HUMAN RESOURCES IN THE CREATIVE ECONOMIC SECTOR AT GLOBAL MARKET

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Abstract

Indonesia is an archipelago country which consist of approximately 17,504 islands. It has diversity in arts dan cultures. Indonesia has a lot of natural resources, unfortunately they are not optimally used because of many limited factors. Therefore Indonesia is still classified into a developing country.

There are a lot of problems in the education such as limited facilities both at formal and informal education, teaching staffs of education lack of competencies in quantity and quality, the difficulties to access better education with low cost, also the changed of regulation with relating to the policy of education by Indonesia government especially the changed of curriculum. Indonesia percapita income is still low approximately 3,720 US$. Agricultural sector is still the main source for Indonesians to work, but their level of education and their skill in the use of technology and science are still low.

Indonesia can not avoid from the era of globalisation. Global market which happened in the 21 century must be treated wisely. Because there is no clear borderlines among countries, therefore products, services also work forces can tranfer easily from one country to another country. In order to win in the competition, Indonesian human resources must have quantity and quality of competencies in many significant components which applied in the properly business sectors. According to the success of many developed countries, one of the business sectors which has significant development in the era of globalisation is the creative economic sector. It relates to the creativity of human resources, innovation and entrepreneur spirit.

Based on those, There are some problems can be found:

1. **The Problem of Formulation**

   Based on those, there are some problems can be found such as:

   1. What characteristics of Indonesia human resources should be had in the creative economic sector in order to win in the global market?
   2. What kind of the strategy of economical education should be applied in Indonesia which based on national potency and suited to the need of the global market?

   The analysis method used in this research is qualitative method which is comparative analysis. Analysis used by comparing components such education, entrepreneurship and the development of creative economics in some countries and those compare with the condition in Indonesia.

   The result of the research shows that:

   1. In order to win in the global market competition, Indonesia human resources must have both customer value orientation and customer satisfaction in selling products and services. They must be creative and innovative. In other word, Indonesia must have comparative advantages and competitive advantages. The creative economic sector has the opportunity to be developed in Indonesia such as that in developed countries, because it can create the economic condition of a country based on the national potential but it suit to the need of global market.

   2. The need of changing concept and perception about general education so the Indonesia human resources produced have international competencies such as skill in english and technology-science. The economic education must be integrated with entrepreneurship which matched to the creative economic sector. Economic, social and cultural environment must support it to increase the level of quantity and quality of Indonesia entrepreneurs in order to win in the global market due to its rapid changed.
1. Background

Indonesia is a rich country which has many varieties in both natural resources and arts-cultural resources. Indonesia also is an archipelago country. It consists of 17,504 islands that stretches from Sabang to Merauke. Indonesia has approximately 1,068 ethnic groups, 665 traditional languages and 300 types of traditional dancing. All resources become a big potency for Indonesia to be developed especially in the creative economic sector. Natural resources will decrease soon or later if their exploration does not manage wisely. In the future, products/services based on the creativity, and innovation will be popular in the global market.

All diversity in resources are significant components in developing creative economic sector. It needs a lot of work forces who creative and innovative in order to developed. It will minimize the number of unemployees. This sector will create the opportunity to give jobs to many people. Finally they will have income, and their welfare will increase. Unfortunately Indonesia can not manage optimally all resources yet even though there is a big potency in the creative economic sector.

The total population of Indonesia is 237.67 million, but its per capita income is still low only US$ 3.720. No wonder, Indonesia is still classified as a developing country.

As other developing countries, Indonesia has many limitations in order to use all resources optimally such as limitation in educations, jobs, health and income. Focus on education, in general the level of education in Indonesia is still low. It is difficult to have better education for all Indonesian, because it lackes of facilities both in informal and formal education. Whereas to increase the level of human resources can be done through the process of education. It must be applied in suitable strategy according the condition of Indonesia. The successful process of education in developed country can be seen as comparison.

Ideally, Indonesia has to have adequate human resources both in quantity and quality in order to boost to the advance of the nation’s economy as a whole. All wealth especially in arts-cultural diversity is a great potency in supporting the growth of the economy, especially in the creative economic industry in Indonesia.
In the future, the use of creativity, skills and talents of work forces on producing products/services can create vacant of jobs, and finally it will increase the welfare of Indonesia.

In the global period, there is no borderlines among countries in the world, so products and services that produced must have comparatives advantages and competitives advantages in order to win in the global competition. A country has to use efficiently economical resources and the appropriately using its human resources. Economical resources can be empowered if human resources have skill, creativity and innovation. In other word in order to win in the global market, Indonesia must increase the quality of its human resources which suited to the need of the global market.

The expectation of superior human resources can be achieved through the process of relevant education. Indonesia must be aware with what kind of the economic sector that developed in the future and it has a significant distribution to the GDP (Gross Domestic Products) such as that happened condition in the developed countries. In another side, the involvement of private sectors must be increased and the dependence to the government can be minimized. Private sectors can create many vacancy of jobs for many work forces in the productive age. It can be done through the entrepreneurship in the creative economic sector in order to increase their incomes. Now, all countries in the world enter creative economic period. Indonesia as a part of the world must follow this changing. Indonesia has to increase the number and the quality of its entrepreneurs especially in the creative economic sector in order to win in the global competition.

Therefore there is a connection among creative economic period, entrepreneurship, creative economic sector and global market. Creative economic focuses on human resources who have innovative ideas. Entrepreneurship creates people to be more creative, innovative and independent.

2. The Problem of Formulation

Based on those, there are some problems can be found such as:

1. What characteristics of Indonesia human resources should be had in the creative economic sector in order to win in the global market?
2. What kind of the strategy of economical education should be applied in Indonesia which are based on national potency and suited to the need of the global market?

3. Analysis Method

The analysis method used in this research is comparative qualitative method. The analysis is done by comparing components such as the entrepreneurship, the development of creative economic sector and education systems in Indonesia and other countries. So it is expected that Indonesia can win in the global market but it still keeps identity and potency of the nation.

4. The Result of the research
4.1. Global Market

Economic in the 21 century is signed with the economical globalisation. It is the process of economy and trades, where all countries in the world become a powerful market. It means all countries integrated, so there is no borderlines among countries. Products, services, work forces and others from overseas can enter easily to the Indonesian market, also in reversing. In other word, Indonesia must be ready in this competition. Therefore its human resource must be increased in quality in order to win the global market. Globalisation faced by Indonesia need changing in many activities in the business area. So the competition involves all countries in the world both developing countries and developed countries.

As a developing country, Indonesia has to increase its per capita income. It will finally increase the level of Indonesia welfare. This will be happened if people can earn enough money to meet their need because of their jobs. The development of economy as a whole is the main purpose of the country. In other word human resources in the global market must support the increasing of economical activities and push the development of national economic, so the level of welfare of Indonesia will increase automatically.

Suryana (2003:52) stated that in the global competition, all resources among countries will move freely without borderlines. Natural resources, human resources, science and technology and also life styles will move passing among countries. People in the world can interact one another without limitation in
places, spaces and times. The interaction must be done with good communication. Good communication can happen if there is the same understanding. Therefore human resources who are involved in the global market have to have ability in many languages especially in international language -english. In order to increase human resources for global market, the development of academic must be based on international basic and must cooperate with other institutions overseas. The ability to understand english language is such “a door to enter a house”. It is very important and compulsory.

In the global market, every country has to compete to show its superior in managing all human resources had. Talented, creative, and innovative human resources are needed in order to produce products/services that have comparative advantages and competitiveness advantages. In this case, it is expected that Indonesia human resources have customer value oriented and customer satisfaction oriented. It will make Indonesia products/services more different, more specific and more popular among its competitors and customers will keep trading relations in the long term. Also Indonesia human resources must have superiority in understanding science and technology otherwise developed countries will win in the global competition using high technology. Therefore in the global market, human resources must produce better products/services/values and also the ability to use suitable technology.

Based on those explanations above, it can be stated that there are some criteria for Indonesia human resources in order to win in the global market such as:

1. Human resources activities have significant contribution to move national economy as a whole.
2. Human resources has to have international competencies especially in understanding English as an international language, also applying science and technology in the international market.
3. Human resources have creativity, creation, and innovation in the global market to produce products/services in the creative economic sector. They will compete in prices, service qualification, added value and also global market oriented.
In order achieving human resources suit to the need of global market, one of efforts that can be done through the process of education both in formal and informal education to create human resources who have some suitable criteria in order to win in the global market. The successful system of education which done in other countries can be used as comparison, but for applying it has to be adapted to the condition of Indonesia.

4.2. Creative Economic

According to Alvin Toffler that is stated by Faisal Afiff (2012:1), the civilization of economic in the world nowadays enter the fourth civilization which is creative economic period. All civilization in economic are:

1. Agricultural economic civilization
2. Industrial economic civilization
3. Informative economic civilization
4. Creative economic civilization

In the 21th century, there is a creative economical century. It is a period that people in this civilization must create something different based on creativity, cultures, heritages and environment. It has creative orientation. It means people will success in this civilization if they create something special which are different with other competitors, but they create something based on their identity. The name of creative economic, was introduced for the first time by Howkins in the a book title “Creative Economic, How People Make Money From Idea”. He realized that the new civilization is the creative economic after he found that the United stated Of America in 1997 produces its products of Intellectual Property Rights which worth 414 billion dollars and it became an important export products in the economical sector. Its contribution to the income of USA was number one. Creatice economic is a concept of economical civilization which many communities spend a lot of time by creating ideas, they do something different in order to increasae the economical level of the country income. But it is stated that ideas/creativity must have international market orirented. Only high quality human resources can create ideas and creavity according to the
international need. But to increase the quality of human resources be must done through the process of education.

Those creativity must come from the national identity which are different from one country to another country. For example, South Korea is popular with industrial products such as branded name Samsung, Hyundai. But actually, the big percentage for its national income comes from creative economic sector, it means that the income from industrial sector less than the income from creative economy in South Korea. For example the sub creative economic sector which are popular in the world from South Korea are music industry and film industry. In England the contribution of creative economic sector to national income is 8,2% (US $ 12,6 billion) and it is the second largest source after financial sector. In Singapura the contribution of creative economic sector to the national income is 5% or US$ 5,2 billion, and in Indonesia is 7,03 %. based on that condition, it can be stated that Indonesia has a big potency to develop creative economic sector in the global market in order to increase national income.

In Indonesia itself, creative economic sector has been introduced since 2006. The government realized at that time that Indonesia must be ready to the creative economic civilization, which is proved in other countries such as USA, England, and South Korea. The creative economic sector has a significant contribution to a country. There are some reasons why Indonesia must create creative economic sector:

1. The main source is ideas/creativity. It need low cost, but it will high profit.
2. It saves natural resources, because it bases on ideas/creativity
3. This century, all countries in the world are in the creative economic civilization.
4. The use of natural resources can be minimized
5. It needs a lot of work forces, so the number of unemployees can be reduced.
6. It creates the opportunity for people to work in the economic sector which has social and financial effects to the community.

Every country creates creative economical industry based on its conditions. According to Adela Istanto (2012), there are some strategies to develop creative economic sector which different focused such as:
1. Creative cultural industry
2. Creative industry
3. Copy right industry

Indonesia has diversity in arts and cultures, but it does not mean that creative art cultural industry will be the best strategy used. Besides that Indonesia still has natural resources. In this situation, it is better products/services that are produced is to combine between art-culture-natural resources but in the international packages. Many international customers usually look for something different and special but suit to their needs.

In the facing global competition, creative human resources must be fully prepared through the process of education both in informanl and formal education. Also the role of organisations to train managerial skill, to develop creativity, to improve english proficiency, to develop marketing strategy and business negotiation are needed in preparing the global competition. The condusive environment must be kept and be developed for the creativity of human resources. In other word, there are many things that must be improved, but the priority is education because it will affect in the long term.

In developed countries, public elements such as community, government and institutional education and entrepreneurs colaborate together to develop creative economic, but in Indonesia, the development of its is still low. The reason of that situation is caused by creative culture does not yet create in the Indonesia community and the low appreciation of ideas and copy rights.

So the question will occur based on all of the condition above is

“What kind of the system of education in Indonesia does create creative human resources who can produce products/services based on national potency but they have international market oriented “.

4.3. Entrepreneurship

Entrepreneurship is one of the important capital in increasing the economy of nation. It decreases the dependency to the government, creates job vacancies and need a lot of labors, and finally the number of unemployees will decrease and the poverty can destroyed. Suryana (2003) stated that entrepreneurship is creative
cappabilities and innovative cappabilities as tip basics and also the availability of resources to find the opportunity to success. Initially, enterpreneuersh...arn successful corporations in the world in producing innovative –creative products in technology. The process of creation and innovation in corporations success in making added value to products/services. That added values are becoming superior factor among their competitors. There are some reasons why enterpreneuersh...e nation’s economy:

a. With enterpreneurship is expected that Indone...

b. The involvement of the government will decrease, and the income from tax will increase.

c. Investors will be interested to invest in Indonesia, if the development of sectors and enterpreneurs in the creative economic sector are available in the conducive environment (Lola sari, 2013).

Unfortunately the number of entrepreneurs in Indonesia is still low. It is only 0.24 per cent of the total population. According to the Statement of Ciputra, Ir, the owner of Entrepreneurship Ciputra University, to move an economical nation is needed the entrepreneurs 2% of total population. It means Indonesia has to increase a number of entrepreneurs in the creative economical sector. Other Asian countries such as Japan and China have 10% entrepreneurs of their total population, while Malaysia has 5% of its, and Singapore has 7% of its population.

Indonesia has a lot of human resources but they are poor in quality. Only a few Indonesian want to be entrepreneurs, because of many reasons. It less popular rather than public governmental employee. Enterpreneuersh...e uncertain about income and career in the future. They have to take risks in order to do their business. There are two possibilities, lost or get profit. In the social – cultural environment, there is a perception that become a public government will be appreciated by the community. It will not support communities to do their own
business. In other word, their motivation to set up their own business is still low. This situation is different with this in developed countries. They will appreciate products/services with rich creativity, so the enterpreneurs who work in the creative economic sector are an important asset in the nation’s economy.

The number of enterpreneurs in a country can determined the movement of the economical sector. Therefore, there must be found solution on what kind of the process of economical education that can produce enterpreneurs who win in the global market.

4.4. Economic Education

There is a question to be answered that what is strategy in the development of economical education in order to create superior enterpreneurs in the global market competition.

To increase the number of enterpreneurs in the creative economic sector, the larger accessibility to have education must have been done to all people both formal and informal education. There is no cost to access it, there are alot of scholarships given for clever students especially if they come from the poor community. If there is a limitation in the Government budgeting, it is needed the more involvement of private sectors to finance free education such as through Corporate Social Responsibility Program.

It is not easy to do that, because Indonesia has a lot of educational problems. Such as the low quality of teachers, the limitation of the infrastructure of education, expensive education, the low of welfare of teachers, until the low of connection between the process of it and to the need of competencies. But actually the main problem in education at Indonesia is students become objects so human resources are created through this system only match to the needs nowadays. They more passive, no critical to the situation around them. There must be cooperation among government, communities and institutions to solve all problems in education at Indonesia. The system of education must be changed according to the need of global market. The same opinion is stated by Nidya Mahmudah (2014) that Indonesia problems in education such as the changing of educational regulations included the changing of curriculum, also the limitation of budgeting education. In the era of globalisation, there is a rapidly changed in the global
market, therefore human resources must adapt with all situations. They can do that if they have high quality according to the need of global market. Indonesia must be aware that education has an important role to achieve that. It is very important, because the development of the nation can not be done only by physic but the development of the quality of human resources must be considered too. According to Difa Kusumadewi (2007) stated that the low quality of education in Indonesia both in formal and informal education will affect to the number of human resources who have criteria according to the need of global market. The system of education in Indonesia must follow the rapid changing in the global market.

Education has a significant effect to the nation’s economy. This means that with higher education, people can get a suitable job according to their education background and their skills. Finally, they will get higher income. Therefore there must be connection among education, skills, jobs and income. The higher education, the greater income they have. So the level of education of someone will affect to the level of his/her welfare.

Human resources have to have international competencies in order to win in the global competition. The first step to be done that human resources must understand English well. Therefore English is compulsory to be learnt as soon as possible. Unfortunately, it is learnt more theoretically rather than practically. The use of English must be done in teaching process step by step, also English books or books with bilingual languages must be improved in quality and quantity. Unfortunately, the condition in Indonesia is different. There are no RSBI (Rintisan Sekolah Berbasis Internasional- School Based on International) school anymore. They are banned because of many reasons include the decrease of nationality. Ideally the system of education in Indonesia must be done based on the development of international academic and international competency. Human resources in the global market must have proficient English, suitable skill according the the priority sectors.

For entrepreneurs, education is a main capital in doing entrepreneurship and in the development of creative economic sector. The way of thinking someone can be changed in working using ideas and creativity. The system of education in Indonesia right now focus on the use of left brain rather than right brain. Whereas
in developed countries the use of right brain is focused on learning process in order to develop special human capability in involving creativity and talents. So students must have HOTS (High Order Thinking Skill) oriented. It has a concept that there is connection between learning material and real life, so students will think to find solutions of the problem critically to filter available information. According to Firman Hermana (2009) the concept of creative killer must be stopped. Because it gives student passive participation, a lot of learning subjects, stressed, feeling afraid of fail also the way of teacher taught. As a comparison in Singapura, the system of its education is holistic education. It builds the morality of students, intellectuality, social and ethics. Also in South Korea in the 21th century, the aim of its education is to give the development of creativity aspect as an main priority.

Entrepreneurs have to have creativity, no dare to take risk, confident, diciplin and high commitment in doing jobs. The changing curriculum is done if the global market has changing in many aspects such as the tend of lifestyles, skills, science and technology, etc. It means the changing curriculum must be matched to the criteria needed of global market. For example the concept of curriculum 2013 is good. Unfortunately, it is many limitations when it is applied, including unreadiness some components involved. Whereas the main strategy is communication, coordination, integration and socialization.

Entrepreneurship of education must be learnt as soon as possible to students, because it needs a long process. For example students make birthday cards, and they sell them. Students create something in arts and also they consider about market. Another example there is an opportunity for students to sell something (food, drinks, goods) at school in the free time. Community will appreciate students who do like that. It means, since they are young, environment support them to do entrepreneurship. The soul of entrepreneurship must be developed. So the curriculum applied must have entrepreneurships oriented and creative oriented.

In the global market, other countries both developed countries and developing countries will become Indonesia competitors. Therefore human resources Indonesia are compulsory to understand high technology especially in
doing business, for example, in marketing, the way of transaction such as via online. They will give added value to the services/products produced. The value of nation characteristics such as kindness, friendly can be converted to the responsiveness in doing business and satisfaction customer oriented.

In other word, creative economic sector must be exploited based on national value and must be suited to the need of global market. For example in the tourism sector, the beach waves at Mentawai are the second best for surfer in the world. Beautiful beach waves are not enough to attract tourists to come to Mentawai. Indonesia has to have easily access to Mentawai with good scheduled transportation. Accommodation for tourists can be built not like in five star hotel but traditional building completed by advanced facilities. To develop entrepreneurship in the creative economic sector, it must be collaborated with entrepreneurs, government, and scientists. It is called triple helix. It is very important, because they support creativity and innovation in business.

The system of education in Indonesia must be changed in order to create human resources who easily adapted to the rapidly changed in the global market. Student must be supported to have creativity and innovation as soon as possible in the early school. The component of enterpreneurships must be inserted in the curriculum given at school.

5. Conclusion

The result of the research shows that:

1. In order to win in the global market competition, Indonesia human resources must have both customer value orientation and customer satisfaction in selling products and services. They must be creative and innovative. In other word, Indonesia must have comparative advantages and competitive advantages. The creative economic sector has the opportunity to be developed in Indonesia such as that in the developed countries, because it can create the economic condition of a country based on the national potential but suit to the need of global market.

2. The need of changing concept and perception about general education so the Indonesia human resources produced have international competencies such as
skill in english and technology-science. The economic education must be integrated with entrepreneurship which matched to the creative economic sector. Economic, social and cultural enviroment must support it to increase the level of quantity and quality of Indonesia enterpreneurs in order to win in the global market due to its rapid changed.

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