



Human Relation Management Strategy based on SWOT Analysis in Improving Employee Performance

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This study aims to analyze human resource management (HRM) strategies, based on a SWOT analysis, to improve employee performance at CV Cendana, an LPG distribution company. A qualitative approach, using interviews and direct observation, was employed to explore the strengths, weaknesses, opportunities, and threats that affect the effectiveness of HR strategies. The results showed that employee loyalty, harmonious work culture, and flexible organizational structure are the company's main strengths. However, there are still weaknesses such as the absence of a structured training system and undocumented performance evaluations. External opportunities in the form of advances in digital training technology and government support can be utilized to improve training and HR development strategies. Through the mapping of SO, WO, ST, and WT strategies, this research provides applicable strategic recommendations for companies in building adaptive, competitive, and sustainable HR policies.

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INTRODUCTION

In an era of increasingly fierce business competition, companies are required to continue to improve their operational effectiveness to maintain competitiveness. One of the main factors



that determine the success of a company is the quality of its human resources (HR). Effective human resource management can increase productivity, encourage innovation, and create a work environment that is more conducive to company growth and employee welfare (Agung Widarman et al., 2020).

CV Cendana, as a company engaged in the LPG industry, faces various challenges in maintaining its competitiveness. One of the problems that is often faced is how to improve employee performance to be more optimal, especially in the face of the dynamics of the industry that continues to develop. Improving employee performance does not only depend on individual competencies, but also on training strategies and HR management policies implemented by companies (Palamba et al., 2024a).

To achieve the business goals that have been set, CV Cendana needs to implement a structured HR management strategy that is oriented towards employee development. One of the methods that can be used in the formulation of a performance improvement strategy is a strengths, weaknesses, opportunities, and threats (SWOT) analysis. Through this approach, companies can identify strengths that can be optimized, weaknesses that need to be corrected, opportunities that can be exploited, and threats that must be anticipated in workforce management (Darmadi, 2022).

Some previous research has shown that a well-planned and ongoing training program can have a positive impact on employee motivation and productivity. An effective training program must include periodic evaluations as well as transparent communication between management and employees, so that each individual can understand the benefits of the enhanced competencies provided (Umar et al., 2025). However, in its implementation, companies often face obstacles such as time constraints, difficulties in measuring the impact of training directly, and suboptimal management of welfare facilities (Palamba et al., 2024b).

In addition to internal factors, external factors also affect the effectiveness of HR management strategies. Technological advancements, such as e-learning and digital-based training, open up new opportunities for companies to increase the flexibility and effectiveness of training programs (Mashuri & Nurjannah, 2020). With this technology, companies can reduce the cost of conventional training and reach more employees efficiently. However, rapid technological change can also be a threat if companies are unable to adapt to these developments. Low employee participation in training and high training costs are other challenges that need to be overcome in the implementation of HR strategies (Darmadi, 2022).

In addition to training programs, another strategy that can be applied in improving

employee performance is the development of an objective performance appraisal system. This system must be able to measure the contribution of each individual in a fair and transparent manner in order to motivate employees to work better. According to previous research, companies that implement a clear and accurate performance appraisal system tend to have higher productivity levels compared to companies that do not have a structured evaluation system (Palamba et al., 2024a). Compensation that is in accordance with the workload and performance of employees is also an important factor in increasing the motivation and loyalty of the workforce to the company.

The successful implementation of an employee performance improvement strategy based on SWOT analysis largely depends on the extent to which the company is able to integrate various elements in HR management (Dessler et al., 2015). The right strategy must be able to overcome existing challenges, take advantage of available opportunities, and strengthen the company's competitive advantage. By understanding the factors that affect the success of HR strategies, CV Cendana can design more effective policies in managing and developing the workforce, so as to increase competitiveness and achieve its business targets in a sustainable manner (Umar et al., 2025).

In this context, this study aims to explore how the implementation of HR management training and strategies based on SWOT analysis can improve employee performance at CV Cendana. By analyzing various factors that contribute to improving performance, this study is expected to provide applicable recommendations for companies in developing more effective and sustainable HR policies (Palamba et al., 2024a).

METHOD

The research method used in this study is a qualitative method, which was chosen to understand in depth the processes and strategies of human resource management (HR) based on SWOT analysis in improving employee performance at CV Cendana. This approach allows for contextual exploration of phenomena from the perspective of actors directly involved in human resource management.

Data collection was carried out through two main techniques, namely semi-structured interviews and field observations. Interviews were conducted with HR managers, supervisors, and several operational employees to unearth information about strategies, challenges, and perceptions of training policies. Meanwhile, direct observations were carried out to strengthen the interview data and provide an empirical picture of the implementation of training programs,

performance evaluation, and work dynamics in the company.

The use of qualitative methods in this study aims to produce a comprehensive understanding of the application of SWOT analysis in HR management strategies at CV Cendana, as well as assess its impact on improving employee performance. With this approach, the results of the research are expected to be a strong foundation in the preparation of strategic recommendations for the company.

RESULTS AND DISCUSSIONS

This study aims to analyze how a human resource (HR) management strategy based on SWOT analysis can be used to improve employee performance at CV Cendana, a company engaged in the Liquefied Petroleum Gas (LPG) distribution industry. A qualitative approach is used to explore field data through in-depth interviews and direct observation of the implementation of training, HR strategies, and performance dynamics in the company.

Internal Strengths of the Company

From the results of observations and interviews, it was found that CV Cendana has a number of internal strengths that are quite potential to support the implementation of HR management strategies. One of the most prominent strengths is the high level of employee loyalty. As many as 75% of respondents have been employed for more than three years, indicating a good employee retention rate. This factor is invaluable because it creates workforce stability, reduces recruitment costs, and strengthens organizational culture.

Another strength is an open and communicative work culture. Interviews with operational managers show that the relationship between superiors and subordinates is quite informal but productive. This provides a great opportunity for the application of coaching and mentoring-based training approaches, which according to Mashuri & Nurjannah [12], are the most effective forms of training in small-medium organizations with a flat structure.

Table 1. CV Cendana Internal Strengths

Aspects of Strength	Explanation	Strategic Implications
High Employee Loyalty	75% of employees have worked >3 years	Enabling long-term HR development
Harmonious Work Culture	Informal but productive relationships between employees and bosses	Driving the effectiveness of coaching and mentoring programs

Open Communication Between Divisions	Efficient coordination flow	inter-section	Supports cross-departmental collaboration for unified training
Flexible Organizational Structure	Non-bureaucratic, quick decision-making		Suitable for the implementation of adaptive training strategies

Weaknesses Faced by Companies

However, significant weaknesses were also found. One of them is the absence of a structured training system. The results of the interviews showed that training was only carried out when there was an urgent need (e.g. handling new equipment or occupational safety audits). There are no annual training modules, competency maps, or individual training needs mapping. In fact, according to Listinawati (Hotner Tampubolon, 2016), unsustainable training programs will cause competency stagnation and decrease productivity.

In addition, the employee performance evaluation system is not standardized. Of the 20 respondents, only 4 had ever received official feedback regarding their performance. Performance evaluations are conducted informally and undocumented. This hinders the provision of fair incentives and reduces work motivation. As emphasized by Taufik et al. (Iryani et al., 2021), an unobjective appraisal system will lower employee intrinsic and extrinsic motivation, and risk causing interpersonal bias.

Table 2. Internal Weaknesses of CV Cendana

Aspects of Weaknesses	Explanation	Negative Impact
No Annual Training Plan	Training is carried out incidentally	No continuous competency improvement
Non-Standardized Performance Evaluation	No formal KPI indicators	Judgments tend to be subjective and unfair
Limited HR Budget	No specific allocation for training	Training is often canceled due to limited funds
Low Training Participation	Only 40% of employees have participated in training in the last 2 years	Stagnant work competencies

Strategic Opportunities That Can Be Optimized

The analysis also shows that there are opportunities that can be taken advantage of by the company. The development of digital technologies such as e-learning platforms and learning management systems (LMS) allows companies to implement remote training at a low cost. This is a solution to the time and cost limitations that have been the main obstacles to training at CV Cendana.

In addition, there is support from the government and local training institutions that are willing to work with the industry in improving the skills of the workforce. For example, a competency-based training program from the Ministry of Manpower (BLK Komunitas) that can be used to provide LPG technical certification to employees.

Table 3. External Strategic Opportunities

Aspect of Opportunity	Explanation	Strategic Potential
E-learning Platform Available	Many free and cheap LMSs are available	Can be used for independent and flexible training
Training Program from the Government	BLK and LPK offer certification training	Reduce the burden of internal training costs
Employment Policy Support	National Human Resources Quality Improvement Program	Can be synergized for competency-based training
Work Competency Certification Trends	Demand for certified labor is increasing	Employees can be increased in competitiveness through certification

External Threats to Watch Out for

On the other hand, companies face a number of external threats. One of the most significant is the high level of competition in the energy distribution industry, including LPG. Similar companies are starting to adopt digital training strategies and data-driven HR management (HRIS) systems. Falling behind in adopting this system will cause CV Cendana to lose competitiveness.

Another threat is regulatory changes related to occupational safety and professional certification, which require companies to have training documentation and certain technical competency standards. If a company fails to comply with these regulations, then the risk of fines and administrative sanctions can significantly harm business operations.

Table 4. External Threats to CV Cendana

Threat Aspect	Explanation	Strategic Risks
Industry Competition Is Getting Tougher	Many other LPG companies use modern HR technology	CV Cendana can lag behind in productivity and efficiency
Changes in K3 Regulations and Certification	Work regulations require certain technical competencies	Risk of sanctions if they do not meet occupational safety standards

Slow adoption of HR technology	Competitors are already using HRIS and e-training	Stagnant HR performance, not data-driven
The Change of Work Generation	Gen Z prefers a digital-based and flexible workplace	Companies struggle to attract and retain young workers

Based on the results of the discussion presented through the SWOT strategy mapping in the form of alternative strategy tables (SO, WO, ST, WT), a strong strategic foundation can be prepared to formulate HR management policy recommendations at CV Cendana. The formulation of this strategy is a further development of the identification of the four main SWOT components that have been described earlier, so that it is able to provide a more systematic and contextual policy direction in accordance with the company's internal and external conditions.

Table 5. CV Cendana HR Management SWOT Strategy Matrix

Strategy	Strategy Description	Strategic Direction of Action
SO Strategy (Strengths– Opportunities)	Using internal strengths to capitalize on external opportunities	<ol style="list-style-type: none"> 1. Implement an e-learning-based in-house training program by utilizing a communicative work culture. 2. Develop a coaching system by senior employees (loyal) to accelerate competency transfer. 3. Collaborate with LPK/BLK for LPG technical certification for employees.
WO Strategy (Weaknesses– Opportunities)	Addressing internal weaknesses by taking advantage of external opportunities	<ol style="list-style-type: none"> 1. Develop a needs-based annual training roadmap using government training modules (BLK/LMS). 2. Using a free e-learning platform for training cost efficiency. 3. Encourage training participation through an incentive system based on participation and training outcomes.
ST Strategy (Strengths–Threats)	Using internal forces to mitigate or avoid external threats	<ol style="list-style-type: none"> 1. Forming an ad-hoc HR team consisting of loyal and experienced employees to develop regulations-based work safety standards. 2. Prepare fast and adaptive two-way communication to respond to changes in labor regulations. 3. Train senior employees to become change agents in the adaptation of HR technology.

WT Strategy (Weaknesses– Threats)	Minimize weaknesses and avoid threats	<ol style="list-style-type: none"> 1. Develop a KPI-based performance appraisal system that is aligned with industry standards. 2. Propose a special budget for human resource development to ensure compliance with regulations. 3. Recruit external HR trainers regularly to help accelerate the strengthening of the HR system.
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Firts is SO strategy. This is an ideal strategy because the company has great strengths and opportunities. CV Cendana only needs to optimize existing resources (loyalty, work culture) to adopt training technology and establish external cooperation. Second is WO strategy. Focus on fixing internal weaknesses (unstructured training, weak evaluation) by leveraging affordable technology and external synergy opportunities (LPK, BLK, LMS). Third is ST strategy. This strategy is used to anticipate industrial and regulatory threats with internal strengths, such as rapid communication and HR stability, to accelerate the adaptation process. Fourth is WT strategy. This is a defensive strategy focused on closing internal loopholes so that they don't become a point of failure when a threat comes. This strategy is important if the company is in an unprepared position when there is regulatory pressure or competition increases.

CONCLUSION

This research shows that a human resource (HR) management strategy based on SWOT analysis is an effective approach to improve employee performance at CV Cendana, especially in the face of increasingly competitive LPG industry dynamics. Through a qualitative approach supported by observations and field interviews, it was found that the company has internal strengths such as employee loyalty, a harmonious work culture, and a flexible organizational structure. These strengths provide a strong foundation for the development of adaptive and sustainable HR strategies.

However, the research also revealed a number of fundamental weaknesses, including the absence of a structured training system, undocumented performance evaluations, and low employee participation in development programs. On the other hand, external opportunities such as the availability of digital training technology, government program support, and increased awareness of the importance of job certification open up a wide space for strengthening HR strategies (Raharjo et al., 2022).

External threats such as competition between companies, changes in labor regulations, and the speed of technology adoption by competitors are crucial factors that must be anticipated with the right strategy. Through SWOT mapping, SO, WO, ST, and WT strategies were prepared that synergistically recommend concrete steps, ranging from optimizing e-learning-based training, strengthening performance evaluation systems, to external collaboration and adaptation of HR management technology.

Thus, the implementation of a comprehensive HR management strategy based on SWOT analysis can help CV Cendana in designing HR management policies that are more targeted, measurable, and relevant to industry challenges. This strategy is not only oriented towards improving individual performance, but also strengthening the overall competitiveness of the company in the long run.

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We hope that the results of this research can provide broad benefits and become additional insights, both for practitioners and academics. In particular, we hope that this research can be a reference and starting point for future researchers who are interested in studying more deeply about HR management strategies with a similar approach or on different objects.

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