



Starting a New Business

Meeting 14

Recruiting Staff

- The part is rather crucial or vital, because you have to choose the people who will drive your business
- Three employee categories for new businesses:
 - *Frontliners*
 - *Sales*
 - *Management*

Recruiting Frontliner Employees

TIPS:

- Learn the characteristics of workers in similar industries, how much and how the salary scheme.
- Make sure your employees will have jobs that are quite busy, there are or no orders (cheaper to pay for overtime than the excess employees)
- Prioritize references from friends or relatives so you can 'tie' your employees and get honest employees.
- Conduct a direct interview, and make sure the values that the prospective employee has are approximately the same as the values you have. Try using your instincts to make sure that person will fit in with their work.

Recruiting Frontliner Employees

TIPS :

- Do a test by looking at whether the junior high school graduate is able to do it and not have to be D1 / D2 or graduate. You can make savings.
- If it is sufficiently informally, there is no need to use an employment contract.
- Contract your employee for a certain period with a trial period of the first 3 months
- If it has been positively received, state the things you expect including additional rewards that will be received if they are needed for overtime work, off-duty work, vacation time called, and so on, so you have a reservation for their time to do it later.

Recruiting Sales Staff

- Learn what sales person you need, how senior they are
- If you need a junior sales person to market your product, the comparison options are more or less as follows:

	Full Commission	Semi Commission	Fixed income
Compensation	Greater than	Transportation fee from IDR 500,000 to IDR 1,000,000 / month	In accordance with the standard salary in the industry
Loyalty	Low	medium	High

Recruiting Management Employees

- The Management section helps you take care of the aspects of finance and accounting, marketing including HR
- Considerations in recruiting the Management team:
 - If you feel you need a senior person, you should avoid giving fixed income because their salaries will undermine your cash flow.
 - Look for housewives who have previously worked in similar companies or similar types of work.
 - Offer flexible work time, flexibility to manage oneself and work, and unlimited income through a full commission scheme.
 - You can promise shares after a certain deadline or certain achievements or a combination of both.
 - If needed, you can offer a direct share of ownership (shares).

Conducting Training Preparation And Trial

- To produce the maximum product / service, employees must go through a training and trial phase
- Tips:
 - There are or no employees, you have to do a trial. If your business is a restaurant, then inviting close friends and family to 'try' a crowded situation is necessary. If your business is a laundry service business, give them first service and ask for their opinions.
 - If you have employees, train them to do their work in a crowded situation (under pressure). For example serving food in a fast time. Many orders will test their ability to produce within a certain period. Make a simulation in dealing with extreme situations.
 - Make a record of the time and constraints experienced to be discussed with them. Maybe they have a better proposal.

- New businesses require promotions that are well-prepared
- If the logo is final, then the next step is to make a derivative such as:
 - Letterhead and envelopes (if necessary)
 - Stamp
 - Brochure (if necessary)
 - Display and neon sign if your business is retail or restaurant
 - Packaging and supporting equipment such as plastic bags

Choice of Legality of Business, Formal or Non-Formal

- For the initial stage, do it informally, because it will save the cost of set-up (example: notary fee for PT set-up requires Rp. 8 million and for opening a bank account at a minimum you need to put Rp. 1 million and a certain amount of rupiah for capital in deposit must be entered into a bank account)
- If you are worried that your logo and brand will be copied by someone else, register it with the Department of Justice, do it yourself, because it costs only a few hundred thousand rupiah (Rp. 1.5 million if through a notary)
- Even if you don't use a PT or CV, you can still enter and tender for large companies by borrowing from other people's PT by providing certain service fees.

	Non Formal	Semi Formal	Formal
Legality	None	UD	CV-PT
Initial capital	Relatively very small	Relatively Enough	Relatively Big
Operations	From the house, rent a machine	Rent a small place, shared office	Rent or buy it yourself
Marketing	Alone, or full variable cost Simple image	There is a team with basic salary / transportation Image controlled	Full Team, mixed fixed & variable Full control
Customer	Some in limited environments	Large enough	Complex



Subang, West Java

“Do not ever give up, the beginning is always the hardest.”

The Inauguration

- Inauguration of the place of business becomes an important thing because you invite friends and relatives who will help you market your business
- Inauguration with a simple tumpengan and a prayer together is enough
- Also invite neighbors around where you open a business, so that your business is known, supported and prayed by people around you
- Distribute vouchers and discount coupons so they can use them themselves or give them to someone else to try your business
- If you choose to produce brochures, leave a certain number of brochures with invited guests and ask them to help distribute them to acquaintances. This is effective because they certainly praise your efforts.

Additional Process: Websites and Uniforms

- Website

- Creating a website for several industries is absolutely essential, as in the beautiful jar industry, leather jackets or snacks, even restaurants.
- Do it for free, look for websites that give you this convenience such as: blogspot, wordpress, weebly, multiply, or even facebook.
- If you feel you need a personal web address, just buy a domain name (around 500-600 thousand rupiah for 5 years) and forward everything click to your free web hosting. Examples are ketjap.net or emasoekamto.com.

- Uniform

- For some areas such as restaurants, Event Organizer services, officers' uniforms are needed to lift your image.
- Look for ways to save, for example with sponsorship from your suppliers
- Use moderate to cheap quality for the initial stage.

Learn from Common Mistakes

- Experience is the best teacher
- Things that need to be considered :
 - Making a business venture legally at an early stage or in a hurry in the first months, binding legal relations without experiencing prior cooperation
 - Not conducting in-depth research on competition and internal strength (SWOT analysis)
 - Spending too much money to buy equipment and renovations, including renting a place, choosing the wrong location
 - Paying labor costs is more expensive than competitors
 - Using workers whose level is higher than competitors
- The best way to learn common mistakes is to interact directly with business people who have experienced them. Learn their tips to rise from mistakes and to correct those mistakes.

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