

Analysis of the Strengths and Weaknesses of Employing Foreign Workers at Company X

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KEY WORDS

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ABSTRACT

The purpose of this study was to determine the advantages and disadvantages of using foreign workers in company X. The research method used was qualitative research. Data collection techniques were carried out through observation, documentation, and interviews with 10 sources consisting of officials and workers in the company, both foreign and local workers. The research data that had been collected was then analyzed in depth. The results of the study showed that the use of foreign workers had several advantages and disadvantages. The advantages are that foreign workers who have the skills needed by the company, have broad insight to come up with new ideas as company innovations and increase the company's value in front of both national and international clients. While the disadvantages are that the use of a single workforce requires high costs, cultural and language differences create a difficult level of adaptation, cause a lot of unemployment in the country, and regulatory changes that do not cause companies to be alert to various regulatory changes regarding the use of foreign workers in their companies. Therefore, the use of foreign workers must be carried out wisely according to the company's capabilities and needs while still considering the quality of domestic workers.

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Introduction

Indonesia is a developing country so that economic development continues to be in the spotlight because it has an impact on various aspects of life (Pasaribu et al., 2023). Therefore, it is not surprising that companies in Indonesia continue to experience development and increase in number (Prasakti & Juliane, 2023). To continue to exist the company that was built and advance the company in accordance with the objectives, the use of labor must be considered properly. This is because the quality of the labor used by the company will have an influence on the pace of the company (Rahayu & Sari, 2022; Siagian et al., 2024).

Therefore, the use of labor must be considered optimally so that company goals can be achieved effectively and efficiently. Unfortunately, not all company needs can be obtained from domestic citizens due to qualifications that are difficult to obtain or expertise that local citizens do

not yet have. This encourages companies to use foreign workers in the companies they manage, including in company X, where this company is one of the companies engaged in the manufacture of finished goods in the Jakarta area.

However, it should be noted that the use of foreign workers cannot be done carelessly because there are rules that must be considered by companies that utilize foreign workers in the company as stated in Law No. 13 of 2003 concerning manpower and PP No. 34 of 2021 concerning the use of foreign workers (Fakhriyanti et al., 2024; Taufik et al., 2024).

Company X as a company engaged in manufacturing uses several foreign workers. However, the advantages and disadvantages of using foreign labor in company X have not been studied in depth. There are several studies that have examined foreign labor including research conducted by Adha et al. (2017) regarding the policy of using foreign labor in Indonesia, research conducted by Mustofa et al. (2019) regarding legal analysis of the use of foreign workers in the Indonesian state, research conducted by Ibrahagi Ramadhani and Gunardi Lie in 2023 regarding the dynamics of foreign labor on local labor: implications and challenges in human resource investment (Ramadhano & Lie, 2023), and various other studies. However, among the research that has been done, none of the studies conducted a study on the analysis of the advantages and disadvantages of using foreign labor in company X. This encourages researchers to conduct a study on the advantages and disadvantages of using foreign labor in company X. This encourages researchers to conduct a study on the analysis of the advantages and disadvantages of using foreign labor in company X. The purpose of this study is to determine the advantages and disadvantages of using foreign labor in company X. The purpose of this study is to determine the advantages and disadvantages of using foreign labor in company X so that the results of this study can be used as a basis for making decisions regarding the use of foreign labor in company X in the next period.

Research Methods

There are several things that need to be known in this research, namely

First, foreign labor. Foreign labor is labor used in Indonesia and comes from abroad (Ramadhano & Lie, 2023).

Second, a company is an organization built to achieve certain goals effectively and efficiently.

While the research method used is qualitative type with data collection techniques through observation, documentation and interviews with officials and workers in company X with the number of sources, namely 10. The data that has been collected will then be analyzed in depth so that the research results can be known which can be accounted for. The results of this research are then reported through sentences that are easy to understand so that the research category is descriptive qualitative research.

Results and Discussion

Company X is one of the manufacturing companies in Jakarta and has been established for more than 10 years. In the course of its operations, company X uses several foreign workers to help manage the company so that the purpose of building the company can be achieved, namely to

obtain a lot of profit while still prioritizing the quality of the products issued by the company. In the use of foreign workers, Company X complies with the applicable rules in the Manpower Law and PP regarding the use of foreign workers, namely PP No. 34 of 2021. This is as a result of an interview conducted with Mr. E as HRD at company X which stated that the recruitment of foreign workers at company X is carried out in accordance with applicable regulations so that if at any time a check is made, there will be no mistakes.

The number of foreign workers in Company X is 20 people who are in various divisions, such as the design division, financial management, domestic and foreign marketing and so on. The placement of foreign workers in Company X is of course tailored to the expertise possessed by each foreign worker. The reason for using foreign workers according to Mr. E is that local workers rarely have special abilities in managing the company, besides that foreign workers are considered to have higher money competence as well as high work loyalty so that the results desired by the company can be achieved. Meanwhile, most local workers are still carried away by working casually so that the level of work motivation is easier to experience instability compared to foreign workers which can result in a decrease in product quality. However, the company also continues to use a larger number of local workers as a hope that local workers can continue to synergize to improve their abilities and also as a form of the company's love for the country to reduce unemployment.

It does not stop here, when observations are made at company X, it is known that the number of local workers is more than foreign workers. Even so, foreign workers and local workers still communicate well with each other and work together solidly to realize the ideals of Company X so that if the company experiences prosperity, the employees or workforce will also get prosperity. As with the interview conducted by V, one of the local workers in company X stated that even though they come from different countries, cooperation can be carried out compactly, it's just that sometimes between one another they don't understand the meaning of the conversation conveyed because of language differences and not all local workers can understand the language conveyed by foreign workers and vice versa. However, this can be overcome by the manager who oversees the work of the workforce so that it can still be understood properly even though it takes a long time or not short.

Because the use of foreign workers is considered to have good benefits for company X, even though the costs incurred are many, company X continues to use foreign workers according to their needs and abilities and does not close the door for local workers who have competencies according to company needs to participate in working at company X.

With this, it is known that the use of foreign labor in company X has advantages and disadvantages. The advantages of using foreign labor include:

First, foreign workers have special competencies that are not necessarily possessed by local workers where this special competency is needed by companies in increasing the pace of the company so that more profits are obtained while still paying attention to product quality. This is as research conducted by Mashari and Sanusi in 2024 which states that foreign workers have special competencies that do not yet exist in Indonesia so that they are needed in companies (Mashari and

Sanusi, 2024), Rachmat Abduh in his research also stated the same thing as Mashari and Sanusi (Abduh, 2020).

Second, foreign workers have a broader view which is needed by company X which wants to become an international class company so that a variety of interesting ideas for the latest DNA for the company's progress can be obtained. This is in line with research conducted by Fachrul Sidiq Suharman and Djonny Pabisa in (2023) which states that foreign workers are considered to have broader experience and have an impact on providing a variety of creative ideas in corporate innovation.

Third, with the presence of qualified foreign workers, companies can obtain superior value in business competition between companies because companies that use foreign workers will generally have more value in the eyes of clients as international level companies (Puspitasari et al., 2024; Yusdiansyah & Sumanto, 2022).

The disadvantages are:

First, the cost or salary given to foreign workers is relatively more expensive because it includes work visas, accommodation, benefits and various other things. This is in line with research conducted by Ibrahagi Ramadhano and Gunardi Lie in 2023 which states that the salaries given by companies to foreign workers are not small and relatively more expensive than paying local workers (Djazuli, 2021; Ramadhano & Lie, 2023).

Second, the differences in language and culture cause foreign workers to have to adapt quickly as well as the local workforce so that both can work together solidly and compactly (Puspitasari et al., 2024).

Third, if the company continues to rely on foreign workers, it will report problems if there are changes in regulations both in Indonesia and in the country of origin of foreign workers because the company must follow the procedures between the two so that foreign workers who work are legal workers who are protected by laws and regulations.

Fourth, the use of foreign workers continuously and in large numbers can have an impact on the accumulation of unemployment in Indonesia because Indonesia is a country that is full of population but has minimal employment opportunities so that if companies continue to use foreign workers without training for local workers, the number of unemployed will continue to grow. This is as research conducted by Fajriawati (2018) which states that the excessive and continuous use of foreign labor can reduce job vacancies for local residents so that the number of unemployed is increasing .

Based on some of the above, it is known that every citizen should improve their competence so that they can compete with foreign workers so that the work land in Indonesia is not controlled by foreigners but by Indonesian citizens. This of course will provide a close relationship with educational institutions to create a quality generation of nations so that they can compete in the national and even international realms.

Conclusion

The use of foreign workers in Company X is around 20 people where this is done because of the company's needs regarding work competencies that are not yet owned by local citizens. However, there are advantages and disadvantages of using foreign workers in Company X. The advantages are that the work competencies needed by the company are fulfilled, creative ideas that are global in nature can be conveyed as company innovations, the company's reputation as a global company in the eyes of clients is increasing, and so on. While the disadvantages are the costs incurred to provide salaries to foreign workers are relatively expensive, the number of unemployed can continue to increase, long adaptation due to cultural and language differences between foreign workers and local workers. Therefore, company X as one of the companies in Indonesia should have a wise attitude in the use of foreign workers so that the foreign workers used do not control company X and still try to help the country reduce the number of unemployed while still paying attention to the pace of the company as the company's objectives are built effectively and efficiently. With this, it is necessary to synergize educational institutions and companies to jointly create superior competencies for future generations of young people who can compete in the national and international realms.

The researcher hopes that the results of this study can be used by Company X in making future policies in managing foreign workers in the company. In addition, researchers also hope that the results of this study can be used as a reference for conducting research in the next period.

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