.

After conducting a recruitment analysis in the SWO company, there are several threats and weaknesses from the SWO company. Based on the literature, efforts to overcome the problems experienced by SWO can be overcome by using a strategy using the TOWS matrix(See Figure 3). This can represent the possible internal strengths of the SWO company that will be useful in minimizing the impact of threats or weaknesses that will be faced by the SWO.

- **SO Strategy**: The development of the world of wedding organizers has made a few people interested in joining as part of a wedding organizer, besides that freelance work is currently in great demand by many people. This is an opportunity for SWO, so that SWO can respond by maintaining employer branding to form a prominent company brand image, which is an effort to build a reputation as the best place for talent to work. This will attract great talent outside the company to join SWO because companies with strong employer branding will win the competition for great talent.
- **WO Strategy**: SWO has several weaknesses in its recruitment process, namely not publishing job vacancies in paid advertisements such as web job portals. SWO only publishes job vacancies on certain social media. The strategy that SWO can do in response to this is by maximizing the publication of job vacancies through SWO's social media and can be assisted by SWO employees who participate in helping publications on their social media.
- **ST Strategy**: A threat like other companies whose recruitment process is very simple, only with a direct referral system can join as part of the Wedding Organizer employees is a threat to SWO because SWO itself
has a recruitment process that consists of several stages in order to get qualified talent. However, this threat can be overcome by the strength possessed by SWO, namely, enhancing and ensuring brand image is seen to improve the recruitment process and attract talent because SWO has the advantage of being a classy Wedding Organizer and most of its clients are from the upper-middle class. This is an attraction for people who want to join SWO.

- WT Strategy: Competitors from SWO in carrying out the recruitment process apply a referral system accompanied by a very simple recruitment process, this is a threat to SWO which has several stages in the recruitment process such as CV screening, making videos, interviews, and training. The strategy that can be carried out by SWO is to make program referrals so that the recruitment process for this program is more effective and efficient so that the stages are only referrals, interviews, and training.

5.2 Graphical Results

<table>
<thead>
<tr>
<th>IFAS</th>
<th>S1. The structured and scheduled recruitment process</th>
<th>W1. Publication of job vacancies only on social media not on paid platforms (web-job portal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>S2. Fast recruitment process</td>
<td>S3. Have a good brand image</td>
<td>S4. Pay for a performance greater than UMR if the target is achieved</td>
</tr>
<tr>
<td>O1. Freelance work is in high demand</td>
<td>(SO) Maxi-Maxi</td>
<td>(WO) Mini-Maxi</td>
</tr>
<tr>
<td>O2. Working as a wedding organizer is in great demand by many people</td>
<td>SO1. Maintain employer branding to form a prominent company brand image</td>
<td>WO1. Maximize the publication of job vacancies on social media</td>
</tr>
<tr>
<td>T1. Other companies implement a referral system so that the recruitment process is very simple</td>
<td>(ST) Maxi-Mini</td>
<td>(WT) Mini-Mini</td>
</tr>
<tr>
<td>ST1. Enhance and ensure brand image is seen to improve recruitment process and attract talent</td>
<td>WT1. Creating a referral system but there are still several stages of the recruitment process</td>
<td></td>
</tr>
</tbody>
</table>

Sources: Result of the Author's Thought
Figure 3. TOWS Matrix

6. Conclusion

This study discusses the recruitment strategy in SMEs which in general 68% of the SMEs recruitment process is carried out with references from family or friends after that only by informal interviews can directly join the company (Butt & Zeb, 2016). However, different from SWO's recruitment process, SWO has several stages in its recruitment process. After analyzing the recruitment process of SWO, the results show that there is an appropriate recruitment strategy to be implemented in SWO, namely:

First, Maintaining employer branding to form a prominent company brand image is according to a statement (Weerawardane & Weerasinghe, 2018) that the more prestigious a company, the greater the opportunity for talent who are interested in joining the company because becoming a member of the company will improve their image. Second, maximize the publication of job vacancies on social media because according to (Hosain & Liu, 2020) social media is widely used for job search and can get potential talent. In addition, social media is a tool that is growing rapidly in the world of recruitment. Third, enhance and ensure brand image is seen to improve the recruitment process and attract talent as described by (Agrawal & Swaroop, 2009) that the company's brand image will affect a person's intention to join a company. In addition, the quality of good recruitment will have a good impact on the company, the more effective the company in recruiting and selecting talent will affect the company's business results or financial performance. Fourth, and also make a referral system but there are still several stages of the recruitment process. The referral system has many advantages such as saving expenses, increasing employee retention rates, not taking much time because the process is simple (NigCareers, 2021). This article only focuses on the recruitment strategies that exist in the SME sector in wedding organizers. In addition, in this article, we only review one SME in one city, so there is no other comparison.
References
2020-0034
https://books.google.com/books?hl=en&lr=&id=HcxXAQAABJ&oi=fnd&pg=PA461&dq=maxwell+2013&ots=Mfydmjclm&sig=rWWGrq7g5mMWmpYXf8VwLP9bM

Biography
Rosyidah Rahmah is currently one of the teaching staff at Bina Nusantara University, Department of Entrepreneurship, Bandung Campus. She has just started her teaching career, but since 2009 she has been known as a businesswoman who runs a wedding organizer business in Bandung, West Java, Indonesia. She is currently taking doctoral studies in management at the Universitas Pendidikan Indonesia (UPI).
Dian Kurnianingrum is a lecturer in the entrepreneurship department at Bina Nusantara University. Her area of expertise is financial management. Previously worked as a credit analyst at PT. Bank Negara Indonesia Tbk for five years. She is interested in researching banking, finance, financial technology, management, small business, and startups.