

Hiring Students for Part-Time Workers in Indonesia to Enhance Small Medium Enterprises in Food Industry

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Abstract: The rapidly changing in the world has make everything should be adapt into new condition, including business in Indonesia. In Indonesia, part-time worker is less favourable to be employed than full-time worker, although in other countries part-time worker has significant contribution to economic growth. In addition, students are potential to be employed, as part-time worker and can support entrepreneurship development in Small and Medium Enterprises (SMEs). Unfortunately, there are few chances for them to access part-time in many companies. The aim of this study is to explore possibility in hiring student, as the part-time worker in order to enhance small and medium enterprises in Indonesia. In many previous literatures, it had been established that the highest sector in employing student, as part-time worker is public service sector especially on food retail sector. The object study of this research are companies in food industry in Indonesia and college student who works in food industry. Data for this research is obtained by conducting interview and secondary data. The findings of this research are several interesting comment between employer and employee on their agreement especially in woking hour and contract. The importance of this research is to change stakeholders mindsets to start developing part-time worker in Indonesia in order to support economic growth particularly for small and medium enterprise. In conclusion, management has admitted if student is potential part-time worker because they have flexibility, good commitment and extra profitability in order to help the company to growth.

Key words: Part-time workers, student, entrepreneurship, small medium enterprises, stakeholders

INTRODUCTION

The rapidly changing in the world has make everything should be adapt into new condition, including business development in Indonesia. Business should be survive in every condition and keep alive within the competition with other. Having the best human resource is the key to keep competitive and to win the game which employment management system have important role in business development.

Business stakeholder in Indonesia still assume that part-time worker is unfavourable than full-time worker to be employed while part-time worker in Europe countries has equal number to be employed due to their contribution in helping business to develop. Although, it has been discussed in many countries that the availability of part-time jobs play significant role in the human capital which have a positive effect on economic growth (Misra, 2009). The availaibility of jobs is one of other problems in

Indonesia particularly the opportunity for student to work, as a part-time worker which is very rare in contrast with other country policy which has already gives student the opportunity to involved in part-time job.

However there is a part, about part-time in indonesia employment regulation which is contain of the standard and the requirement to employ part-time worker. Although, the regulation has established, a lot of company in Indonesia are doubt to employ part-time worker. But, perhaps this circumstance will change by following new government policy regarding the development of small and medium enterprises and also preparation in order to face ASEAN Free Trade Area (AFTA) in 2015. This is opportunity for SMEs Indonesia to get wider market and it supposed to be explored, as maximum as they can. So, it is an emergency for business stakeholder in Indonesia to change their mindsets. One of solution, it could improve the employment system by using part-time systems.

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In previous literature, part-time has been researched in many different purpose and some of them are special issues and also have advantage and disadvantage to employ them. The advantage in hiring part-time worker is part-timers can be brought in for specific hours and their flexible work schedules can be better adapted to strong variations in the amount of works at different times (Rosendaal, 2003). On the other hand, employers tend to stereotype part-time works are less stable and less committed, being more difficult to deploy continuously (Hunter *et al.*, 1993). Those researches were conducted mostly in Europe and United States where the culture and politics are very different with Indonesia and other ASEAN countries which are still developing countries. Then, there are many literatures established about part-time in Europe and United States but unfortunately there just a few literature discussed, especially in Indonesia regarding part-time worker. This is opportunity for this study to make an introduction for future research in order to reveal the condition of part-time in Indonesia.

The facts, Indonesia resident is 237 million person in 2010 with the population growth rate is 1.49% by Indonesia Central Statistical Agency, 2010 (ICSA). So, researchers can predict on 2015 Indonesia will have a lot of resources that can work in young age. They are potential part-time worker that still can be explored to help business systems in indonesia. Also, there are several benefit compare to full-time worker in small and medium enterprises even for business who have just start up.

This study is very important to change stakeholders mindsets to start developing part-time worker in Indonesia in order to support economic growth particularly for small and medium enterprises. The aim of this study is to explore possibility in hiring student, as the part-time worker in order to enhance small and medium enterprises. This research is also to find confirmation, if the environment is ready to implement part-time worker into their business systems.

Literature review

Part-time working: Part-time working means that you are not fully employed by the company to work in a full day but just a couple of hour in a day. If we assume number of hour in a day for full-time worker to work is 8 h, so it should be <30 or 35 h per week for a given organization lend to be categorized, as part-time employees and earlier it should be full-time employees (Barling and Gallagher, 1996). Because they do not work in a full day hour, it would be make sense if part-time worker is paid less than full-time worker. It is also common in Europe, USA and Japan if part-time worker were women or student between 18-27 years old.

Student in higher education is potential part-time worker who have more advantages than other, such as more educated and well attitude. In addition, there is strong motivation of student to get a job, as a part-time worker. One of characteristic of student worker usually wants to get more extra fund and spend it for their hobby. Although, they also have disadvantage, they are potential to be employed due to their number of person is big and their character which more simple than adults.

This potential resources is supposed to be explored in order to enhance the development of Small and Medium Enterprises (SMEs) in Indonesia. In Indonesia it self, SMEs has give significant contribution in enhancing economic growth and making more jobs for peoples. Giving place to part-time worker will be in line with government policy to reduce number of unemployment and also to support SMEs in Indonesia.

Small and medium enterprises: In recent years in Indonesia, SME has developed significantly, since policies regarding business law in small and medium level had decided. Small and medium enterprises in Indonesia, according to ICSA can be categorized by number of employee in the company where the small enterprise employs between 5 and 19 worker, meanwhile medium enterprise employs between 20 and 99 worker. This study will be utilize the ICSA definition and define SMEs, as businesses that employs between 5 and 99 worker for the purpose of this study (Tambunan, 2007).

SMEs in Indonesia, especially in food business are potential to be developed and the most sectors that predicted will be employed part-time because it has been proved in many countries where food retail has become the biggest sector who employed part-time worker. In many manufacturing industry and the public sector, for example the use of part-time staff is relative new, meanwhile food retailers have been at the leading edge in employing part-time staff for a number of years (Browell and Ivers, 1998).

Reason to work part-time: Every worker has their own reason to get a job, including part-time worker, although their reason seems lighter than full-time worker. Family could be the reason to work part-time but the fact is the most reason to work part-time supposed to be related to career-related and work-life balance considerations (Maynard *et al.*, 2006).

In previous literature, many aspects has been researched regarding part-timer motivation to get a job and special issue about student part-time and their motivation also has been opened to be discussed. From many reason job satisfaction is one reason to get

part-time job such as work, pay, promotion, supervision and co-worker and it could be consideration for working part-time.

Consideration to employ student: Company has their judgment before they decide to employ student, as their part-time worker. Indeed, flexibility is the most consideration for employing part-time worker. Although, there always be another consideration to employ student, the value of flexibility on student could be really helpful in operating business.

In the other hand, the employer fear if there is a chance of losing them when they are contracted as their employee. For example, employers may be reluctant to invest in training program for part-time worker because of fears that once they trained, they will leave, especially if the skills that have been developed are transferable (Tisdall, 1999). Performance, also their consideration to employ student because of their have obligation to study at the same time they work outside the schools.

Employment regulation: Indonesia has regulation regarding the standard of employment which contain regulation for part-time. In Undang-Undang No. 13 Tahun 2003 (Indonesia Law No. 13, 2003), there are provisions in Article 59 which the context is agreement between employer and employee in doing part-time or full-time while in Article 57 about contract that should be written. Moreover, Keputusan Menteri No. 100 Tahun 2004 (Ministry Regulation No. 100, 2004) regarding the provision of part-time to support Indonesia government regulation and to guide the implementation of regulation. All of the regulation can be utilize, as the guidelines in order to implemented the part-time system in real business world. But the fact, there is just small number company employ part-timer as their employee. There is a gap between the real condition and the literature that very interesting to be examined (Appendix).

MATERIALS AND METHODS

In this research, qualitative methodology is used which focused on case study in traditions inquiries study and also employed secondary data, like Indonesia population and number of SMEs in Bandung. The purpose of using qualitative methodology is to dig deeper their point of view, opinion, experience of employee and employer during work in the company, etc. This is important to get more insight about the reason of company reluctance to employ part-time even more student, as their worker. In the other hand, researcher have interested in worker and student opinion about the work systems and their willingness to work.

The focus in my case study research is the company reason to employ part-time and student part-timer reason to work. So, after that researcher could find the relationship and can explore the possibility to link part-time employment with student and following by the statement to convince small and medium entrepreneurs. Regarding to data collection, this research uses interviews, as the primary tools to reveal the real condition.

The interview will be conducted for both top management and part-timer. The management was selected by SMEs performance and their reputability in hiring student, as their part-time worker while the worker will be selected by age, status and how long he or she work on there. The part-timer interviewee average age was 21 years old, there are 2 men and 1 women which all of them are student in university around Bandung and they have experienced to work at least 3 month and some of them have experience, also to work part-time on another places.

The research itself will be focused on food retail which a lot of SMEs in food business is growing up in Bandung City. The selection for company doing by number of worker they employed between 5 and 99 worker, including if they employed student as their part-timer worker. It is important to have interview with management which have experience in employing student due to their experience will give more insight to give input to this research. However Bandung City is famous, as culinary city in West Java and their food industry is growing very fast, so this is can be advantage for this research.

RESULTS AND DISCUSSION

Working hour: Working hour is range of time when the work starts and finishes. Part-timer working hour in this case is 8 h per day. If we look into the regulation, working hour for full-timer is 8 h per day with maximum 40 h per week and for part-timer should be <8 h with maximum between 30 and 35 h per week. According to Indonesian regulation in Undang-Undang Nomor 13 Tahun 2013 (Indonesia Law No. 13, 2003), anybody who work for part-time should have right to work <8 h per day. However, the interesting comment came out from the student:

I worked 8 h per day and time to work is depend on my campus schedule, if i started on 2 p.m. then i will be finished on 10 p.m

It is interesting, company employ student, as part-timer to work 8 h per day while government has

arranged the working hour in employment regulation. Student can not negotiate about working hour to manager because company has their own policy about employment. In the other hand, students feel it is not a big problem because they feel the situation of work very fun. This situation can not appropriate for long-time and company supposed to change their policy following the government regulation.

Contract: Contract is important in relationship between employer and employee which contains of agreement regarding obligation and rights. However, student did not want to sign contract with the company, especially for long-time contract. The reason is because they want time flexibility, perhaps some time if they had to leave the work so they can leave the job easily. This reason comes out from part-timer who aims for experience purpose, not money purpose. Most of them taking part-timer because they want to fill their free time while study at college and making some extra money, then if they did not have more free time they just want to leave easily without through difficult process. So, manager just has oral agreement with student about right and obligation at workplace. Actually, the manager has offered the contract but the comment is very interesting:

Usually they do not want to sign a contract for 1 year because the rule is they have to sign contract for 1 year in here, so if they leave then they would have sanction, therefore they must give attention to contract seriously, so if they want to work then they could not leave during that time but the fact, they will leave us less than a year in the other hand, they have good commitment, they will inform us if they would leave

Perhaps they become an informal worker but we can not judge they are worker with low level of commitment. Because the fact, student commitment on working schedule is very good, they can keep trust between them. If they want to sign out from job they will tell supervisor first. Since they have agreement to work, they always follow the rule and seldom to break the rule, for example they never come late to work. We can see that their effort to make good relationship with keeping up commitment is good, even though they did not want to sign contract.

Working schedule: Working schedule is very important in effort to employ student, as part-timer due to their absent on peak hour at offices will affect company service and customer satisfaction. Company is strict with this schedule. They did not want to have condition lack of

employee when they have to service their customer, it could make their business down because of their lost the customer. Mostly, this reason is very often come out from CEOs in Indonesian SMEs when they asked about student part-timer, they looks like reluctant to employ them.

Indeed, working schedule is very important if company want to hire student to be their part-timer because the student already have schedule to study while company also have their own schedule to serve, so they should be compromised about it. But in this case, the owners have their own way to employ student part-timer. They synchronize each schedule between them and find alternative time, so that student can work at office without disturbing their schedule at campus. However, it is not a good reason to eliminate them as potential worker just because they can not synchronized schedule to work. Tolerance is also important to carry relationship between manager and part-timer. Because, they have obligation to study and finish their assignment, the supervisor should be allowed them to go home earlier if they have that purposes just like their comment:

I have been asked by the management about how many days that i have to spend in schools and when is the class activity will end then they arrange my working time, they would give me permission to finish earlier when i have to meet my advisor or to do assignments

Moreover, they choose to be part-time because the flexibility of time to work at office. This is one of their motivation to get this job in addition, it is related to their schedule at school which their free day on the week end from Friday to Sunday. They can negotiate schedule to work with their schedule for study at schools. They can get permission to face their advisor and can arrange time to do assignments.

Flexibility in certain period: Role of part-timer on certain period is very important because at that time company usually at condition which they are lack of worker, therefore part-timer is useful to back up the work. Many part-timers work on the weekend due to busy time often come at that time and restaurant needs more employees to cover their service. In addition, part-timers at other restaurant also work 5 day in a week for certain month because their businesses are going up:

Indeed, when we are lack of waiter on peak period like now they are very useful to help us to serve customer. I mean even if they have no knowledge in services, still they are very useful to cover our works

Part-timer capability to cover in busy time is very useful to keep restaurant customer satisfied. Part-timer can hold service area while other busy to provide the food and manage the customer. Part-timer job desk in service area are cleaning up the table and the area, delivering order and greeting to customer. Greeting to customer could be advantages for both part-timer and restaurant because some time customer will give tip for waitress and it also means that they satisfied with restaurant service and make restaurant reputability become higher.

Motivation: Everybody has their original motives to work. These students motivation are more likely about their advantages.

Extra income is the most student answer related to their motivation to work. They said better, if they work to collect more money rather than spending their free time at home. Most of them would spend their money to upgrade their fashion style and to save the money in the bank. In addition, they can help their family financial. For example, they can bear the cost of their brother schools payment or stationary.

Light workload is a reason they choose this job because they just have to delivering the food, remember the table number, remember the type of food and the price. Some times their job desk will be rolling from front service area and kitchen where there are just helping the chef to cook like cutting the vegetables. This job will be hard to do, if peak hour come while the number of waitress are just few and the pressure is higher than normal condition.

Experience is important for them before get involved in the real work. Having experience to work is important solely for training their mental before facing the real condition which the pressure is higher than they expected. For whom have plan to make this industries become their future career will be work seriously than other.

Quick recruitment process is advantage for part-time, than full-time and it attracts student to apply this job. Student do not want to do complicated process to become low level employee because they thought if they just want to become a part-time waiter which the requirement should be lighter than full-time, therefore they are convinced if they qualified it would be shorten the process.

Learning many of part-timer learn to be expert in food industries with get involved with the industry as fast as they can. They start from a waiter and learn about the systems gradually. They are also very excited with training by company which is very important to give them skills that can be used for the future.

Attract more customer: Company has advantage from hiring student for part-time worker from their flexibility on busy time and their networking. Absolutely, company get more income when busy time comes because role of part-timer in helping company to give services to the customer. The interesting thing is they get advantage from part-timer networks, as the manager said:

Indeed, we have more benefit when the peak period like this because they are useful to cover our work but the additional benefit is we have more customer, since they ask their friend to come to the restaurant

Part-timers often invite their friends to restaurant they worked. It seems free promotion for company through their part-timer. Company sees the opportunity to get this market, then they make package for student to have lunch or dinner at restaurant. It is extra benefit from part-timer to make more income for company.

CONCLUSION

From explanation, opinion of each business stakeholder regarding student, as part-time worker has been exposed. From owner side, they are reluctant to hire student as part-timer because they are very strict with working schedule and afraid of high turn over. Their opinion is company has tight schedule which has certain time to work daily usually they start in the morning and student is difficult to follow the rule because they have obligation to study at campus with their class schedule and assignment. In contrast, student part-timer is very useful in certain period and gives extra customer from their networks. Part-timer can cover the company workload on peak hour and make the company keeping their earning. Moreover, company gets extra benefit from part-timer because they invite their friend to come to the restaurant.

On the other hand, students have good motivations to work part-time although working hour for them are not properly and there is no contract between them. Student did not want to sign contract because they did want to have through difficult process if someday they want to leave the job. But, they have good commitment to work at least until they want to leave the job. It means that student is potential resources to become employee because they have motivation to work, good commitment and their number is huge.

Agreement between management and student is important to decide which working systems is appropriate to them. Bargaining process about working

system will be affected to relationship among them, therefore they have to clear about the agreement because student do not want to sign a contract. It is all about compromising their interest in order to have high quality of work and life.

In summary, management has admitted if student is potential part-time worker because they have flexibility, good commitment and extra profitability in order to help the company to growth. Meanwhile, student motivation to get work part-time is still high, although they do not have contract and work 8 h per day. Government should be aware of this issue because there is clumsiness in relationship between employer and employee on contract. However, there is opportunity in the future to explore part-time systems and to implemented the regulation, first it can push local economy and make more job vacancy for other people and second it can be support systems to enhance entrepreneurship in small medium enterprises level in Indonesia.

RECOMMENDATIONS

The contribution of this research are give insight about the real condition of part-time worker in Indonesia and give strong argument to all stakeholder in business systems in Indonesia, if students are potential resources that can be employed, as a part of part-time systems in Indonesia. Hopefully, this study could be trigger for further research about employment and working system in Indonesia. This research has practical implication, there is revealed strong argument to convince entrepreneurs to employ student as their part-timer. From those findings hopefully they can see opportunities to explore student motivation and make proper work condition for them. Therefore, it will produce mutual benefit for both entrepreneur and student. This research also have academic implication which gives insight to academicians in learning business situation where bargaining process between employer and employer regarding working system is important to have trust and commitment each other.

APPENDIX

Interview questions

Employee

Question:

- What is your age?
- What is your last education level or recent education level?
- How long do you work here?
- What is your job desk? How long your working time in a day?
- What is your opinion about working part-time?
- What is your motivation?
- Do you have any comment since works at here?
- What are challenges at here?
- What is your future plan career?
- If you can choose the job which one do you prefer? And the reason?

Manager or director

Question:

- What is your opinion about part-time?
- Why did you employed part-time?
- What do you think about their performance?
- How about their attitude?
- What is your opinion about employed student, as part-time worker?
- How is your business after employed them as your worker?
- How about your company vision in the future? Would you keep employed part-time worker?
- Do you have any comment for employment regulation?
- In your opinion, how was working condition?
- What are the difficulties to employ them?

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