

By Olly Riches

A Great Opportunity in Indonesia

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Has the great resignation arrived in Indonesia? Not quite. As companies worldwide scramble to manage “the great resignation” phenomenon, what we see happening in Indonesia is somewhat different. The term “great resignation” is not an expression that organization in Indonesia use. Some might call this attrition trend “the great opportunity” or “the great reshuffle”. And that is closer to what’s going on in Indonesia.



Candidates across industries will go to the prospective employer’s social media platforms to understand what the company stands for. This gives them a first-hand view into what these companies are trying to achieve and whether these elements impact the community or give back to Indonesia. In other words, organization need to consider building a brand message that would appeal to candidates.

A STRONG DESIRE FOR CAREER ADVANCEMENT

The Indonesian culture is inherently entrepreneurial and it not uncommon to see about 80% of the working population drawing a second income from a side startup. In other words, Indonesians have an appetite for opportunities. So, it was no surprise that our recent Talent Trends 2022 survey found that 84% of our respondents in Indonesia plan to look for a new job in the next six months.

Most of the reasons for candidates looking for a new role lie in career advancement. 53% of those surveyed wanted a career change, while 52% cited the aspiration for career progression, and others wanted more pay.

Candidates are understandably now cautious about changing jobs during the pandemic, but at the same time, they would be keen to make the jump to an industry they are more passionate about. This poses a problem for employers in a candidate-driven market because they are looking for candidates with specific work experience in their fields, however candidates want to switch industries.

More than ever, employers need to pay more attention to retaining their high-performing employees. This means consistently evaluating individual progression paths as well as being proactive by having regular one-on-one sessions to find out what careers employees want.

WORKING WITH PURPOSE

The good thing is not every talent attraction and retention factor needs to be monetary based. Candidates are looking at different aspects when they assess their next move. The majority of the current workforce is a mix of millennials and gen Z. For these demographics, the company purpose has become a key determining factor when looking at potential employers.

While purpose is paramount, employers won’t be surprised that a pay increase can still go a long way to attract and retain strong talent.

→ Indonesia enjoys favorable business conditions Indonesia is a 270 million-strong country in population and the largest Muslim democracy in the world, with a very stable GDP for over a decade.

WORK CULTURE IN INDONESIA

The pandemic has pushed many to re-evaluate what constitutes quality, purposeful careers. That has also trickled down to how they want to work and the work environment. Which brings us to company culture. According to our 2022 Talent Trends – The Great X report, culture at the workplace ranks high as a motivator for candidates to change jobs.

Now, culture is a very broad topic. It is reflected in everything from a company’s identity to its generalized beliefs. Other factors play a part too which includes work environment, diversity, equity and inclusion (DE&I), dress code, and the treatment of clients, customers and employees. In short, business culture is complex, and certainly isn’t one culture fits all.

Understandably, most people want to work in a place built upon trust and respect. Building culture at the workplace over video calls during the pandemic is challenging.

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The report's results show that employees want to have the autonomy to move around as they wish, connect to build relationships, and get work done anywhere.

A crucial part of culture is DE&I. Indonesia is a real melting pot of culture with different religions, politics and geographical differences. The culture in the business community and the social side of things is primarily relationship-driven. There are very diverse business cultures across Indonesia. Every sector and every type of company has a different way of working.



The exciting thing is, these cultures are modernizing. Developing new younger leaders will change the culture of the workforce. With the fight for talent, organisations can no longer hold on to how they used to hire in the past.

Overall there is a significant amount of talent in Indonesia. However when faced with a lack of talent from the same industry, employers have to become a little more open-minded about who they hire. So, opening up to newer talent pools means being open to slightly different backgrounds, which creates diversity.

INDONESIA ENJOYS FAVORABLE BUSINESS CONDITIONS

Indonesia is a 270 million-strong country in population and the largest Muslim democracy in the world, with a very stable GDP for over a decade. All the ingredients are there for Indonesia to continue to become a very prominent player in Asia-Pacific.

The thing is, Indonesia's demographics sell themselves, so the country has never really been too worried about marketing itself to the global audience. But that's chang-

ing, as President Jokowi, in his second term, has been much more proactive in promoting the nation. Gradually, the country is opening up, so people are becoming more aware of what Indonesia can offer. The labor regulations were redesigned with beneficial objectives. Take the Omnibus Law; whilst it's got some significant challenges, it is a sign of intent to ease access to do business in Indonesia.

Technology unicorns have put Indonesia on the map, and Venture Capital and Private Equity firms increasingly see Indonesia as an enticing opportunity. Companies with international growth aspirations are really starting to look at Indonesia as a must-have presence in their Asia plans

WINNING THE WAR FOR TALENT

As we navigate the ongoing pandemic, the fight for talent is even more evident. This is essentially a supply-and-demand issue. The demand for talent is very high, and the supply of qualified candidates is struggling to match that demand, despite the size of the country. One way to address this situation is to improve the education sector in the long run. Currently, it cannot sus-

tain the skills sets needed.

President Jokowi has been encouraging the education sector to foster innovation and align with skillset shortages in the market, and pushing higher education institutions to offer relevant courses for the progress of Indonesia.

Assistance is coming from overseas too, The British Chamber of Commerce, for example, has created partnerships with 15 UK universities offering relevant courses in areas such as sustainability, maritime and technology. This is a real encouragement for Indonesian students to enter programs which will enable them to add real value in key sectors upon graduating and ultimately upskill the local workforce.

Indonesia has been striving towards becoming a tech hub in Southeast Asia and growing into an enticing destination for foreign investment in areas like digital technology and ESG. It is hosting the G20 Summit later this year in Bali, and the summit will focus on areas like sustainability, diversity, inclusion and women's empowerment. These are current subjects that Indonesia doesn't get much credit for, but is keen to get in front of, and the opportunity to do so has been well received by the business community. ³

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FROM LEFT: FEBRIANY EDDY, DR CARINA JOE, IRA NOVIARTY, H.E. FIEN TJE MARITJE SUEBU, AND MAUDY AYUNDA



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