

Indonesia's Efforts to Achieve Globally Competitive Human Resources

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ABSTRACT :Awareness of the increasingly tight business competition map of industry era 4.0 has made many business organizations in Indonesia busy preparing themselves, particularly those related to the development of human resources, to be ready to compete in the global era. Many global companies with diverse business units have made human resource development a key strategy for dealing with global competition so as not to be drowned by the changing of times. Concerns about the readiness of business organizations in Indonesia to compete in the global era are quite reasonable and cause the leaders of companies to be under pressure due to the rapid technological advances, demographic pattern shift, economic change to the science base, and increasing drive to innovate. This indicates that every company is required to have a high commitment in preparing and building competitive human resources as well as maintaining its best talented employees in various programs and strategic policies supported by the work culture that reflects the company's big vision to be realized. This qualitative research uses primary data by interview and observation method to 40 respondents, and utilize secondary data with the aim to improve performance and talent development of company employees.

KEYWORDS :Indonesia, Human Resources, Innovation, Motivation.

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I. INTRODUCTION

In the last 3 years, Indonesia's economy has grown above 5%. It is estimated that in 2020 the growth will reach 6% per year due to strong macroeconomic management, structural reform, and acceleration of a number of national strategic projects. In fact, the government has committed to building a globally competitive manufacturing industry through the acceleration of implementation of industry 4.0, given that the national industry desperately needs connectivity and interaction through integrated technologies, information and communications that can be utilized throughout the manufacturing chain to achieve efficiency and product quality improvement.

The fourth wave of industrial revolution is marked by the use of information technology, artificial intelligence, and automatic engines or vehicles that have been going on since 2011, where the machines have been integrated with the Internet network and even some countries have been able to realize a more efficient way by integrating industrial production system from upstream to downstream. For example, the automotive industry utilizes more information technology to streamline value chains that include research, development and design, product manufacturing, distribution, after sales and recycling. Automotive industry actors in Indonesia have utilized several technologies that lead to efficiency, such as three dimensional printing technology and robotic technology.

Currently and in the future, competitive advantage has become a necessity for every business actor when he wants to compete in the global market. This condition will encourage the occurrence of massive transformation at all business levels and units because every business actor can enter any other countries' markets easily, considering that there are no more real boundaries so that the professionalism of every business actor is highly prioritized as seen in business decision making and continuous innovation.

One determinant to be able to innovate ceaselessly is the readiness of the business world in building and preparing excellent and global quality human resources, in the sense of having talent with high competency standards in their respective fields and having strong character that can compete at global level. Indonesia desperately needs superior human resources as a basic capital, given the disruption of technology that marks the industrial revolution 4.0 has changed the political and economic landscape that resulted in the loss of a lot of jobs replaced by technological process.

Automation will indeed eliminate old jobs, but it can bring new jobs. Automation does not simply compensate for job losses, but it can increase productivity, lower production costs, and increase domestic demand to replace job losses due to technological advances, including the emergence of new professions.

II. LITERATURE REVIEW

In general, employee work productivity is directly proportional to the high competitiveness of the organization as a whole in the face of business competition, since all is closely related to the level of employee satisfaction to the organization of the company, which includes a more competitive salary guarantee, better career guarantee, convenient working environment, and benefits of the facilities offered [4].

The employees engaged are the employees who are competent and able to give high commitment to the company and satisfied with what the company has given them. The engagement or involvement of employee is strongly influenced by various factors, such as superior's behavior, employee compensation, and employee-related policies.

Excellent company is a competitive company and always adaptive to change. It should be understood that in the midst of an ever-changing and rapidly changing business environment, only companies that are adaptive to change that can survive in a global era, even growing and growing consistently. To make a change, the companies often run in a massive and radical way, leaving the old ways, and switching to new and more efficient ways and methods [4].

The new ways and methods that companies apply usually require business transformation and human resource transformation. Transformation will work well when the company has a strong organizational culture. Corporate culture becomes very important because it serves as a strong adhesive among members of the company as well as a union of motions and steps for all elements within the company.

Relationship alignment shows not only the relationship between organizational culture and members of the organization, but also the relationship between organizational culture and proportion of organizational value to external stakeholders related to interests or priority conflicts in business processes in order to realize an understanding of the required organizational capabilities to compete, given the current market situation is much different from the previous market situation.

Currently and in the future, there needs to be a proper employee selection system which is then developed to fit the needs of the work field and the demands of the organization. Development is usually done through training activities and corporate culture understanding to improve the knowledge and skills of employees, including an overall understanding of the organizational environment [3]. Training is intended to provide provision for new or existing employees in the form of skills they need to carry out the work [2]. Training activities are always focused on the skills needed to carry out the current work, while employee and management development is a long-term exercise to make it easier to solve problems arising within the organization [7].

As time goes by, the employees' favorable achievement should be increased again and again, and the unfavorable achievement should be fixed immediately. Compensation should not be static but dynamic, which means following market prices and contingencies in an effort to motivate employees to perform better [7], [8].

III. RESEARCH METHOD

This research is categorized as qualitative research with positively paradigm, a research which is conducted by analyzing the condition of existing human resources in Indonesia economically and focusing more on natural object condition where researcher serves as a key instrument. Data analysis is done using inductive approach by always emphasizing more on meaning than generalization. This research seeks to interpret the phenomenon from the actors' point of view based on their interpretation of the growing phenomenon in the company. Literature review presented in this research is important to deepen the research. It is intended to explain the phenomenon of excellent employees and company performance in order to achieve employee satisfaction to the company organization so as to provide a significant impact on business growth.

This qualitative research relies on triangulation of data derived from data collection of interview results, participant observation of 40 respondents, and review of data from six companies and other relevant sources. During interview and observation activities, the research team attempts to capture, record, interpret and present various information by always holding the data collection to produce in-depth and comprehensive analysis through data reduction as well as understanding related to the company's organizational ability in giving stimulation so that employees have motivation, work spirit, creativity and innovation in work.

Data analysis is expected to obtain accurate and in-depth results. This means that the validation of the accuracy of information is done gradually, starting from the procurement of raw data to be processed for the purposes of analysis in order to produce themes and descriptions [6].

IV. FINDING AND DISCUSSION

Indonesia's Human Development Index (HDI) score in 2017 was 70.81. This can be said high HDI category because the score is above 70.00. However, there are still 18 provinces that have medium or low HDI category, such as Papua, West Papua, and East Nusa Tenggara. The main causes are difficult access to schools and high infant mortality rates, including the government policies that have not prioritized on the development of human resource quality. So, it can be said that until 2018 there has been no significant breakthrough to improve the quality of human resources or three has been no substantial change.

The quality of human resources is also inseparable from the problem of poverty hitting Indonesia until the present time and has become a complicated problem although a number of indicators have shown improvement. The population dependency ratio in 2000 was 53.8% and in 2017 was 48.1%. This indicates that the decline in dependency ratio during 17 years did not seem linear with the decline in poverty rate as many as 26.58 million people by September 2017. The fluctuation of commodity prices in recent years has a great effect on the number of poor people, particularly in several commodity-dependent regions. It seems that the government is committed to staying focused on work programs aimed at reducing poverty, unemployment and income inequality. The problem of poverty in Indonesia, however, will not succeed if it is not handled in multi-dimensional ways.

Other worrying things about the low quality of human resources in Indonesia are the low achievement of formal education and the low basic competencies of the students. Access to education, quality of education, and educational gaps are still far from expectation and left behind from other countries. In terms of access, there are still about five million school-aged children who do not get formal education in school. Those who get formal education study in the classrooms that have not prepared the students to face the challenges of life of the 21st century. The improvement of the quality of teaching and learning is still limited to the efforts to meet too low goal, that is, only to improve the score of learning outcomes. So it can be said that improvement of the quality of learning and teaching has not led to changes in behavior and mindset.

Many people are still reluctant and afraid to take different ways. They are afraid of being said to be a freak or breaking an existing order. So, they prefer to be followers and wait for others to do it first. Similarly, something different will be considered "wrong" if it does not refer to the standard operational procedure that ultimately leaves employees unconcerned with different thinking. At present the most needed factor is a belief that the current status quo needs to be changed to be more adaptive in the face of the future of VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) in order to exist in the marketplace.

Table 1. Creating Excellent Human Resources

Company	Fields of Business	Policies and Programs of Excellent Human Resources
PT. PERTAMINA	Petroleum	<ul style="list-style-type: none"> • Performance Management System : (1) Coaching Program; (2) Dialog Day; (3) Feedback session • International Job Postings Mechanism • Business Leader : (1) Global Leader; and (2) Global Player
PT. TELKOM Tbk	Telecommunication, Information, Media, Education, and Service	<ul style="list-style-type: none"> • Building : (1) Character; (2) Competance; (3) Collaborate; and (4) Team Work • Training Center and Corporate University as the center of excellence, center of attitude development, knowledge, and skills of prospective leaders.
PT. ASTRA Tbk	Automotive	<ul style="list-style-type: none"> • To respect Individual and • Promote Team Work • People Development Program Individual Performance: to identify top talent, high performance, good worker, etc. • Vision Business Sense, • Interpersonal Skill, Planning and Driving Action, • Drive code, Integrity, etc.
PT. 3M INDONESIA	Industrial Business, Maintenance Automotive, Healthcare Business, Consumer Design, Electronic Energy Business, and Safety Guard	<ul style="list-style-type: none"> • Business Simulation • Assignment Program • Providing Opportunity to become leader at regional and global level • Excellence Program, Sales • Competition, Communication, • Sales Motivation and Training Certification
PT. PELINDO IV	Seaport	<ul style="list-style-type: none"> • Having a strong Corporate Culture to build Trust and Fairness • Company value: Integrity, Enthusiasm, Collaboration, Competency, • And focus on the Customers
PT. PNX	Sugar and Molasses	<ul style="list-style-type: none"> • Management Trainee Program • Talent Management Program • Development of Integrated Precision Farming.

Individuals should be given the opportunity to develop uniqueness and have a more noble purpose than money, power and rank. The same purpose in work turns out to facilitate employees to collaborate without coercion, given the loyalty of employees will produce very significant results. It should be understood that innovation does not mean having to find a super-unique product, but it can be done by having strategic alliances, synergizing, and collaborating with business partners through strong coordination. In other words, creativity is a win-win solution which is highly dependent on the individual in looking at issues from different sides and synergizing different solutions of the past as well as transforming them into the latest situation.

Company leaders do have a big challenge to drive different individuals within the organization to realize their vision and mission amidst the dynamics of change, including being able to bring a positive aura to all employees within the company. Motivating and engaging the work team seems easy to talk about, but the reality on the ground shows that it is not so easy to do. Employee engagement is strongly influenced by many factors, including work environment, company policy, employee's compensation, behavior of superiors and co-workers, and other forms that can give a surprise to employees, such as during marriage, birth, sickness, etc.

Leaders of large and medium companies in Indonesia are aware of the increasingly tight free competition map and trying to encourage human resources to be ready to compete at global level, such as PT. Pertamina that implements a Performance Management System where employees have the opportunity to convey their aspirations through coaching programs, dialogue day, and feedback sessions. Employees can also express their wish to move part or region through international job postings-mechanism. Furthermore, global leader and global player fulfillment can be done through business leader program.

The development of human resources at PT. Telkom, Tbk was started by building character, competence, collaboration, and team work to generate many talents and market valuation to achieve going global. PT 3M Indonesia has a human resources development strategy called local leadership, a development program aimed at realizing talent at the regional level in order to be able to compete at global level. From the beginning, the employees know that the company has a commitment in career development at all levels to improve their competence and talent. They are also asked to expose the kind of innovation in front of regional and global managers related to their ideas, solutions and innovations that can be run. Thus each employee has the opportunity to become a leader at regional and global level.

PT. PELINDO IV initiated its human resource development through the reinforcement of corporate culture and corporate value by prioritizing changes in behavior and mindset. Increased employee competence is done through training programs and customer care officer. Based on corporate value, it was formed Pelindo IV Way which contains the vision of the company that becomes a compass and the direction of work activities of all employees in everyday life.

The development of human resources at PT. ASTRA, Tbk, is based on the interests of business units and individual interests, known as Astra People Roadmap. Besides having good competence, each candidate who will enter Astra should also understand and accept the corporate philosophy and value listed in Catur Dharma. Leadership development in Astra is based on employees identified as talent, and conducted comprehensively through integrated talent management, assignment, coaching, and mentoring in order to improve competency of leadership. Other programs to achieve excellent human resources are in the form of Benchmarking, FGD, Case Study, and engagement of employees in training modules organized by various external institutions.

From the beginning PT. Perkebunan Nusantara X, which produces dry white sugar and molasses, has been aware of the tight competition in the market, especially in dealing with business actors from Thailand, Brazil, India and other countries that are able to sell lower sugar prices in Indonesia. PT. Perkebunan Nusantara X strives to increase productivity and performance of human resources through the Management Trainee Program, Talent Management Program, and the development of Integrated Precision Farming. Employees in talent management classes are educated according to their willingness, interests, and potential, such as knowledge, skills, and attitude. The expected result is that employees are able to accelerate along with the company's goals and ultimately the company has strong competitiveness. When the human resources and other related parties are ready, the implementation of the program will become easier and more efficient so as to be able to realize the excellent performance of PTPN X.

Table 2. The Formation of Talent in Company based on the Point of View of Employee

No	Talent Formation Factors	Score
1	Company Policy	96
2	Innovation	90
3	Corporate Culture	92
4	Motivation	90
5	Behavior of Superiors and Co-workers Corporate Value	98
6	Company Environment	86
7	Compensation	94
8		96

Referring to the experience of large and medium-sized companies in Indonesia, it seems that vertical alignment and horizontal alignment are very important, in the sense that performance targets need to be lowered from peak to individual level so that each employee can move in the same direction. In addition, the targets of a work unit need to be aligned with the targets of another work unit in order to achieve good cooperation between the two and other parts of the organization. Thus, the same reactions can be an adhesive of the organization and grow shared value within the individual employees.

The formation and existence of talent in the company is determined by the success of the leaders in disseminating and implementing corporate culture, corporate value and corporate policy stipulated by the company. Company environment and the behavior of superiors and co-workers greatly influence the talented employees to stay inside or move to another more conducive company. Motivation and innovation strongly encourage employees to provide the best performance and are expected to get a balanced compensation.

The result of interview and participant observation as shown in table 2 shows that the formation of talent through training center and corporate university is not easy. On the one hand, this can generate potential candidate (star) and carrier person (backbone), but on the other hand, this can cause dead wood and problem of employee due to the imbalance factor on job satisfaction, lifestyle, and salary. Company policy, behavior of superior and co-workers, and less conducive environment can make talented employees move to other companies or reluctant to excel (innovate).

It should be noted that the company's employees are essentially social beings who have a certain chemistry to maintain the self-balance and others. In the human body there are 4 neurochemicals, namely endorphins, dopamine, serotonin, and oxytocin, that contribute to positive feelings and are part of human happiness so that the employees feel good and youthful. Endorphins and dopamine are chemicals that stimulate selfishness. They are produced when someone is struggling to achieve something. Endorphins trick physical pain with pleasure and produce euphoria at the time of struggle to achieve desired results. Meanwhile, dopamine works and affects the blood and makes the face become flushed with satisfaction. Serotonin and oxytocin are selfless chemicals in which serotonin is a molecular manifestation that gives rise to pride when respected by others. Oxytocin works to promote empathy and trust and to deepen the bonding between humans to form a harmonious relationship. Legendary companies strongly believe that human relationships are above all things, meaning that it requires leaders who can build a circle of safety, a culture in which employees feel protected [6].

Company leaders will be more benefited when they have talented employees and a conducive working environment, especially the environment that accepts differences of opinion and supports innovation. The combination of commitment and satisfaction has proven to be able to increase the company performance, including employee productivity. Organizations must continue to transform, either in searching for innovative business leaps or in making continuous improvement. Transforming strategies will challenge internally, especially in aligning new strategic directions with existing organizational elements; considering that the current competition demands quality products / services, timely delivery, fast service, satisfactory after-sales, and competitive prices

In the employee's view, money is important, but the "meaning of work" is actually much more valuable. To gain "meaning of work" needs to multiply relationships with others. Thus, organizations need to find self-driven learning methods that can attract employees, as training and corporate university seem to be a narrow learning place to accommodate employees who want to learn in a relaxed way. The learning materials can actually be expanded, such as newspapers, video, internet, quizzes, sharing to access external sources through Youtube, TED, and blogs.

One way that needs to be done to accommodate the interest of employees is to set up vocational training centers in several big cities in Indonesia such as Jakarta, Bandung, Surabaya, Medan and Makassar to anticipate the emergence of artificial intelligence products. It is estimated that a number of professions and jobs will be lost by being replaced by artificial intelligence products.

V. CONCLUDING REMARKS

Indonesia desperately needs excellent human resources to cope with the industrial revolution 4.0 that demands intelligent factory operations, smart service, and innovative products. The type of work that will be affected first is the work done repeatedly. This type of work will be replaced by artificial intelligence through automation. In the future, the war for talent issues will be the main agenda of corporate leaders in order to face the era of digital economy and they seek to realize talent management as core business, including changing the mindset of employees in relation to the management of company assets. Individual performance management system is basically a driver of individual performance, and can be a supporter of organizational performance.

The talent must be able to collaborate in applying the competence to obtain optimal and sustainable results, as well as the company is expected to build the organization capability as reflected in the management strategy and performance, given the close relationship between the level of capability organisasi in the management and execution strategy with the company performance.

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