

DIGITALIZATION OF WAGES JOB SEEKERS AND PLACEMENT ON PRODUCTIVITY IN EAST JAVA PROVINCE

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ABSTRACT

Digitalization of government policies, especially employment, especially in East Java Province, is very important for employers and workers. The purpose of this study is to discuss the implementation of electronically integrated employment. Online Single Submission (OSS) and Mandatory Employment Reporting (WLK) Online are government policies that utilize internet technology. The impact on determining wages, job seeker competence and worker placement on work productivity in East Java Province. The research method chosen is a quantitative approach. The variables of wages, job seeker competence and worker placement have a positive and significant effect on work productivity. The t-value of the wage variable (6.067) > t-table (1.9746) and the F-value (65.117) > F-table (2.68). The conclusion is that the variables of wages, job seeker competency and worker placement partially and significantly have a positive effect. The highest variable that has the greatest influence on work productivity is wages; this indicates the optimal digitalization of employment in the form of OSS and WLK Online.

Keywords: digitalization; employment policy; wages; job seekers; placement;

1. INTRODUCTION

In the digital era nowadays, the Indonesian government seeks to increase the efficiency of business activities by accelerating the implementation of business as stipulated in Government Regulation Number 24 of 2018 concerning Electronically Integrated Business Licensing Services. The policy stated that all business licensing services are integrated by the center through 1 (one) Electronic Business Licensing System Online Single Submission (OSS). Through the electronically integrated business service system regulates that all business are licensing not only done in an easier, faster, more precise and efficient way but also used as a guideline in determining the value of wages in the company.

A business Identification Number, hereinafter abbreviated as NIB, is an entrepreneur identity issued by the OSS institution after the Entrepreneur has registered. Implementation of employment reporting Entrepreneurs conduct data entry through the OSS system at the address <http://oss.go.id>. To carry out subsequent periodic reporting obligations, entrepreneurs report online through the mandatory employment reporting system in the company at the address <http://wajiblapor.kemnaker.go.id>. The implementation of employment services in the regions has experienced many obstacles related to the licensing mechanism which is still complicated and the constraints of coordination across Regional Work Units (SKPD) which are difficult, so that it does not run and function optimally even though this NIB is the basis for determining whether it is a micro, medium or large company.

Legal basis of the Regulation of the Minister of Manpower of the Republic of Indonesia. No. 4 of 2019 concerning Amendments to the Regulation of the Minister of Manpower No. 18 of 2017 concerning Procedures for Mandatory Manpower Reporting in Online Companies and Regional Regulation of East Java Province Number 4 of 2021 concerning Amendments to Regional Regulation of East Java Province Number 7 of 2019 concerning the Medium-Term Development Plan of the East Java Province for 2019-2024, in which in the Amendment to the Medium-Term Regional Development Plan (RPJMD) of East Java Province for 2019 - 2024, there are 4 (four) Main Missions for the development of East Java Province 2019-2024, as described below:

1. To realize the Balance of Economic Development, whether among Groups, Sectors and Regional Connectivity. Economic development carried out by the East Java Provincial Government with partnerships between civil society and the private sector aims to prevent the concentration of prosperity among wealthy social groups, urban areas, or certain regions. Development is not only focused on sectoral development, but also aimed for a simultaneous attention to inter- regional development so that each region in East Java advances and prospers together. While the development is a struggle to liberate the people of East Java from the process of social poverty, helplessness and destitution towards citizen sovereignty.
2. To create socially just welfare, fulfillment of basic needs, especially health and education, and provision of employment with attention to vulnerable groups. The ultimate goal of development itself is a welfare which has a very broad dimension. In addition to the economic dimension, welfare will also be encouraged in all aspects of the lives of the people of East Java, especially by

paying attention to the opportunities and abilities to obtain rights for vulnerable groups in society. Therefore, the main mission of development in East Java is to make development practices based on the Regional Revenue and Expenditure Budget (APBD) which is a form of struggle for the enforcement of justice and the liberation of life for the people of East Java.

The ongoing development in East Java pays attention to fulfill the basic needs of human resources. Based on the Regional Regulation of East Java Province Number 4 of 2021 concerning Amendments to the Regional Regulation of East Java Province Number 7 of 2019 concerning to the Medium-Term Development Plan of East Java Province for 2019-2024, which in the Amendment to the Medium-Term Regional Development Plan (RPJMD) of East Java Province for 2019 - 2024, explain that there are 4 (four) Main Missions of the development of East Java Province 2019-2024, as described below: Realizing the Balance of Economic Development, which are among Groups, Sectors and Regional Connectivity.

The economic development carried out by the East Java Provincial Government with partnerships between civil society and the private sector aims to prevent concentration of prosperity among wealthy social groups, urban areas, or certain regions. Development is not only focused on sectoral development, but also simultaneous attention to inter-regional development so that each region in East Java will achieve advances and prospers together. The development is a struggle to liberate the people of East Java from the process of social poverty, helplessness and destitution towards citizen sovereignty. Besides, it aims to create a social justice, welfare, fulfillment of basic needs, especially health and education, provision of employment by paying attention to vulnerable groups.

The ultimate goal of development, welfare has a very broad dimension. In addition to the economical dimension, the it will also be encouraged in all aspects of the lives of the people of East Java, especially by paying attention to the opportunities and abilities to obtain rights for vulnerable groups in society. Therefore, the main mission of development in East Java is to make development practices based on the Regional Revenue and Expenditure Budget (APBD) which is a form of struggle for upholding justice and freedom of life for the people of East Java. The development taking place in East Java pays attention to fulfill the basic needs of human resources.

The second mission is *"to create Socially Just Welfare, Fulfillment of Basic Needs Especially Health and Education, Provision of Employment with Attention to Vulnerable Groups"*. The mission is quite relevant to the implementation of development in the

field of Manpower and Transmigration in realizing equitable people's welfare for all through increasing the expansion of employment opportunities, and increasing the fulfillment and equalization of basic services. By expanding public access to quality education, and expanding access to health services to improve public health, as well as accelerating and expanding poverty alleviation. So that, the mission is also relevant to the objectives of the field of manpower and transmigration, namely: Increasing the Utilization of Manpower, Equalizing Employment Opportunities, and Protecting the Manpower and Worker Welfare as well as the efforts to reduce Unemployment.

Human resources also have an important role for the company, because they are a combination of energy, physical, ideas, talents, knowledge, creativity, and skills needed to drive the company. It should be realized that employees are direct resources involved in running the company's activities. The performance of an employee is a very important start for creating company performance. The company cannot function properly without good human resources (HR). Employees have a role as planners, implementers, and controllers who always play an active role in realizing the company's goals.

The recruitment of new employees in the company is the responsibility of the personnel department, because it is closely related to the employee recruitment selection process. In process of the recruitment of new employees must always pay attention to factors that are considered sufficient to meet the requirements which are in accordance with the requirements to carry out work according to the required field. Therefore, it really affects to the company's productivity then.

Based on the description above, the writer considers that it is necessary to conduct a study on "The Influence of Acceptance, Job Placement, and Competence of Training Participants at the Technical Implementation Unit (UPT) of East Java Provincial Job Training Center". This risk-based Online Single Submission (OSS) system must be used by business actors, ministries/institutions, local governments, managers of Special Economic Zones (KEK), and Free Trade Zone and Free Port Authority (KPBPB). The issuance of Business Identification Number (NIB) carried out by the OSS Institution is automatic after registration, which must previously have an agreement to fulfill the commitment by the business actor.

The example of OSS implementation of wage determination which is based on an agreement in accordance with Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises, micro businesses are productive businesses owned by individuals or business entities that have net assets, excluding land and

buildings for business premises, a maximum of IDR 50,000,000, or with annual sales results of no more than IDR 300,000,000. The Government and Regional Governments have the responsibility to create a supportive business climate for MSME actors. One way to achieve this is to work together and create conditions that can empower MSMEs through economic policies that provide certainty, protection, opportunities, and support for MSMEs in doing business (Kunyanti & Mujiono, 2021). Business Identification Number (NIB) creation can be done by clicking the website <https://oss.go.id/>. OSS (Online Single Submission) The risk-based business licensing process through the OSS-RBA system is regulated and implemented by the Ministry of Investment/BKPM RI.

Public policy digitalization refers to the use of information and communication technology (ICT) by the government in designing, implementing, and evaluating policies. In the context of the East Java Manpower and Transmigration Office, the digitalization includes a labor market information system, online job placement applications, online training (e-learning), employment dashboards, and transparency of wage data. This digitalization also aims to increase efficiency, accessibility, and public participation in the employment policy process.

2. METHOD

The research plan must first consider the assumptions of the philosophical worldview, the research design is related to the worldview, and the research methods and procedures used specifically can interpret the approach into research. There are 4 worldviews in a study, including: post-positivism, constructivism, transformative, and pragmatism (Creswell, 2016: 6-7). The research conducted involves a constructivist worldview by reflecting the understanding of individuals always trying to understand the world, developing diverse meanings from participants, giving meaning through social and historical construction and creating or interpreting theories (Creswell, 2016: 10-11).

As scientific research, this thesis uses a confirmatory verification survey method. Verification research is intended to test hypotheses and describe variables. The approach used is a quantitative method through data collection in the field and direct information from samples. If we look at the explanation, this research is associative research, where in this study there are variables that are related and can affect other variables. (Sekaran, 2003). Confirmatory method because this method is suitable for confirmatory evidence. It is called a quantitative method because the research data is in the form of numbers and analysis using statistics (Sugiyono,

2012).

Multiple Regression Analysis

Multiple regression analysis is used to test the effect of two or more independent variables on the dependent variable. The dependent variable in this study is employee performance while the independent variables are education, training, and job placement. The use of multiple regression is intended to find out (Yasmin, 2013):

1. To Form a relationship pattern between dependent and independent variables
2. To Find variables which are actually significant in explaining the variation of the independent variables
3. Which independent variables actually have an effect on the dependent variables

The equation for testing the overall hypothesis in this study is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3$$

Description:

Y = Work Productivity

a = Constant

b = Regression Coefficient X1
= Wages

X2 = Job Seeker Competence X3
= Placement

Hypothesis Testing T-Test (Partial Test)

The purpose of the partial test is to determine how far the influence of the independent variable (X) on the dependent variable (Y) is partially. Hypothesis testing will be carried out using a significance level of 0.05 ($\alpha = 5\%$) or a confidence level of 0.95%. The significance of this influence can be estimated by comparing the t table value with the calculated t value. If the t count value $>$ t table then the independent variable individually affects the independent variable, conversely if

the t count value $< t$ table then the independent variable individually does not affect the dependent variable. t count $> t$ table means H_0 is rejected and H_1 is accepted. t count

$< t$ table means H_0 is accepted and H_1 is rejected.

The t-test can also be seen at its significance level:

If the significance level < 0.05 then H_0 is rejected and H_1 is accepted. If the significance level > 0.05 then H_0 is accepted and H_1 is rejected.

3. RESULTS AND DISCUSSION

George C. Edward. Edward III (in Subarsono, 2011) has a point of view that policy implementation is influenced by four variables, namely:

- a. Communication, namely the success way of policy implementation, requires what must be done, the goals and objectives of the policy must be transmitted to the target group. So that, it will reduce implementation distortion.
- b. Resources, although the contents of the policy have been communicated clearly and consistently, but the implementor lacks the resources to implement, then the implementation will not run effectively. These resources can be in the form of human resources, for example the competence of the implementor and financial resources.
- c. Disposition is the character and characteristics possessed by the implementor, such as commitment, honesty, democratic nature. If the implementor has a good disposition, then the implementor can carry out the policy well as desired by the policy maker. When the implementor has a different attitude or perspective from the policy maker, the policy implementation process also becomes ineffective.
- d. Bureaucratic Structure is the organizational structure tasked with implementing the policy which has a significant influence on policy implementation. Aspects of the organizational structure are Standard Operating Procedure (SOP) and fragmentation. An organizational structure that is too long will tend to weaken supervision and create complicated bureaucratic procedures.

An employment policy is related to the labor market as a condition where there is a supply of labor from the workforce and demand for labor from companies. The demand for labor comes from companies that produce output (goods and services) which in the production process require production factors one of which is labor. The labor's need as a form of demand can also increase and decrease (Huda 2008). The economic conditions are generally known to have a relationship with the state of the labor market. Economic conditions that are in good condition or experiencing growth provide a relationship will realize the demand for labor experiencing an increase which in other words means as a low unemployment rate.

The labor market plays an important role and becomes a determining factor for the performance of the country's economy. Theoretically, the labor market will determine the aggregate supply scheme. The aggregate supply scheme, if viewed further, will determine the amount of national income and can affect general prices in balanced conditions.

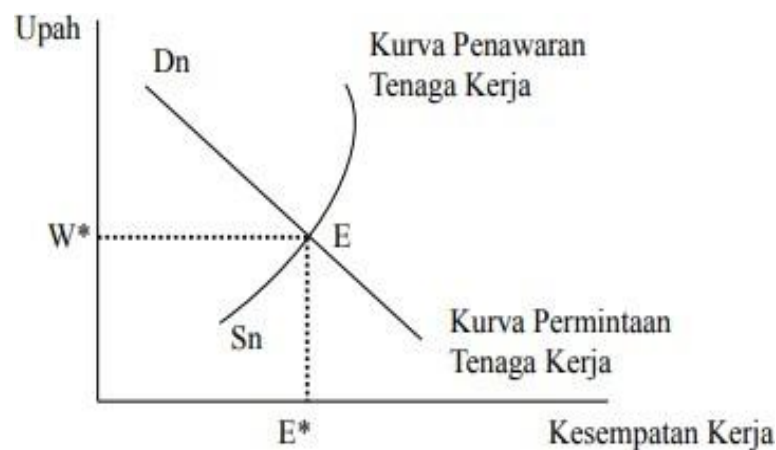
The aggregate supply curve states the total amount of goods and services produced by firms and sold at a certain price level (Mankiw 2012). The shape of the aggregate supply curve for the long term and short term is different. For the long term, it is vertical while in the short one the aggregate supply curve slopes upwards, this occurs because it is influenced by several things. In the long term, the production of goods and services (its real GDP) depends on the supply of labor, capital and natural resources as well as on the mastery of technology used to convert these production factors into goods and services. While for the short-term aggregate supply curve depends on the expected price level because when the price level deviates from the expected one, it can cause output to deviate from its natural level, thus having an impact on reducing labor to production.

a. Analysis of the Influence of Wages on Work Productivity.

The decision criteria of this hypothesis is taken based on the probability value (sig), namely if the value (sig) > 0.05, then H0 is accepted and H1 is rejected, If (sig) < 0.05, then H0 is rejected and H1 is accepted; with the criteria if tcount < ttable 1.98177, then H0 is accepted and H1 is rejected and if tcount > ttable, then H0 is rejected and H1 is accepted. Based on the results of data processing using SPSS version 25.0 with the t-test, the significance value (sig) of the wage variable (X1) is 0.00 and for tcount is 5.107. Because the sig value is 0.00 < 0.05 and tcount 5.107 > ttable 1.98177, it is proven that partially the placement has a positive and significant effect on work productivity. Hypothesis 1 (H1) concludes that H0 is rejected and

H1 is accepted. The results of the study concluded that the wage variable partially has a significant effect on work productivity. This study concludes that the OSS system in determining wages for workers is a source of motivation for workers.

Basically, the principle of the labor market is the same as the goods market. The price of labor is called "wages" which are depicted on the vertical axis and the quantity shows the amount of labor. The wage rate can be expressed in rupiah per hour, rupiah per week, rupiah per month and so on, and determined by the aggregate labor demand curve and the aggregate labor supply curve. The labor market is no different from other markets in the economy which are controlled by the forces of supply and demand. The demand for labor is a derived labor, this is what makes the labor market different from most other markets, where the demand for labor depends on the output it produces. (Mankiw 2012)



Note:

Figure 1.1

Equilibrium in a Competitive Labor Market

- Upah = Wages
- Kurva Penawaran Tenaga Kerja = Labor Supply Curve
- Kurva Permintaan Tenaga Kerja = Labor Demand Curve
- Kesempatan Kerja = Job Opportunities

In Figure 1.1, it shows that point E* and the number of hours worked E* are the equilibrium points between labor supply and labor demand. Point E is where each company hires labor, the point where the marginal value of the labor product

(value of marginal product of labor) which is equal to the wage in a competitive labor market. There are two important things that the aggregate supply curve has:

1. The increased output will also increase prices. This relationship can be seen from several steps, namely if output increases, then Y will increase. Furthermore, if the workforce increases, unemployment will fall, then it will increase wages, and ultimately increase the price level. So, it can be inferred that if the output increases, the price level in general will increase too.
2. The rising prices are really inseparable from rising price expectations. This happens because price expectations will drive higher wages and will increase the price level.

The conditions that have been described in the aggregate supply curve indicate that the flexibility of wage levels increases and on the other hand there is nominal wage rigidity to decrease (Huda 2008). This wage rigidity which decreases is also reinforced by Mankiw's explanation that nominal wages are difficult to change or rigid to a certain extent. The slow change in nominal wages is related to long-term contracts that determine nominal wages. The condition of adjusting wage levels to slow price levels has an impact on companies where when low price levels make production less profitable and companies take policies to reduce the goods and services offered. (Mankiw 2012).

b. Analysis of the Influence of Competence on Work Productivity.

Based on the results of data processing using software with the t-test which is known that the significance value (sig) of the job placement variable (X_2) is <0.05 and $t_{count} > t_{table}$. So, it is proven that partially competence has an effect on work productivity. Therefore, hypothesis 2 (H_2) is concluded that H_0 is rejected and H_2 is accepted. Based on the results above, the competency variable is a variable that partially has a significant effect on work productivity. A competence is an ability that is based on skills and knowledge supported by work attitudes and their application in carrying out tasks and work in the workplace that refers to the work requirements set (Sutrisno, 2019). The competence is also a basic characteristic possessed by a person who can create good performance in carrying out the work that is his responsibility (Rosmaini & Tanjung, 2019). According to the factors that influence competence are beliefs and values, skills, experience, characteristics, personality, motivation, emotional issues, organizational culture, and intellectual abilities. According to (Wibowo, 2019) the competence includes various technical and non- technical factors, personality and behavior, soft skills and hard skills,

then used as an aspect that is assessed by many companies to recruit employees into the organization.

Labor productivity is the level of efficiency of the workforce in producing work output. Productivity is merely influenced by the match between competence and work, work environment, motivation, and performance management system. Digitalization can increase productivity through the right placement process, efficient training, and data-based performance monitoring. Productivity indicators include output per hour worked, quality of work results, and work achievement targets.

c. Analysis of the Influence of Job Placement on Work Productivity

Based on the results of data processing above, it is proven that partially training has a positive and significant effect on work productivity. Therefore, hypothesis 3 (H3) concludes that H0 is rejected and H3 is accepted. Based on the results above, the job placement variable is a variable that partially has a significant effect on work productivity. If the elements or indicators of job placement can be applied well, work productivity will improve. Placement is a follow-up to selection, namely placing prospective employees who are accepted (pass the selection) in positions/jobs that need them and delegating authority to that person according to (Hasibuan, 2009). Placement is the process of assigning/filling a position or reassigning an employee to a new task/position or a different position. This assignment can be the first assignment for a newly recruited employee, but can also be through promotion, transfer, and demotion or even termination of employment according to (Hariandja, 2002). Employee placement is the assignment of a person to a position that is in accordance with the expertise and skills they have. Placement is the assignment or reassignment of an employee to a new job according to (Mangkuprawira, 2009).

According to (sastrohadiwiryo, 2003) workforce placement is the process of giving tasks and jobs to workers who have passed the selection to carry out according to the scope that has been determined and are able to be responsible for all risks and possibilities that occur for tasks and jobs, authority, and responsibilities. Placing workers in the right position is not only the desire of the company but also the desire of the workers themselves so that they can know the responsibilities and tasks given and carry out these tasks as well as possible. This placement must be in accordance with the expertise of the workers so that with this placement, work enthusiasm and work performance are high and the results are maximized.

Job placement is the process of assigning or filling a position or reassigning employees to new or different tasks or positions. This assignment can be the first assignment for recruited employees, but can also be through promotion, transfer, and demotion or even termination of employment according to (Marihot Tua Efendi Hariandja, Drs., 2002).

d. Analysis of the Influence of Wages, Competence and Job Placement on Work Productivity.

Based on the results above, the variables of wages, competence, and job placement simultaneously have a positive and significant effect on work productivity. They were also strengthened by the results of the coefficient of determination (R Square), where the contribution given by the variables of wages (X1), competence (X2), and job placement (X3) simultaneously to work productivity (Y) or the coefficient of determination (R Square). The t-value of the wage variable (6.067) > t table (1.9746) and the F-value (65.117) > F table (2.68).

The general definition of a market is a meeting place between sellers and buyers so that an economic transaction process occurs. Same as the markets in general, the labor market is also a meeting between service sellers and buyers of labor services (demand of labor) and supply of labor. The uniqueness of the labor market is that, if in the product market the company acts as a seller (supplier) while the household acts as a seller (demander), it is different with the labor market where households act as sellers and companies act as buyers.

4. CONCLUSION

A strategic HR management theory states that workforce productivity and well-being are determined by the organization's success in matching competencies with job needs (match between skill and job), providing relevant training, and providing adequate incentives. HR development includes not only formal training, but also technology-based training, including online learning (e-learning), which is now widely applied in government vocational training. In addition, a fair and transparent wage system is an important factor in maintaining workforce motivation and performance.

Based on the results of research that has been conducted regarding the influence of wages, competence and job placement on work productivity, the following conclusions were obtained:

1. A recruitment of workers who have gone through the candidate calling

- process in accordance with the stages of the process and provisions openly or are not limited to certain groups only; has a positive and significant effect on work productivity that seeks to achieve good work results.
2. Competence with the skills possessed is able to carry out tasks quickly and as well has a positive and significant impact on work productivity.
 3. Worker placement really has a positive and significant influence on work productivity that seeks to achieve good work results.

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