

HUMAN RESOURCE STRATEGY IN FACING FREE TRADE ERA

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ABSTRACT

Free Trade ASEAN-CINA which 1 January 2010 will make many national industries closed down because failing to competes. As a result, unemployment number is estimated to leaps. Company also tends to economized production cost through usage thrift of permanent labour, so that job security labour becomes fragile and unemployment number is estimated to increases. To answer the challenge, hence needing existence of strategy which must be applied especially relates to human resource. This article tries to analyze about idea related to preparation strategy of human resource in facing free trade era. To reach that thing will be studied about how free trade era evaluated from hope and reality, and how Indonesia human resource strategy in global emulation?

Keyword : ACFTA, Human Resource, Strategy and Free trade

A. Preface

Entering the year of 2010 we are greeted with one big issue has made jumpy so much our industrialization, that is existence of CAFTA (China-ASEAN Free Trade Agreement). We watched, Incursion of China Product inundating global market since 1990 and pushes lowering of the price of consumer goods in global market. Not only merely labour intensive and low technology consumer goods, but also sophisticated goods with high tech, like a computer and hand phone.

Nevertheless, there is also an opportunity which may not be disregarded. A economic recovery of advance nations economic is expected to returns increasing, so that could be increases Indonesia export TPT to the nations. Agreements of trade which have been signed expected not only increases import from just partner nations but also can increase market penetration in nation's partner. But increasingly the stringency emulation in this global market, hence power factor emulates remain to be the success main key.

Our industry still haven't got out of problems which is becoming point of low level industrial competitiveness. Hence, to increase industrial competitiveness in international market, the problems needs soon gets serious handling. Especially in Sector labour or human resource, labour management still fetching up all standing at pegging of minimum wage or UMR. Productivity aspect has not got serious attention. Worker only see fee from office hours side. While entrepreneur sees benefit from productivity. Meanwhile, ILO notes that Indonesia labour productivity still residing in ranking 59 far worlds below under competitor nation's labour productivity. As comparison, Thailand resides in ranking 27, ranking Korea 29, and China ranking 31.

One of the causes of the low of level of labour productivity in Indonesia is height of unemployment number in Indonesia. According to Depdiknas, unemployment of Bachelor in Indonesia more than 300.000 people. On the other side the Head Hunter and HRD Officer grips it's difficult to getting

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educated labour in Indonesia. Simply there is phenomenon that the college graduates only have an interest in middle and big company which the numbers very limited. Whereas the numbers of middle and small scale company more than 40 million, but not ready to give big salary so that the college graduates chooses out of job, so that number of educated unemployment also increases every year. But, quite a few companies griping the low of interest of job applicant compared to standard or specification of interest required. No wonder, if in the end is obtained conclusion that besides productivity, level of Human resource interest in Indonesia also in general still low. Construction of Expertise and productivity still is more done by company where the labour works. For a big companies which is having development of labour skill isn't big deal. But, for middle small scale enterprise obtains skillful labour with high productivity still very difficult.

This paper tries to analyze about idea related to preparation strategy of human resource in facing free trade era. To reach that thing will be studied about how free trade era evaluated from expectation and reality, and how Indonesia human resource strategy in global emulation.

B. Free Trade Era between Expectation and Reality

Emulation of business in free trade era shown fast development as a likely there is no inter-states boundary. Indonesia must have competitive advantage with other state in commerce area, both developed countries and also developing countries. Free trade opens opportunity for Indonesia producer to sell its product is out country, and conversely gives more product choice to public. Free trade adviser are having argument that liberalization profits all states and overall of economics in world. Every concentration state can produce certain goods with as efficient cost as possible to increase world economic capacities.

The role of government expected to be very few in free trade. However, free

trade which is not controlled by the role of government and state can cause in the situation where entrepreneur in country especially small and medium industry sector increasingly is depressed by competition with entrepreneur from developed countries. For the purpose remain, required the role of government and corporate world circle to create supportive business climate, that all business perpetrators can stand at bay and competes one another healthily. A free trade system asks every state to open fair access and not discriminate to one another. This open access became closed if happen technological Lameness and information of commerce so those developing countries corporate worlds like Indonesia becomes harmed.

Indonesian has a lot of number of residents and purchasing power that is increasing causing yields a real big market potential and draws perpetrator enthusiasm effort for beyond the sea to enter and develops market. Many new companies popped out and the foreign investor to start inculcates its capital and enlivens competition of business in Indonesia. And so do, in having business beyond the sea Indonesia entrepreneur can join in participates. If inside the Indonesia entrepreneur country difficult to vie with foreign entrepreneur, hence in commerce with other state would be heavier for Indonesia entrepreneurs.

To be able to compete at world commerce level, hence corporate world in country must grow stronger. For development strong of course one of them is required policy of government profiting entrepreneur in country. Though free trade means there is no state boundary, profiting policy admits of created on condition that doesn't fight against world free trade law. Policy profiting entrepreneur in country done by developed countries as position of advance industrial state that is indirectly does protection to industry in the country through various issues like environment issue, legal of labour and others. In order to faces world free trade, hence corporate world circle also require to

take position in balancing corporate world in country and overseas. There are some step of government in inters commerce area:

1. The Government Program about harmonization of intermediate term rate in February 2006 towards to level of low rate and standard, majors at downdraft outline of time line rate 2005-2010.
2. Commerce facility repair.
3. National and ASEAN Single Window (one management service windows of document of export and import)
4. Completion of all regulation by doing standardization of documentation process / business towards one system.
5. Shipping Procedure must integrate with management procedure of commerce.
6. Realized of on line document systems and electronic.

In free trade era with real emulation stringency, the role of promotion becomes important. Every industry can do promotion, either through direct promotion in advertisement, industrial exhibition and or through information vesting. Usually only big company of which can do merchandising because expense of a real promotion height beyond the sea. Therefore the role of government would always assist exercise of promotion by involving industrial participation. With the many rivals, promotion is medium to define product so that happened creation of market.

Badan Pengembangan Ekspor Nasional (BPEN) as institution of government having authority to give facility and supports improvement of national export. One of them is, with creation of national state image and product beyond the sea. The institution must also give transportation facility of national product to market beyond the sea. Creation of export culture must get attention of this institute. The Institute should monitoring national foreign trade activity. For the agenda of promotion, must be studied public characteristic having potency to become buyer. Characteristic which is includes consumption pattern, buying power and language to

communicate with consumer. This thing needs to be studied by each industry and institution of government handling promotion of foreign trade.

Evaluated from human resource, all staffs handling export beyond the sea, especially placed in Indonesian embassy beyond the sea has been supplied with expertise of local language where they are in placing and has got knowledge stock purchasing of enough business to sell Indonesia products beyond the sea. From experience, improvement of human resource still must defended because a long way off from expectation and still below the mark other state human resource potential.

C. Indonesia Human Resource in Global Emulation

Human resource is one of key factor in economic reform, how creating human resource that is with quality and highly skill competitive in global emulation which during the time we disregard. In the bearing at least there are two concerning important things condition of Indonesia human resource, that is (1) existence of Lameness between opportunity amounts of job and labor force. (2) Level of education of the labor force still is relative low. Education structure of Indonesia labor force still be predominated elementary education that is around 63,2 %. Both the problems indicate that there is rare of opportunity of job and the low of quality of labor force nationally in various economic sectors.

Depressed of corporate world as result of endless economic crisis, results the low of opportunity of job, especially for college graduate. On the other side, increasingly college graduate labor force amounts. Phenomenon the increasing of unemployment number of master properly a college hold responsible. Phenomenon unemployment of master is criticizing for college, because disability in creating education climate that is supporting ability of student entrepreneurs. This human resource Problem causes run development process till now unable to be supported by adequate labour productivity. This reality has

not become awareness for Indonesian nation to return to improve or repairs mistake of during then. The low of allocation APBN for education sector - at the most 12% - at government in reform era, indicates that has not there are serious attention from central government to repair of quality of human resource. Though time has come government both central storey and also area in serious to build human resource that is with quality. Now not it's the moment again Indonesia builds economics with foreign strength. But has Indonesian nation ought to correctly accurate and exploits potency of energy resource? Power owned (resources base) ably high human resource as strength in building national economy.

21st century, what marked with globalization of chartered investment counsel, be processing economic activity and commerce, where nations in the world becomes one strengths of market that is increasingly integrated without limit barricade territorial state. Globalization which have been faced by Indonesian nation to claim existence of efficiency and competitiveness. Indonesia in global emulation arena according to World Competitiveness Report occupies sequence in ranking 45 or low from all accurate state, under Singapore (8), Malaysia (34), Chinese (35), Philippine (38), and Thailand (40). Real materialization from globalization of economic which will be faced Indonesian nation for example happened in form of following: Production, where productive company in various states, with target that production cost becomes lower. This thing is done [by] good due low labour wages, cheap import cost rate, adequate infrastructure and or because climate effort and politics which conducive. World in this case becomes global manufacture.

Global company has access to obtain loan or does investment (either in the form of portfolio and or direct) in all states in world. Global company will be able to exploit labour from whole world according to its class, like usage of professional staff taken away from labour which has owned international

experience or labour obtained from developing countries. With globalization hence human movement would increasingly easy and free.

Globalization leads to the increasing of dependency of inter-state's economic through improvement of volume and variability of transaction of inter-states (cross-border transactions) in the form of goods and service, international capital flows, human movement and quickly distribution of information technology. Simply globalization almost certain is one of strength giving influence to nation, public, human life, work environment and activity of business corporate in Indonesia. Strength of global economic causes corporation business need to do review the structure and strategy effort for and its management strategy with entrepreneurship, cost efficiency and competitive advantages bases.

Competitiveness problem in world market is key issue. Without ability and excellence of high competitiveness undoubtedly product a state, can't pierce international market. Even the entry of import product can menace position of domestic market. Equally, in competing market, competitive advantage is a factor which decisive in increasing company performance. Therefore, effort increases competitiveness and builds competitive excellence for Indonesia product cannot be delayed and it is on the right track [to] becomes attention various circles, not only to all itself business perpetrator but also for bureaucracy government officer, various organizations and member of public which is work environment from business corporate.

Such a globalization reality brings a number of implications for expansion of human resource in Indonesia. One of globalization claim is economic competitiveness. Economic competitiveness will be realized if supported by human resource which reliable. To create human resource with quality and reliable required is education. Education is activity of investment where development of economic hardly having importance. Because however economic development requires quality of human resource which good is pre-eminent

in domination capacity of technology and also mental attitude, causing can become reliable subject or development perpetrator. In globalization outline, preparation of education needs to be synergy with competition claim. Therefore competitiveness dimension in human resource increasingly becomes important factor causing effort races quality of human resource through education is claim which must be placed forward.

Reality shows many best graduates of education steps into economic sectors that are exactly rather than solving problem economic, but instead strengthens process concentration of economic and conglomerate, what sharpens economic gap. This thing happened because vision of human resource limited to marketing structure which there are and has not ready to create market itself. In here can be realized that expansion vision of human resource through education related to condition of politics economic created by government. Thereby, at reform era these days, allocation HUMAN RESOURCE still be not able to correct trend of creation concentration of economic that is of course had been created since government of past. While on the other side insufficiency Indonesia various expertise to fill various globalization claims

If Indonesia cannot adapt to various condition of globalization effects, hence there will be nature resource exploitation and cheap labour. So economic social problems like poorness, unemployment and gap of chartered investment counsel would be imminent, and increasingly creates dependency to developed countries because overseas leverage increasingly collapsible. Therefore, to anticipate globalization claim is better if policy of link and match gets attention as a strategy integrating economic development with education. But unhappily idea link and match which it's the purpose to connect requirement of labour with education world has not been supported by quality of adequate school curriculum to create graduate readily uses.

CAFTA and global commerce era is a challenge, hence preparation to face it should

have been done is far before all. One other can be done is from side human resource. Exist to be able to in free trade era CAFTA, of course must supported by strong and correct energies. An organization must place man is not merely simply factor but actor. An Organization of course has purpose of growth which wishes to be reached, strategy selected to reach it, and system which beginning of the way. But to reach objective, to choose and specifies correct Strategy, and implements System carefully is required individuals which competence in it. Here important role of human factor as actor executor.

As strategic partner of company, human resource department have challenged to be able to get, places, and develops human resource with height interest, which is consisted of knowledge, skill, and attitude. Both of factors have the same important to be able to yield output in the form of maximum performance causing pushes reaching of objective Company. In education world in general supplies us from Knowledge and Skill, generally more press with hard skill (skilled of technical). Temporary, for skilled of personal, skilled of business, and position) exactly we must dig itself, or in the end becomes company load to complement and develops it. Manages human resource also has unique thing and level of separate difficulty. They were not machine or computer is having the character of sure. For the purpose, need to be created a correct system to manage variability brought by it to yield harmonic and unidirectional output for both parties, which is to them as well as for organizes / company. By getting human resource which competence, hence we that are sure are elementary asset towards successfulness. But, of course that is starting point because the next step is how company manages the asset, develops it, with supported by human resource system which is good and integrated.

D. Conclusion

Conclusion from these papers is as follows:

1. Free trade or often also is known as mainstream globalization of world would hardly influences policy of nations in the existing world and period to come, especially in business activity. Beside as free trade opportunity also is threat that needs to be taken heed by estimated to more profiting is advance nations and more and more engulfs the role of state which has not gone forward. Many analysis's express that Indonesia taking part in along with state which has not gone forward is other in free trade regime is not choice profiting because us "forced" to vie with state or business giant from outside freely.
2. In order to prepare free trade era CAFTA, hence the primal that is must be done by every organization / company is draw up and forms its human resource becomes tuft persons and competence. Human resource is main asset for continuity of an organization. Draws up human resource is started with scouting process (recruitment) individuals which competence. Itself interest got from education line (to obtain Skill & Knowledge) and from within ourselves (develops positive attitude). Your Attitude is your window to the

world. Present success do not coming at moment's notice to fearing individual and ducks out difficulty and challenge. Confront your fears... and you on acre the way to developing your potential and leading the exciting, fulfilling life you deserve.

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