Growth Strategy Through Capability Building

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Abstract: The growth of infrastructure in Indonesia incite engineering consultant as one of the stakeholders to obtain vast project across Indonesia. PT Suwanda Karya Mandiri is an engineering consultant which have been operating for 14 years and arose linearly year to year from the revenue, except the more than 50% decreasing revenue on last year. Even though this motion looks smooth for recent years, yet in fact, no company is growing without a gap in growth size, i.e., revenue and infrastructure hereinafter referred to as growing pain. The objective of this research is to analyze what are the main causes of pain symptoms that appear and procure an utmost solution for the company to minimize its growing pain. This research is using observation, interview, and questionnaire in collecting the data. At the beginning of the research, the author conduct questionnaire in order to find how big the growing pain in this company is. Then, the author is analyzing the growth stage and its crisis for supporting data. Root cause analysis is used for predicting the general problem that causes pains. This study indicates that the position of the company is in the Collaboration phase, so that face a crisis of growth. Since the external factors from government policy still points out positive movements in infrastructure development, therefore internal factor needs to be considered to face the challenge in the future. The finding shows that this company is lack of capability. In order to know what capabilities that cause pains in employee performance, the author spread the questionnaire through employee from each division. There are four major problems in employees capabilities, which is a lack of motivation, inaccuracy and unfavorable results, skill improvement, and slow adaptation. There are several alternative solutions to cure these pains such as doing casual and open-minded discussion regularly, apply project management application and logbook, conduct weekly report, propose a course that related to new knowledge, and soft skill training. This research help PT. Suwanda Karya Mandiri elevates their performance in order to face the next challenge and increase their revenue.

Keywords: Growing pains, Growth stage and crisis, Capability building, Organizational performance

INTRODUCTION

The economic growth of Indonesia become more competitive by gaining one of the largest economy country in the world on 2012. Indonesia today, 16th-largest economy in the world, 45 million members of the consuming class, 53% of the population in cities producing 74% of GDP, 55 million skilled workers in the Indonesian economy, $0.5 trillion market opportunity in consumer services, agriculture and fisheries, resources and education (Oberman, Dobbs, Budiman, Thompson, & Rosse, 2012). The government attempt to elevate their economy with good infrastructure to support. Damuri (2017) said: “Poor infrastructure is a major hindering factor for Indonesia to realize the potential of economic growth by 6-7% every year.” Useful infrastructure is underpinning economic activity in Indonesia; in addition Indonesia is an archipelagic nation so much access is needed to facilitate this activity. According to the World Economic Forum (2017) report, Indonesia was ranked 36 out of 137 countries in performance categories. There are twelve foundations to be measured, which divided into three section; basic requirements, efficiency enhancers, innovation and sophistication factors. As can be seen in Figure 1, infrastructure was included as a basic requirement and in the second position, which means a very important foundation.

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This supportive external factor drives this company to capture the opportunity well. One of Indonesia’s government support for the infrastructure is looking for funding the project from many sources. State funding was planned to make up 50% of total investment including subnational government funding of IDR 545tn (US$ 46.0bn), with 19% from SOEs, and 31% from the private sector, according to National Medium Term Development Plan 2015-2019 (Price, 2016). Indonesia’s government has allocated spending approximately IDR 4,197 trillion to fund infrastructure development through 2019. In detail for 2018, government spend approximately IDR 410.7 trillion for the infrastructure. PT. Suwanda Karya Mandiri is a private-owned company especially in water resource engineering and currently expanding its wings towards civil engineering, geology, and geodesy. The company is well aware that when company grows larger, there are always different pains that appear. This company has been operating since 2004 and the revenue rose up from year the 2014 to 2017 but declined more than 50% in 2018. This indicates that this company passed the growth well in recent years, but the declining number in 2018 shows some problem might be affected by this company. Problem could occur from an internal and external factor. Since the external factors such as government policy, in fact, support the continuity of the consultant project, especially in water resource management, it could be stated that internal factor most likely affect the company’s performance.

The internal factor that might be affected by the performance of the company could be seen in some major problems such as:
Lateness of project completion

Every project has S-curve in order to determine the detail of the project progress as guidance. There are three terms with its percentage of completion that consultant have to do and it followed by technical discussion before the due date of each term. The lateness of process is characterized by unpreparedness before the technical discussion. This problem must be affecting the next process, which leads to double lateness. If this continues, it might impact on bad reputation from the employer and loss of trust.

Ambiguity in direction

Basically, this company was initiated from the family business and on the peregrination into a professional one. The organization chart does not work optimally yet due to the dominant roles of the owner as President Director. This lead into ambiguity both in direction and decision because the employee did not have a clue whether to follow the owner or related head division. Often, the final decision still centralized to the owner, whereas the role of the head division must have begun to start.

Dubiety in welfare level

Engineer is one of the critical points in consultant company as executor of work. This company has classification of engineer, senior and junior, based on their experience and years of work. The company faces a challenge in maintaining the junior engineer since the rate of turnover usually happened in this group. One of logical reasoning which lead into this condition, because the junior engineer view their career must be promising and increase their capacity building.

LITERATURE REVIEW

Growing pain

Every company grows and develops for sure followed by pains that occurs. Yet in fact, no company grows without pains, the more the company grows, the more pain might arise. Furthermore, it is just how the company can minimize those pains or not. Pains need to be considered because if not, it will lead the company to great destruction or in other word failed. At Management Systems (2018), We define Growing Pains as the problems encountered when an organization has not been fully successful in developing its internal infrastructure to the extent necessary to support its size (measured in revenues or budget) and/or rate of growth.

![Figure 3. Causes of organizational growing pains (Flamholtz & Randle, 2015)](image)

There are ten signs of identified growing pain (Flamholtz & Randle, 2015):
1. People feel that there are not enough hours in the day
2. People are spending too much time putting out fires.
3. Many people are not aware of what others are doing
4. People have a lack of understanding of where the company is headed
5. There are too few good managers
6. Everyone feels I have to do it myself if I want to get it done correctly.
7. Most people feel our meetings are a waste of time
8. When plans are made, there is very little follow-up, and things just don’t get done
9. Some people have begun to feel insecure about their place in the company
10. The company has continued to grow in sales, but not in profits

These ten indicators can determine how big the pain in the company and whether the pain is convenient with the company’s growth stage. As can be seen from the ten indicators, the first nine tend to come from the employee side, and therefore, this research only use the nine indicators to be measured.

**Greiners Model Curve**

“Running a business is one of the hardest things any person can do. Every day you have to be motivated and to motivate the people who work for you. People want challenge, involvement, commitment, ownership and excitement from their work. As the leader, not only must you try to find a way of providing this for your people, but also for yourself,” said Quintana and Jones (2015). So, we need to know point to point where the company’s heading. Larry Greiner defined “Greiners Model of Growth, Greiners model of organizational growth or the Greiner Business Growth Model is a popular strategic management tool which is very often used in todays modern businesses to make the right strategic decisions (Mulder, 2013).

Figure 4. Greiners Model Curve

The company’s growth position can be identified by one of Greiners model in 1998. This model classifies six stages of growth, which each phase followed by its crisis. This model can help easier the company to have a better understanding of their position and what problem they will face in order to be an agile company in the future. KPMG International (2018) stated, Agility is also about being able to spot new opportunities, and effectively using sophisticated data and analytics -including predictive and prescriptive analytics - will be the key. Below is the Greiner model, which can be applied for identifying the growth phase:
**Phase 1: Creativity**
This is the earlier stage of business, which indicates the owner still looking for a market and represents the young and small companies. In this stage, there are few employees that might cover double jobs, and the organization structure tends to be flat.

Crisis: The crisis arises in this phase is Leadership, which refers to the challenge how the owner has to change the entrepreneurial mindset into a professional one. The owner is not able to handle all of the jobs and have to set the communication to become formal than informal.

**Phase 2: Direction**
This phase shows how functional management works to make all jobs being more structured and standard. Even though the functional management exists, the owner still close to holding the authority.

Crisis: The crisis happened in this stage; often functional management needs their authority to directly solve the job because of the huge amount of job and problem in coordination start to arise.

**Phase 3: Delegation**
The owner will delegate the task to the middle management so that each manager is responsible for creating some strategies and operational excellence. Each management is on the structured system and rarely intervene with each other.

Crisis: Lack of control often happened in this stage because there might be possibilities each manager plans their strategies themselves that will lead to the crack in the company.

**Phase 4: Coordination**
In this stage, the management starts to be more complex and arise the hard bureaucracy. Department staff becomes too strong than the head office, which is organized by the division manager.

Crisis: Red Tape Crisis occurs in this phase of growth when the company become more inflexible and impact on the slow movement in the process.

**Phase 5: Collaboration**
Collaboration stage points out that all department staff is able to coordinate well. This phase shows a reciprocal relationship through all department in order to achieve a synergistic relationship.

Crisis: Internal management usually being considered in this phase in order to face more challenge in the next stage. This crisis can be named as Growth Crisis.

**Phase 6: Alliances**
In this stage, the company tries to enlarge their wings into a new kind of business, and it needs many new resources and competencies.

Crisis: After all is achieved by the company, the crisis of identity is arising. It points out how the company goes in the future.

**Sustainable firm performance**
Performance is one important aspect that leads the company to achieve its objectives. Besides, every company attempt to build good performance in order to represents their responsibilities among stakeholders too. Facing the competitive environment, their performance must be agile, so those companies can sustain for the long term. Based on strategic approach from Civelek, Çemberci, Artar, and Uca (2015), "The five basic factors that businesses should focus on to improve their performance in a sustainable way in the presence of their rivals through these basic dimensions in a competitive environment in which they operate are creating knowledge in organizations, managing knowledge in a competitive environment, managing environmental uncertainty, generating organizational intelligence, producing organizational knowledge, and managing the supply chain” as could be seen in Figure 5.
RESEARCH METHODOLOGY

Root cause analysis

This study applies The 5 Whys a method for analyzing the root cause of the problem. The 5 Whys is the simplest method because it doesn’t imply data segmentation and statistic tools. The 5 Whys is a part of the technique that used in the analysis phase in Six Sigma methodology. There are some advantages to use the 5 Whys methodology: (Six Sigmas, n.d.)

1. Help identify the root cause of the problem
2. Determine the relationship between different root causes of a problem
3. One of the simplest tools; easy to complete without statistical analysis

Before determining the root cause problem, in order to predict the precise result, a preliminary survey with interview toward BOD representatives; Human Resource, Engineering, and Marketing are collected. The interview contains a rating for the aspect that causes on company’s performance in the scope of a technical project. The three aspects of being measured are internal, external, and third-parties.

Internal
- Employee performance (knowledge and motivation)

- Measurement activity

  - The measurement activity almost exists in all project gained by this company. This activity becomes the preliminary study and important to the next stage of other activity. This company never have measurement division and decide to use third-parties instead of developing by itself. Once the third parties did mistake in measurement such as, lateness, irresponsible, inaccurate it will have a big impact on cost and time.

- Drafter activity

  - There is some case that senior drafter has a different understanding with the team leader of the project. The drafter sometimes uses engineering feeling instead of using the team leader’s technique. These problems impact the junior drafter so that they were confused which one to follow. Furthermore, this impact on the schedule of the project because the problem needs to be solved first.
- Engineers comprehension
  - Every engineer is given different types of the project every year so that they need to explore their knowledge due to this condition. Mostly, engineers are not ready and lack knowledge, so this will take times for engineer to face the new experience. The problem arises when the engineer could not accelerate their adaptation in those cycle.

- Employees motivation
  - Usually, one engineer works on one project, and mostly they will face some problem by themselves and doesn’t rule out the possibility of a double job. At some point, when a problem occurs repeatedly, their motivation was sloping down, and it would impact on the continuity of the job.

- The accuracy of the work schedule
  - All projects in this company were scheduled with S-Curve, but sometimes the operational was not in accordance with the schedule and fact in the field. Some factor might impact on this accuracy, such as internal and external factor.

**External**
- Employers demand in the project (additional/alteration)
  - In the process of works, it doesn’t rule out the possibility that employer adds or changes some new sub-projects. When this happened, it was absolutely impacting on cost and time.

- Communication with employer
  - Every engineer for sure often associated with employers with communication. In fact, employers are hard to be met and contacted. Another case, once we need data from them, they did not have a fast response.

- Field constraints
  - The process of the projects was mostly done in the field which has affiliation with local citizen and LSM. Sometimes they can collaborate, but not a few also make some problems.

**Third Parties**
- Less competent and irresponsible
  - A lending company is a common activity in consulting industries and this company mostly only lend the company to their close relatives. Based on trying new opportunities in the last two years, this company lend to new relation and problem was occurring. The new one didn’t have good performance so that it impacts the credibility in the employers view was decline.

<table>
<thead>
<tr>
<th>Table 1: Factors affect company performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured Aspects</td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>Internal</td>
</tr>
<tr>
<td>Employee performance</td>
</tr>
<tr>
<td>The accuracy of the work schedule</td>
</tr>
<tr>
<td>External</td>
</tr>
<tr>
<td>Employers demand</td>
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<tr>
<td>Communication with employer</td>
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<tr>
<td>Field constraints</td>
</tr>
<tr>
<td>Third Parties</td>
</tr>
<tr>
<td>Less competent and irresponsible</td>
</tr>
<tr>
<td>Total Weight</td>
</tr>
</tbody>
</table>

Source: Data Processing Results, 2017
From Table 1, it shows that Employee Performance, Communication with Employer, and Third Parties ranked in the three top priorities. Since external factors and third parties are more difficult to control, this study will only focus on internal factors, which is employee performance. Hereafter, this study will breakdown the root causes that might affect the employee performance.

This study uses the 5 Whys method in determining root cause because the problem happened to have interconnectedness with human factors and in day to day business life. The 5 Whys in this study as below:

1. External factor supports the industry for growing, but the revenue is down sloping in the last year more than 50% compared to the previous year. Why?
2. The completion of the project often late and might evoke the employers trust not to give a project. Why?
3. There is a problem in the internal factor which refers to employees performance. Why?
4. The employees seem to be less capable and motivated in doing the job. Why?
5. There is an absence in Capability Building

Growing pain score
Nine of growing pains indicators are constructed into the questionnaire and spread through sixteen employees randomly in order to see how big the pain in this company. Furthermore, these nine aspects have five types of responses with the scale interpretation: (1: Very Slight Extent, 2: Slight Extent, 3: Some Extent, 4: Great Extent, 5: Very Great Extent)

<table>
<thead>
<tr>
<th>Growing Pain Indicator</th>
<th>Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>People feel that there are not enough hours in the day</td>
<td>0 4 3 6 3</td>
</tr>
<tr>
<td>People are spending too much time putting out fires</td>
<td>4 4 5 3 0</td>
</tr>
<tr>
<td>Many people are not aware of what others are doing</td>
<td>7 5 4 0 0</td>
</tr>
<tr>
<td>People have lack of understanding of where the company is headed</td>
<td>2 4 6 3 1</td>
</tr>
<tr>
<td>There are too few good managers</td>
<td>3 3 5 4 1</td>
</tr>
<tr>
<td>Everyone feels I have to do it myself if I want to get it done correctly</td>
<td>7 4 4 0 1</td>
</tr>
<tr>
<td>Most people feel our meetings are waste of time</td>
<td>10 2 3 1 0</td>
</tr>
<tr>
<td>When plans are made, there is very little follow-up, and things just dont get done</td>
<td>2 4 3 6 1</td>
</tr>
<tr>
<td>Some people have begun to feel insecure about their place in the company</td>
<td>0 2 4 8 2</td>
</tr>
</tbody>
</table>

Add Total Number of Responses in Each Column 35 32 37 31 9
Multiply the number on line 10 by the number on line 11 and record the result on line 12
Result of line 10 times line 11 35 64 111 124 45
Add the numbers on line 12 in row divided by number respondent 23.68

The results show this company has score 23.68, which indicates some areas needed to be considered according to Flamholtz and Randle (2015) as can be seen in (Table 2).
Table 3: Results of statistical analysis of all paragraphs of the questionnaire

<table>
<thead>
<tr>
<th>GScore Range</th>
<th>Color</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-14</td>
<td>Green</td>
<td>Everything okay</td>
</tr>
<tr>
<td>15-19</td>
<td>Yellow</td>
<td>Something to watch</td>
</tr>
<tr>
<td>20-29</td>
<td>Orange</td>
<td>Some areas that need attention</td>
</tr>
<tr>
<td>30-39</td>
<td>Red</td>
<td>Some very significant problems</td>
</tr>
<tr>
<td>40-45</td>
<td>Purple</td>
<td>A potential crisis or turnaround situation</td>
</tr>
</tbody>
</table>

**Growth stage**

Based on observation and interview, the company which has been operating for 14 years and have more than fifty employees is in the phase of Collaboration and facing Growth crisis. This crisis represents the company needs to develop its infrastructure to survive in the future.

**The capability building**

The company faces the problem of developing infrastructure, which is furthermore carried out research using employee perspective in detecting what the source of the pains is. The biggest obstacle, however, is that new capabilities call for fundamental changes in behaviorsthe ways that employees, managers, and executives work on a daily basis (Hemerling, Bhalla, & Dosik, 2016). After conducting interviews and observation, the result of the study pointed out that there was a lack of capability building for the employees. There is a framework used, called 5C, which identified type of capabilities that employee need to built in order to elevate the companys performance. International Peacebuilding Advisory Team (IPAT, 2015) said “The capabilities to commit and act, to relate and attract, balance diversity and coherence, to create results and to adapt and self-renew are the five core capabilities that allow organisations to perform and sustain themselves in evolving environments. Each is necessary but none is sufficient by itself. It are strengths in each of the capabilities that add up to organisational capacity.”

1. **Capability to commit and act**
   
   This capability shows how the employees can be responsible and commit to their job. According to Morgan (2006) the issues related to capability to commit and act could be “Degree to which decisions are implemented, degree and use of operational autonomy, action orientation within the system, integrity of the organization, its leadership and staff, effective human, institutional, and financial resource mobilization.”

2. **Capability to create results**

   This represents the how employee can give their best performance in creating a result, whether they consider about the process or result. Issues associated with the capability to generate results are “Strengthening public institution and services, generating substantive outcomes such as better health and education, improving sustainability of development results” (Morgan, 2006).

3. **Capability to relate and attract**

   Capability to relate and attract explains how employee uses their soft skill in creating a relationship with other partners. For the capability to relate, the issues associated are “Degree of legitimacy in the eyes of its supporters an stakeholders, ability to protect the core interests of the system, and operational autonomy.” (Morgan, 2006).

4. **Capability to adapt and renew**

   Business environment always changes and it leads the company must be agile to face that. This capability shows how the employee whether have fast adaptation or not. The issues related are “Adaptive management culture, ability, opportunity and discipline to learn, confidence to change, ability to balance stability and change” (Morgan, 2006).
5. Capability to achieve coherence

This capability represents how employee feels in line with the company’s vision and mission. Regarding Morgan (2006), the issues related to the capability to achieve coherence “Integrating structures inside the system, a well-defined set of simple rules that govern operations, a leadership intent on achieving coherence, a shared vision of the intent of the organization.

After those five capabilities are breakdown into the questionnaire and spread through 25 employees from technical and administrative staff, below is the result represented by the diagram.

**Capability to Commit and Act**

![Figure 6. Commitment owned by employees](image)

This aspect points out how big employee has a commitment in doing their jobs. As we can see in Figure 6, it shows that they actually have commitment indeed but it must be something burden their performance in producing high commitment when doing a job.

![Figure 7. Becomes productive in every job](image)

Employees show that 60% agree they always try to become productive when the jobs were given Figure 7. This represents they already have excluded their productivity but there must be some factors which didn't meet their willingness so that decrease company performance.
Responsibility is an important thing that employee should have; they have to take responsibility until the job is done or if there is any problem in the process. The results show 32% employee agree they feel responsible for doing their job Figure 8.

Based on fact, as we can see on the result Figure 9, even though the employee already commits, productive, and responsible, they feel a lack of motivation. Commitment, productivity, and responsible could be assumed as the internal willingness, and one factor that affect motivation could come from the external side such company as an organization. It has a high possibility that employee still feels a lack of motivation because there is a lack of approach from a personal supervisor.
Capability to create a result

The high positive response to the company push in order to produce good performance could be only based on the obligation for doing the job Figure 10. The type of push might be just a one notice without good treatment. This might impact why the motivation level is low for the employee.

The response of the employee who pays attention to result based is low, and it could be represented that employee actually not fully concern about the schedule with the makeshift result Figure 11. But, this not entirely good for company image; however, it should be good result and good time although external factor might affect.
Most of the employee strongly agree that process is an important step while they were doing their job Figure 12. For producing the best result, the employee needs to understand the process. This already points out the advantage, and furthermore, the company should take a notice on how to maintain it into on time.

Based on Figure 13, employees show that they already make an effort to finish the job with the best result. This effort should be understood by the company in order to maintain their performance, and the company should evaluate which factor burden the performance even though they tried their best.

The same result with the previous aspect of, employee points out strongly agreeing that they put an effort to finish their job on time. But based on Figure 14 employees confess that some job they have done tends to be the ordinary result and not on time at the end of the project in fact.

Figure 14. Effort to finish the job on time

Figure 15. Result of the job that well done and on time
Capability to relate and attract

As a company which usually given a job by the government, it is important to create a good relationship with the employer. According to Figure 16, many employees have the same opinion to assume that they already have the ability in maintaining a relationship with their employer. Reciprocally, they will convince their employer about this company with the good image even though the problems still occur on this company performance (Figure 17).

Figure 16. Ability to relate

Figure 17. Willingness to give good image
Based on the previous result, foundations that support the employee ability to create a good relationship with the employer is due to the company give a chance to the employee directly to communicate with them. About 44% employee strongly agree that company gives a chance to build a relationship with the employer (Figure 18).

Even though the company gives a chance to the employee and the employee already have the ability to build a relationship, as could be seen in Figure 19, employee feels that they still need a soft skill encouragement guided by the company in order to encourage their capability in building a relationship.
Working in consultant engineering, there were two cycles of work schedule; tender and technical. In the tender process, administration becomes more intense usually at the end of the year until the beginning of next year. Different for engineer and drafter, they usually busier before the middle until the end of the year because mostly contract runs in those time. Employee agrees that this kind of rhythm was accepted by them, and they commit to help another one when they were more vacant (Figure 20).

Some employee trusted that they could face the change faster and the rest didn’t feel that (Figure 21). It means there is still a doubt through an employee in facing the change. Whereas, change almost often occur in consultant engineering, such as an addition in the job. With this environment, the employee should have the ability of facing change.
Every year, the location of the project is different, and it means the environment always new with the new stakeholder such as employer and local citizen. This condition encourages the employee to have fast adaption when being placed on a new area. Almost employee believes that they already a success with the adaptation (Figure 22).

Figure 22. Fast adaptation with a new environment

Every employee has the probability to be given different project every year, and this condition demands them to be able to adapt with new knowledge. Based on the result, almost 64% employee shows that it needs time to understand that new knowledge and it might impact on the process of project completion (Figure 23). This must be concerned with the company in order to create better performance.

Figure 23. Fast adaptation with new knowledge
According to Figure 24, the employee shows that they were able to face the change and it has a correlation with what could be seen in Figure 25, that they already used to deal with the change by itself. But, the company needs to control and improve about the employees way.

**Capability to achieve coherence**

Every company absolutely has vision and mission, and the employee should have a better understanding of that in order to build a good environment. Most employees agree that they already know about the company's vision and mission, and they feel in line with that (Figure 26). This condition should be maintained by the company so, the continuity of the company will align with the employees.
Based on the growth stage in the previous observation, the system of the company was compatible with the response of the employee. The stage represents that the company in the Collaboration stage shows good system, that looks like a synergy relationship between division. About 68% employee strongly agreed that this company already has a good system (Figure 27).
Based on Figure 28, employees point out that the leadership in this company is already good. This generally means their board of director has successfully led them to grow good system in this company.

Every employee must want to get a clear career path wherever they work. This condition could be possible to make the company sustain with the best employee inside. According to Figure 29, a most employee shows that they are quite sure about their career path and their future in the company.

CONCLUSION

The identified capabilities that lead to growing pain to this company are below:
1. Lack of motivation in order to accrue their performance
2. Inaccuracy and unfavorable results impact the decline in performance
3. Skill improvement affects the continuity in the relationship with the employer
4. Adaptation in facing new knowledge every year

Can be concluded, the pain that occurs comes from the employees capacity and the companys treatment. The company should procure to minimize its pain by an alternative solution such as:
**Regularly doing open discussion**

Supervisor has to build casual and open-minded discussion through employee so that the problem they are feeling feels lighter. This discussion is very important and not only about the job but also personal life. This discussion will be such an informal logbook for employee and supervisor. Discussion will lead the relationship between employee and supervisor stronger and engaged. This kind of daily discussion will motivate the employee to produce greater outcome inasmuch as a feeling of getting treatment.

**Applying logbook and weekly report**

The logbook is very important for daily recording whether the to-do-list today is on target or there are problems that need to be followed up. Every employee, especially technical engineer in the field, should input their data/exercise into a logbook. The logbook used by this company can be digital or manual; it will be adjusted to each employees comfort. Whether using digital or manual, the data should be converted into the same standard or report. Supervisor has to control the logbook daily so that will synergize between the work target and the process. The concept of weekly progress contains by PIC report from each project and will be reported to the supervisor every week. The report represents their percentage of progress, problem statement, and next to do list. This report next will be harmonized into S-curve as a control. Both supervisor and employee have to pay attention and discipline in making this weekly report.

**Conduct course that relates to new knowledge**

Course will be held tentatively adjusted to the schedule for a related engineer. The course can be from the internal team leader or external expertise. The company will construct and arrange which knowledge employee need to be deepened or expanded. This course is expected to increase employees knowledge so that they can adapt faster in the next year.

**Organize soft skill training once a year**

The company should try to recruit people not only based on their needs but also their quality. The HR director should conduct a good prequalification of recruitment from screening and interviewing the candidates more deeply. The HR should take notice when they exactly need the new one or develop the existing employees that they already have.

**Create a good recruitment system to find the qualified people.**

The company should try to recruit people not only based on their needs but also their quality. The HR director should conduct a good prequalification of recruitment from screening and interviewing the candidates more deeply. The HR should take a notice when they exactly need the new one or develop their existing employees that they already have.

**Conduct family gathering to engage their employees**

The other kind of program besides soft skill training, is doing the family gathering. This company often points out about technical aspect instead of people aspect. It opens the possibility that what employees need is a gathering to freshen up them and make the engagement stronger among the company.

According to financial record, the company points out a drastic drop in income more than 50%. The arising business issue is lateness in project completion that possible to trigger employer lose their trust in giving the job. Factors that affect the decline in the companys income can be from internal and external. Since external factor cannot be controlled, then only focus on an internal factor. Based on research and observation, the decline in company performance was caused by a decrease in the performance of employees, which centred on capability building.

There are some points that need to be considered on the capability to commit and act; create results; relate and attract; also adapt and renew. In the field of the capability to commit and act, employee feel lack of being motivated personally, whereas they already try to be committed and responsible in
doing the job. Furthermore, even though employees attempt doing the job well, in fact, the job delivered was not on time and in a good result. In the area of capability to relate, the improvement of soft skill should be concerned in order to easier the communication with the employer. The last, a slow adaptation of employee to face new knowledge can lead to the obstruction of work.

Proposed solutions to cure those pains are accreting the personal approach, hard and soft skill, and detailing technical aspect. Steps that can be taken is by holding regular discussions, applying logbook and Trello application, and conducting courses and soft skill training. Costs incurred remain adjusted to the conditions of the company, which are around up 2% from last years expenditure. The 2% increase in this expense is expected to improve company performance, which elevates revenue up to 20% and the quality of the employees.

REFERENCES