# CREATING HUMAN RESOURCES INDUSTRIES COMPETITIVENESS WITH RESOURCES SHARING INNOVATION MODEL

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#### ABSTRACT

A paradoxical condition existence in which regions with abundant number of manufacturing companies have high unemployment rates, so it is interesting and important to research in order to find answers to provide innovative and sustainable policy mix recommendations for local governments.

This research will offer a breakthrough in the form of resource sharing innovation between manufacturing companies and training institutions. Then the research stages are: 1) mapping unemployment; 2) data and information collection; 3) data management and presentation in the form of a research model; 4) focus group discussion; 5) training; 6) recommendations; 7) scientific publications. This study uses a Research and Development (R&D) procedure with the target of formulating a model of unemployment socio-economic conditions that causes poverty in industrial areas and a resource sharing model. This research is useful to assist the government in helping alleviate unemployment. The results of this research will be made recommendations and scientific publications in the form of international journals and conferences.

The results of this study indicate that Resource Sharing Innovation (RSI) has an effect on industrial competitiveness of 0.247, CR value of 2.839 and p-value of 0.005. Based on these results, it can be concluded that it is proven that enjoyment of developing talent has a significant positive effect on industrial competitiveness at the 5% significance level. Furthermore, the discussion is further explained in this study.

Keyword: unemployment, resource sharing, innovation.

### **INTRODUCTION**

According to BPS data, the number of working population in Banten Province increased from 5.62 million people in 2018 to 5.68 million people in 2019. With the largest main employment structure covering trade amounting to 23.88 percent or 1.36 million people, processing industry by 19.97 percent or 1.13 million people, agriculture, mining and quarrying by 12.72 percent or 722,120 people [1]. Meanwhile, the unemployment rate in Banten in the August 2019 period was the highest in Indonesia, namely 8.11% while the national unemployment rate was 5.28% The ability of Banten Province in preparing employment opportunities is conspicuous compared to other provinces with the fact that the unemployment rate is 8.11% [2]. Although the Banten Provincial Government has made efforts to reduce the unemployment rate, the reality is not yet encouraging. Facts show that in 2017 Banten was ranked  $2^{nd}$  nationally. The following year 2018 rose to rank 1. Furthermore, in 2019 it returned to rank 1 even though it decreased relatively by 0.14% from 8.25% to 8.11% [1].

Based on the potential for employment, it can be examined through three industrial areas, namely Serang Regency, Cilegon City and Tangerang Regency as the basis for manufacturing companies, which turns out to be paradoxically the highest contributor to unemployment in Banten Province. Serang Regency became the highest contributor with 10.65%, followed by the second highest, Cilegon Regency with 9.68% and Tangerang Regency 8.91% [1]. In fact, if we look at districts/ cities with high unemployment, for example, Serang Regency has 847 large companies, Tangerang Regency 3,858 units, and Cilegon City with 878 company units [3]. The purpose of this research is to find answers and formulation of innovative and appropriate policy models to overcome high unemployment in Banten Province.

The classical theory of labor which was pioneered by Pigou [4] explains that the labor market consists of the demand and supply of labor. The demand for labor which corresponds to the demands of the industrial needs is a derivative demand, which is obtained from the decreasing share of the marginal product of labor. Several previous studies on unemployment have been conducted by Alghofari [5], Baeti [6], Budiani [7], Hadroj [8], Heriansyah, Nuraini, & Kusuma [9], Imsar [10], Machin & Manning [11], Santoso [12], Setiyawati & Hamzah [13], Winardi [14], Yacoub [15].

#### **METHODS**

This study uses the Research and Development (R&D) procedure [16] with the target of formulating a model of unemployment socio-economic conditions that causes poverty in industrial areas and a resource sharing model. The research location was conducted in the three largest industrial areas in Banten Province, namely Serang Regency, Cilegon city and Tangerang Regency. Meanwhile, the qualitative data were collected continuously and then clarified based on their objectives. The data is then analyzed by naturalistic and analytical descriptive.

# RESULTS

In this CFA model, it is conducted to test the indicators on each latent variable and the relationship between latent variables. Indicator testing is done by looking at the loading value of the indicator on the latent variables for both exogenous and endogenous variables. The results of standardized regression calculations show that the loading value is> 0.5, it means that all indicators are valid as a measure of their latent variables. This CFA model also produces correlation values between latent variables, both exogenous and endogenous latent variables. The results of the hypothesis test show that the estimated correlation value between the latent variables of the training revolving fund, skill development center, resource sharing innovation, competence of vocational school graduates, and competitiveness of industrial human beings each has a significant correlation value. This can be done by testing the structural model according to the hypothesis that has been developed.

### Table 1

# Hypothesis testing results

Influence path			Esti mate	S.E.	C.R.	Р	Result
GC	←	TRF	,615	,087	7,075	***	Signi ficant
RSI	÷	GC	,570	,089	6,413	***	Signi ficant
SDC	←	TRF	,307	,122	2,512	,012	Signi ficant
SDC	←	GC	,478	,145	3,296	***	Signi ficant
SDC	←	RSI	,370	,108	3,443	***	Signi ficant
IC	÷	SDC	,230	,061	3,766	***	Signi ficant
IC	÷	RSI	,247	,087	2,839	,005	Signi ficant

<sup>\*\*\*</sup> signifikan <0.001

#### DISCUSSION

The results of testing the complete hypothesis through the following discussion:

First, the results of statistical testing on the estimated value of the effect of the training rolling fund on the competence of Vocational School Graduates (SMK) are 0.615, the CR value is 7.075 and the pvalue is 0.000. Based on these results, it can be concluded that the training revolving fund has a significant positive effect on the competence of vocational school graduates at the 5% significance level.

Second, the results of statistical testing on the estimated value of the effect of the Rolling Training Fund (DBP) on the Skill Development Center (SDC) are 0.307, the CR value is 2.512 and the p-value is 0.012. Based on these results, it can be concluded that the training revolving fund has a significant positive effect on the skill development center at the 5% significance level.

Third, the results of statistical tests on the estimated value of the influence of the Vocational School Graduate competence on the skill development center of 0.478, the CR value of 3.296 and the p-value of 0.000. Based on these results, it can be concluded that it is proven that the competence of Vocational School Graduates has a significant positive effect on the skill development center at the 5% significance level.

Fourth, the results of statistical tests on the estimated value of the influence of Vocational School Graduate competence on resource sharing innovation of 0.570, CR value of 6.413 and p-value of 0.000. Based on these results, it can be concluded that it is proven that the competence of Vocational Education Graduates has a significant positive effect on resource sharing innovation at the 5% significance level. The average competency achievement of SMK graduates in Banten Province is still not encouraging.

Fifth, the results of statistical testing on the estimated value of the influence of resource sharing innovation on the skill development center are 0.370, the CR value is 3.443 and the p-value is 0.000. Based on these results, it can be concluded that resource sharing innovation has a significant positive effect on the skill development center at the 5% significance level.

Sixth, the results of statistical testing on the estimated value of the influence of the Skill Development Center (SDC) on industrial personnel competitiveness are 0.230, the CR value is 3.776 and the pvalue is 0.000. Based on these results, it can be concluded that it is proven that the skill development center has a significant positive effect on industrial human competitiveness at the 5% significance level. This evidence suggests that the SDC can act as a collaborative bridge.

Seventh, the results of statistical testing on the estimated value of the influence of Resource Sharing Innovation (RSI) on industrial personnel competitiveness are 0.247, the CR value is 2.839 and the p-value is 0.005. Based on these results, it can be concluded that it is proven that Enjoyment of developing talent has a significant positive effect on Industrial Competitiveness at the 5% significance level. These results prove that openness to resource sharing from manufacturing sector industry.

# CONCLUSION

This research expands the theory and concepts in human resource management practices, especially those related to human resource training and development as well as concepts related to competence. Programs prepared by the government to overcome unemployment in Banten Province should carefully consider the resources owned by the manufacturing sector, which amount to more than 5,000 units.

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