

**OVERCOMING LABOR SHORTAGES WHILE MEETING
PRODUCTION DEMAND DURING COVID-19 PANDEMIC:
A LEARNING FROM INDONESIAN CONSTRUCTION SERVICE
COMPANY*****Iman Permana*¹, *Maradel Sijabat*²**¹*President University, iman.permana@president.ac.id*²*President University, maradel.sijabat@student.president.ac.id*

ABSTRACT

The COVID-19 pandemic has had a significant impact on the Indonesian economy, causing a slowdown in various industries and affecting infrastructure development. Many companies, including PT ABC, have faced financial difficulties and have had to suspend production, temporarily close, and lay off employees. As the pandemic situation improves, the government and the public have begun to resume projects and make new investments cautiously. However, companies now face the challenge of meeting high demand with reduced production and labor. To address this, they need to quickly increase production volume and hire contract workers. One of the main goals of human resource management is to effectively use workers to meet the company's strategic objectives. PT ABC also faces challenges in achieving this goal. To address this issue, we conducted qualitative research to explore how the company meets its workforce needs during times of high production demand and how non-regular employees view their status after the pandemic. We gathered data through in-depth interviews with staff involved in hiring and contract employees. The data was then analyzed and presented in a narrative format to conclude the study. The main point of this study is how PT ABC's human resources contribute to increasing production and dealing with the challenges of high employee turnover. The study also looks at the importance of utilizing technology in the hiring process to meet consumer demand and complete orders on time. The approach taken by PT ABC's human resources helps make the recruitment process faster and more efficient, while also meeting the needs of the workforce. Overall, employees have a positive perception of the recruitment process and feel comfortable in their work.

Keywords: *COVID-19 pandemic, Production Demand, Human Resources, Contract Employee, Recruitment Process*

1. Introduction

The economic growth of Indonesia in the first quarter of 2020 was affected by the global health crisis. The country's economic growth was 2.97%, with all sectors experiencing slow growth due to decreased global and domestic demand and lower commodity prices. However, Indonesia's performance was still better than other countries. The COVID-19 pandemic had a significant impact on the Indonesian economy, similar to other countries. The initial economic growth forecast for 2020 was revised downwards to -0.4-2.3% due to the slowdown in various components of GDP.

One of the reasons for this slowdown was reduced public demand as a result of social distancing measures. People's purchasing power also decreased due to income loss and potential price increases. The government increased spending on stimulus measures to help affected communities and industries. The COVID-19 pandemic has had a significant impact on economic activity globally, causing disruptions in logistics, supply chains, and production. This has led to a decrease in job opportunities, higher unemployment rates, and an increase in poverty. Indonesia is also experiencing economic challenges, with the government predicting lower economic growth for 2020. Various measures have been taken by governments and companies to overcome these challenges and stimulate economic recovery, but the declining consumption power of the population poses limitations to the survival of companies.

PT ABC is also experiencing this condition but still trying to maintain company operations and avoid termination of employment (PHK). The company offers its employees to take unpaid leave or be terminated. Apart from that, there is also the option of cutting wages during a pandemic or not operating. This is done so that the company can survive. However, the COVID-19 pandemic lasted so long beyond the initial estimates made by PT ABC that entering its 2nd year it was forced to lay off. Determining which employees are laid off is quite difficult because not necessarily all employees are ready to accept it. Eventually, the company created a voluntary program for employees applying for early retirement. After the Program is in place, half of the employees have applied for early retirement.

PT ABC Company, one of the leading pile manufacturers in Indonesia, is facing significant challenges in its production section due to a shortage of workers during the COVID-19 pandemic. This unexpected surge in demand for their products created a dilemma for the company because there was no certainty how long this increase in demand would last. Various factors contributed to these difficulties, including implementing efficient production operations to comply with government measures to prevent the spread of the COVID-19 virus. Apart from that, there was a reduction in human resources due to the downsizing of employees. This increase in demand can be seen as an adaptation to the new normal, although its duration remains uncertain due to the cautious approach taken by all parties involved during the ongoing pandemic. As a result, limited production capabilities due to a shortage of workers can result in decreased customer satisfaction and loyalty.

Human resources can be defined as the collective efforts made by individuals that contribute to smooth operations and uninterrupted production in an organization. Bearing in mind the challenges discussed previously, the focus of this research is to examine the efforts made by companies in meeting their human resource needs to meet the sudden surge in production demand, as well as exploring employees' views on their status within the organization during the COVID-19 pandemic. The ultimate goal of this research is to provide valuable insights and recommendations to ABC companies, enabling them to improve their overall performance. Additionally, this research seeks to contribute to existing knowledge in the field of human resource management, providing benefits to scholars and professionals.

2. Literature Review

2.1 Basic Theory

The manufacturing sector has experienced major upheaval due to the global COVID-19 crisis (Cai, 2020). This unprecedented situation has created many obstacles for companies, including supply scarcity, the implementation of social restrictions, production capacity constraints, and general economic uncertainty. However, businesses can overcome these challenges by implementing a series of strategies. This includes improving production efficiency, making maximum use of technology, encouraging skills development in their workforce, optimizing inventory management, placing greater emphasis on marketing and promotion efforts, conducting thorough competitor research to identify new opportunities, and fostering strong relationships with existing companies (Kotabe, 2016). By implementing these measures, companies can successfully overcome the hurdles posed by this pandemic and become stronger and more resilient.

To address demand increases, companies need to establish additional production capacity to manage fluctuations in demand. It is crucial to assess how operational management handles change requests, which involves tasks such as production planning, inventory control, and supply chain management (LeMay, 2017). The ability to adapt workforce placement to cope with shifts in production demand is also vital, and this is where human resource management comes into play. Human resource management plays a crucial role in locating, recruiting, and training suitable contract employees (Greer, 2021). This encompasses various aspects, such as selecting the right individuals, providing adequate training, and fostering their

development to enhance productivity and work quality. Opting for contract workers enables companies to adjust their workforce according to demand surges without the need to hire permanent employees. It is important to carefully evaluate the costs and benefits of utilizing contract labor, as well as considering the potential impact on the labor market.

Aggregate planning is a crucial decision-making model in supply chain management. It involves determining the levels of production, inventory, capacity, and labor usage in the medium term (Gholamian, 2015). Traditionally, a standard mathematical programming approach is used to create the aggregate plan and minimize operational costs. However, this approach solely focuses on economic factors and does not consider sustainability. When it comes to contract workers, Indonesian labor regulations state that employers must offer permanent employment contracts to their employees after two years of service. However, many employers still rely on contract workers due to their flexibility and lower costs. The use of contract workers can have both positive and negative effects on production. On one hand, they enable companies to quickly adapt to changes in demand or disruptions in the supply chain. On the other hand, they may lead to reduced job security and lower wages for workers. Indonesia's labor market is currently facing a range of challenges, including youth unemployment, shortages of skills, and mismatches in skills. There has been slow progress in improving labor productivity and a comprehensive approach is needed to support the growth of higher-value activities (Fuglie, 2019). Labor market institutions must create a supportive environment for economic growth and the creation of jobs.

2.2 Industry Performance

National manufacturing performance began to decline sharply in March 2020, with the manufacturing PMI falling from 51.9 in February 2020 to 45.3 in March 2020, with a low of 27.5. This was backed up by an official government statement from the Ministry of Industry in April 2020, which said manufacturing capacity had fallen by 50 percent in several sectors of the manufacturing industry, excluding medical devices and the medical industry. Central Bureau of Statistics Report Q1 2020. It turns out. Of the COVID-19-affected companies, 82.85% saw their sales decrease, while 14.6% of the other companies still maintained the same revenue as before COVID-19. In particular, the construction sector recorded a sales decline of 87.94%. Based on the Indonesian Economic Growth Report Quarter III-2022, released by the Central Statistics Agency (BPS), the economy in Indonesia grew by 1.81 percent when compared to the previous quarter (quarter to quarter). In terms of production, the construction business sector recorded positive growth by growing by 4.72 percent every quarter.

After the impact of the COVID-19 pandemic subsided significantly, governments and societies began to moderate their activities. As a result of this situation, some projects have been delayed and new investments have begun to be made, albeit in large amounts and for a short period. According to (Turner, 2022), project activities can be interpreted as temporary, time-bound activities with specific funding allocations aimed at the implementation of well-defined tasks and goals. They divide construction activities into several short-term programs in anticipation that if conditions are not possible, they can limit or even stop construction activities by avoiding claims from suppliers. Now the company faces a dilemma because production demand suddenly increases and must be resolved in a short time while the company's condition at that time is to reduce production hours and reduce labor (Paul, 2021). To meet high production demand in a short time, companies must increase production hours, so that the need for employees to meet the capacity demand in the short term also increases.

2.3 Work Productivity

Work productivity means performance and efficiency where tasks and responsibilities are completed within a certain time. Increasing labor productivity is very important for companies because it directly affects their performance, profitability, and competitiveness. This includes planning and organizing work tasks, setting realistic deadlines, and avoiding distractions. Techniques like prioritizing, blocking out time, and using productivity tools, or techniques like working for a while and then taking a break can help you stay focused and less tired. This allows the job to be done well without being too distracted or tired (Cirillo, 2018). The Pomodoro technique can help individuals and groups make better use of their time. Provide training and development opportunities that improve skills, knowledge, and competencies so that employees can carry out their work more effectively and efficiently. This includes developing technical and soft skills to give employees the skills they need to succeed in their roles.

Productivity is not just the responsibility of each employee. Organizations must provide a supportive and

nurturing work environment where policies, practices, and resources are aligned to increase productivity. By focusing on these factors and continuously assessing and addressing productivity challenges, organizations can increase worker productivity, increase efficiency, and achieve their goals more effectively.

2.4 Aggregate Planning Strategy

The purpose of aggregate planning is to develop a comprehensive production plan that is efficient and optimal. In detail, aggregate planning aims to determine production capacity to meet estimated market demand in the coming period with decisions and policies regarding overtime work, backorders, subcontracting, inventory levels, and hiring or temporarily laying off employees, (Heizer, 2015)

Aggregate planning is classified as medium-term planning which plays an important role in overall operations planning. According to (Rasmi, 2021), the purpose of aggregate planning is to use human resources and equipment productively. In addition, aggregate planning is used to create an overall level of output as per fluctuating future demand needs. Aggregate planning also determines the optimal combination of production levels, labor numbers, and inventory levels.

According to (Heizer, 2015) the steps that can be carried out in aggregate planning to be optimal, first is a collection (aggregation) which focuses on a general approach, similar to company goals, production, and personnel plans are grouped based on main groups, similar products, services, work units, and time units. Second, group products with large groups so that there are not many details. The third is to flex the workforce. Finally, determine the planning period of 3 months to 18 months.

When creating an overall plan, production managers should take several considerations such as the need to use inventory to anticipate changes in demand during the planning period. Consider the need for change by fluctuating workloads and the need for part-time employment, which employees to hire, or whether overtime or free time will absorb the fluctuations (Rasmi, 2021).

2.5 Previous Research

As previously stated, PT ABC employees are permanent employees. As a result of the COVID-19 pandemic, where there is a decrease in production, to reduce costs, some employees need to be reduced in the early retirement program. Furthermore, in meeting production demand that requires additional short-term labor, employee recruitment is carried out with the status of contract workers. Changes in employment regulation to the work system can have positive and negative implications for elements of industrial relations players while the impacts caused by contract workers have negative implications such as reduced labor welfare, (Perdana, 2021) two theories, namely contract work theory and welfare theory, both of which are interrelated. In this case, the existence of contract workers who cannot choose the work makes them forced to be willing if at any time they are terminated or the contract is extended with the same salary. Due to the absence of promotion to the position of salary increase, as well as other benefits, workers cannot improve the welfare of their families.

Job satisfaction is an assessment of workers that is how far their work as a whole satisfies their needs (Mollah, 2015). Job satisfaction will be formed, influenced by the perception of actual working conditions that exist, as described in discrepancy theory, that the determinants that affect job satisfaction based on the perception of actual working conditions are based on: Compensation, supervision, the job itself, employment relations, job security. Compensation includes financial rewards and intangible services as well as benefits received by employees as part of the employment relationship (Daniel, 2019). Violations of the rules that occur in the employment relationship between employers and contract workers are a common occurrence. This usually occurs when labor is allocated to the core business and wages are equalized for workers with different marital statuses. The reasons behind this condition can be attributed to the flexibility of the labor market, which is a result of the application of free market principles. Both employers and contract workers have played a role in this, as they are thought to have helped absorb large numbers of workers, reduce unemployment rates, and generate government revenue. This condition was created without considering existing regulations (Affan, 2018)

In principle, transformational leadership motivates subordinates to perform better than they normally would, i.e., it can increase subordinates' self-confidence and self-confidence, which can influence performance gains, but not transactional leadership. Style leadership is a leadership behavior that draws out the attractiveness of subordinates. Be cautious of personal transactions involving executives and members' interactions (Hidayat, 2018)).

Compensation and job satisfaction have a very significant effect on organizational commitment, there is an indirect effect of compensation on the organizational commitment of contract workers through job satisfaction. The perception of contract workers towards employers on the indicators of benefits received

by contract workers is still quite good, but from the indicators of salary levels and salary increases, contract workers feel that employers have not provided the system as they expected. Research conducted by (Rizal, 2014) shows that the perception of compensation received by contract workers has not been able to adequately meet their welfare.

Workers at PT ABC have a long working period, generally, they feel comfortable with their work so that there are no workers who leave for a long enough period. In dealing with contract workers who will be used in meeting production demand, PT ABC needs to consider the Effect of Job Insecurity and Compensation Satisfaction on the Performance of contract employees. The variable of job insecurity negatively affects employee performance. Compensation satisfaction positively affects employee performance. While in Another study stated that job insecurity has a positive effect on employee turnover intention which means that higher job insecurity will cause low organizational commitment and then cause a high desire for a job transfer or turnover intention, (Purwanto, 2020).

2.6 Contract Employees

According to article 1 number 4 of the regulation of the Minister of Manpower number KEP-150/MEN/1999; Mentions Workers who work based on a certain time work agreement, hereinafter referred to as a certain time work agreement labor, are workers who work for employers to do certain work by receiving wages based on agreements in employment relations for a certain time and or the completion of certain work. Contract work is included in a certain time work agreement (hereinafter referred to as PKWT) because PKWT is an employment agreement that has a period or completion of a certain work by article 56, paragraph 2 of law Number 13 of 2003 about employment.

In the Indonesian Hard Work Regulation 2003 in Article 59, paragraph 1 states that the definition of an agreement worker is a worker who works in an enterprise with a sure time paintings primarily based totally on a settlement or agreement also can be referred to as a sure time painting settlement (PKWT) that is a settlement primarily based totally on a duration held for a most of two years and may handiest be prolonged 1 time for the most duration of one year.

Contract workers are people employed by a company to do their daily work. They don't have job security for a long time. Whether they can continue working depends on how well they do their jobs. If they do a good job, the company will keep them. But if they don't do their job well, companies will stop hiring them. A contract of employment is an agreement between an employee and an employer, in which the rights and obligations of the parties at the time of employment contain terms (Sitinjak, 2021). The employment relationship continues until the employment relationship is terminated.

Hiring employees in contractual or outsourced work ties seems to be a trend or model for corporate owners or leaders of companies, be it state-owned enterprises or privately owned companies. A contracting company (outsourcing) provides active labor offers to employers so that companies that need manpower do not need to bother finding, selecting, and training the required workers. Professional management of employees including outsourcing must be started from the recruitment of employees according to their training and career development abilities.

The development of an organization that becomes more complex then opens the way for companies to outsource tasks that are not main tasks or (non-core activities) guided that one of the keys to the success of a company's business performance is determined by its ability to focus on the development of the company's core activities (Yeboah, 2013). Outsourcing itself is known as one of the techniques known to improve the competitive position of the company, in other words, outsourcing can act as a means to support the non-core business activities of the company so that companies will be able to focus more on the development of their main business activities.

2.7 UU Employment Omnibus Law Version

Several articles are considered problematic and controversial in Chapter IV on Manpower of the Job Creation Law (KEP-150/MEN/1999, 1999). This issue is considered unfair to labor. Among these are the following:

1. Unlimited Contracts (Article 59)

The content of the Omnibus Law on Job Creation removes regulations regarding the term of a certain time work agreement (PKWT) or contract workers. Article 59 paragraph (4) of the Job Creation Law states that; "Further provisions regarding the type and nature or activity of work, the term and time limit for the extension of a certain time employment agreement are regulated by a Government Regulation"

Previously, the Manpower Law governing the PKWT stated that it would be at least two years at most and could only be extended once for not more than one year. The new regulations could potentially give employers the power and breadth to maintain unlimited contract worker status.

2. Holiday Trimming (Article 79)

Previously, the Manpower Act stated that workers get two days off in one week. However, in the content of the Omnibus Law on Job Creation, article 79 paragraph (2) letter (b) regulates, workers, must be given a weekly rest period of one day for six working days in one week.

Article 79 also removes the obligation of companies to provide a two-month long rest for workers who have worked for six consecutive years and applies to any multiple of the six-year service period

Then article 79 paragraph (3) in the content of the Omnibus Law on Job Creation regulates the provision of annual leave of at least 12 working days after the worker or laborer has worked for 12 months continuously.

Then in paragraph 79 paragraph (4) states that the implementation of annual leave is regulated in the employment agreement, company regulations, or collective labor agreement. Article 79 paragraph (5) also states that certain companies can provide long breaks stipulated in the employment agreement, company regulations, or collective labor agreement.

3. Reimbursement of Wage Rules (Article 88)

The content of the Omnibus Law on Job Creation has changed related to work remuneration. Article 88 paragraph (3) of the Manpower Chapter states that there are seven policies related to wages. Whereas previously there were 11 policies in the Manpower Act.

4. Abolition of Sanctions for Non-Payment of Wages (Article 91)

Another provision removed from the content of the Omnibus Act on Job Creation concerned sanctions for non-payment of wages. Sanctions on the company will be lifted under the provisions of the Jobs Creation Act.

Article 91(1) of the Labor Code states that wages fixed or agreed between employers and workers/employees or trade unions/trade unions shall not be less than the wage provisions outlined in applicable laws and regulations. It stipulates that it should not.

Section 91(2) then states that if the agreement referred to in section 1 is lower than or contrary to the employee/worker's law, the agreement shall be void and the employer shall be entitled to It stipulates that employees are obligated to pay wages by applicable laws and regulations. The content of the Omnibus Act on Job Creation deletes two articles of the Labor Code relating to the prohibition of payment of wage bills under the provisions set out in Articles 90 and 91.

5. Abolition of the Right to Apply for Layoffs (Article 169)

The content of the Omnibus Law on Job Creation also removes the right of workers to apply for termination of employment (PHK) if they feel aggrieved by the company. Article 169 paragraph (1) of the Manpower Act states that: "Workers/ laborers may apply for layoffs to industrial relations dispute resolution agencies if the company, among other things, mistreats, insults violently, or threatens"

In addition, layoff applications can also be filed if the company does not pay wages on time for three consecutive months or more. This provision is followed by paragraph (2) which states that workers will get severance pay twice, one-time service award money, and reimbursement money as stipulated in Article 156.

Then Article 169 paragraph (3) confirms that if the company is not proven to have committed the act as complained to the industrial relations dispute resolution agency, then the worker will not obtain the right.

However, all the contents of Article 169 are completely deleted from the contents of the Omnibus Law on Job Creation.

2.8 Employee Recruitment

According to (Mondy, 2015) Recruitment is the process of attracting individuals promptly, in sufficient numbers, and with appropriate qualifications to apply for jobs with an organization, Companies can also select candidates with the most suitable qualifications related to the job description. Finding the right way to encourage good candidates to apply for jobs is crucial because recruitment costs can be expensive due to improper recruitment methods. Therefore, conducting a proper recruitment program can majorly impact the company's profits.

The development of digital technology is increasingly sophisticated. Companies must also adapt by carrying out digital transformation in various sectors. One of them is at the stage of employee recruitment. In addition to keeping up with the times, employee recruitment by utilizing digital technology also aims to make the company no less competitive with other companies.

Generally, employee recruitment refers to the process of finding potential candidates to be recruited or work in a company in a particular position. Recruiters who reach out to job seekers will post job advertisements on job portals or other media. Meanwhile, the selection is a recruitment stage to find qualified candidates

from the list of applicants. The main objective is to screen every challenge, whether they have qualifications that suit the company or not.

Each company has its own needs in the recruitment process. At PT ABC due to the urgent needs of employees in a short time are only given 1-2 weeks to fill one vacant position. By using social media Starting from the process of publishing job vacancy info until candidates apply, it takes approximately 1 week. Then, the incoming data can be sorted in 2-3 days only. After that, the next stage is the interview process. Of the 100 percent of candidates who apply, maybe only 10 percent pass the interview stage. After the interview is conducted, it usually takes recruiters several days to determine the selected candidate.

2.9 Research Gap

Research gaps refer to situations where certain aspects are not considered or examined during the analysis process, resulting in gaps in research findings. The author's search results show that most of the existing journals discuss Government Efforts in Improving the Welfare of Indonesian Workers (Perdana, 2021), Legal Protection of labor Rights (Ahsany, 2020). Analysis of Job Satisfaction, Job Stress, and Job Insecurity on Employee Turnover Intention (Prillya, 2022), The Influence of Work Discipline, Motivation, Job Satisfaction and the Work Environment on the Performance of Contract Employees (Budirianti, 2020), The Effect of Job Motivation, Job Satisfaction and Transformational Leadership Style on Employee (Dewi, 2022), The Importance of Work-Life Balance on Employee Performance Millennial Generation in Indonesia (Wiradendi Wolor, 2020)

However, there has been no discussion regarding the company's strategy in utilizing temporary workers, contract employees' perceptions of their work, and job recommendations during the COVID-19 pandemic. This research aims to investigate the factors that companies consider when deciding to employ contract workers at a time of high demand, especially in the challenging context of the COVID-19 pandemic. Additionally, this research aims to understand contract employees' perspectives on their work and provide suggestions for improving their overall work experience.

3. Research Method

This study used Qualitative research, Qualitative research is a type of research that aims to gather and analyze non-numerical data (e.g., text, video, or audio) to understand concepts, opinions, or experiences. It is often used in the social sciences and in descriptive. The qualitative research method used is In-depth interviews. A one-on-one conversation between a researcher and a participant, where the researcher asks open-ended questions to explore the participant's views, feelings, and motivations on a topic. or interpretive research.

Qualitative research methods have the unique ability to explore the depths of human experiences and phenomena, thereby offering a wealth of rich and in-depth insights. In addition, these methods foster a sense of understanding and connection between researchers and participants, allowing for the development of empathy and rapport. However, it is important to acknowledge the limitations of qualitative research methods. One important limitation is a large amount of time and energy required for extensive data collection and analysis. Additionally, researcher biases and assumptions can inadvertently influence the interpretation of the data, potentially reducing the objectivity of the findings. Additionally, because of its dependence on specific contexts and situations, the generalizability and replicability of qualitative research may pose challenges.

Phenomenological studies, which are one of the various types of qualitative research, are used by authors to explore subjective experiences and individual perspectives. The goal of phenomenology is to understand how individuals derive meaning from their experiences and interpret their environment. These studies are favored because they offer comprehensive and in-depth insights into human experiences and phenomena and help researchers cultivate empathy and rapport with their participants.

4. Results and Discussion

4.1 Research

The focus of his research is on contract employees or non-permanent workers at PT ABC. In total, there are 10 people involved in this research project. Once all the necessary information has been gathered, the researcher proceeds to examine, compile, and present the data to answer the research question and further formulate broader conclusions

Before considering contract labor, PT ABC has experimented with alternative strategies to increase

production capacity without relying on contract workers. Under normal circumstances, making adjustments to work equipment, raw materials, and labor is not too difficult because all workers are permanent employees. This evaluation includes identifying any limitations in production capacity and carefully considering the advantages and disadvantages of hiring contract employees.

Using social media for employee selection has been successful in quickly finding a desired number of candidates. Those who meet the necessary criteria are then invited to participate in an online selection process, including a Zoom interview and a written exam. This process typically results in 5 to 10 qualified employees ready to move forward within a week. However, during interviews, it was discovered that the main reason prospective employees decline job offers is due to discrepancies between their expectations and actual working conditions and pay. Additionally, there are variations in assessing the character of candidates, with some showing hesitancy but ultimately performing well.

During an extensive and meticulous selection process, it is ultimately confirmed during the interview that the main factor deterring prospective employees from joining is the glaring gap between their expectations and actual working conditions, as well as the remuneration provided. In the selection process, there are prominent variations, especially in assessing the character of prospective employees. It's not uncommon to see certain employees show hesitancy, leading to speculation that they might not last long. But surprisingly, these employees often fall short of expectations and perform very well, demonstrating their ability to meet their contractual obligations.

Candidates wait anxiously for the final decision after completing all necessary steps in the recruitment process. The Administration staff later informs them that they have been selected to join PT ABC, bringing relief and happiness to the prospective employees. Despite the challenges posed by the pandemic, PT ABC successfully adapts and simplifies the hiring process, conducting online tests and interviews. Candidates eagerly accept the challenge and impress the company, leading to a second interview and ultimately being offered the job. Ivan Agustian, Brandon, Sandi Fajar Haerudin, Ade Hari Setiawan, Iqbal Haryadi, Ari Himawan, Ivan Gunawan, and Puji Saputra all share their positive experiences with the recruitment process, highlighting the efficiency and comfort of the online procedures.

The work environment in the company as a whole is quite pleasant, as evidenced by the establishment of strong friendships between employees and harmonious relationships between employees." Ade Hari Setiawan said: "Working at PT ABC is quite enjoyable because of the positive work environment and strong relationships between employees. They value a positive work environment and strong relationships between employees

4.2 Analysis

The COVID-19 pandemic has had a significant impact on various sectors, including a decline in demand and a halting of production activities. PT ABC, a company affected by these challenges, managed to overcome reduced production and is now facing the challenge of meeting the sudden surge in demand with a limited workforce. They have responded by hiring contract workers and utilizing technology for recruitment. However, there are areas for improvement, such as implementing an online system for a more efficient application process and providing specialized devices to address device-related issues. These improvements will not only enhance the recruitment process but also demonstrate the company's commitment to providing a smooth experience for all applicants.

The ongoing process of implementing and promoting changes to labor laws in Indonesia, specifically the omnibus law on Job Creation, involves various stakeholders such as the central government, local governments, businesses, trade unions, and the general public. Multiple steps have been or are being taken, including the official enactment of the Job Creation Law as Law No. This process of implementing and promoting changes to labor laws in Indonesia is still ongoing.

PT ABC recently made the transition from a traditional recruitment system to a technologically advanced recruitment system, but they faced challenges due to a lack of preparation. One of the challenges is that some employees may not be familiar with the new technology used in the online recruitment process. The obstacle is due to immature digital culture. This is by the results of previous research that non-start-up companies have a much lower digital culture score compared to start-up companies (Permana, 2021). The use of technology in the recruitment process is proven to provide more efficient and effective results when compared to traditional manual methods (Chaza Abdul, 2020). However, the integration of technology in recruitment also presents its challenges, such as concerns related to data security and ensuring fairness in the selection process.

In addition to feeling satisfaction in working as contract employees, they also feel a little disappointed when production activities and working hours are reduced. The flexibility offered by contract work in terms of

working hours and location is also attractive to individuals who have limited time or difficulty commuting to a regular workplace. Being a contract employee also brings exciting new challenges and the prospect of acquiring new knowledge and skills, which is very attractive to those looking for new experiences.

PT ABC has implemented a comprehensive plan that includes the use of contract workers and taking advantage of the latest technology. They have modernized their employee recruitment methods by using online technology and social media. Despite the challenges posed by the COVID-19 pandemic, PT ABC has shown dedication to overcoming labor shortages and meeting production demands in a short amount of time. Contract workers are hired for short-term positions and are satisfied when they complete their duties and receive overtime pay. However, they are disappointed when there is a decrease in production and working hours as it affects their workload and income.

5. Conclusion and Implications

5.1 Conclusions

PT ABC is actively responding to the challenge of meeting the growing production demand by taking important steps. To address this problem, they have devised a comprehensive strategy that involves hiring contract workers and taking advantage of technological advances. The administration responsible for employee recruitment has successfully transitioned from conventional methods to a more progressive and innovative approach, which combines the strengths of online technology and social media. This transformation allowed them to conduct the selection and interview process virtually seamlessly, effectively adapting to the challenging circumstances brought about by the COVID-19 pandemic. In addition, the potential candidates also demonstrate their flexibility and skills by utilizing interactive communication platforms and social media channels to engage and connect with the company.

5.2 Implications

Addressing a sudden increase in production by attracting temporary workers through the use of technology such as social media and online applications in the selection process to hire contract workers at short notice has several implications to consider: The use of technology such as social media and online applications can help companies quickly recruit temporary workers to handle sudden increases in production. This allows for flexibility in responding to requests and speeds up the hiring process. However, it is important to consider that rapid recruitment can result in a lack of thorough assessment and selection, potentially affecting the quality of the workforce. In addition, contract workers may require intensive training and clear policies regarding their contracts should be established.

5.3 Recommendations

There are several areas that companies can use to improve their operations, especially in the field of recruitment. One specific aspect that can be improved is the implementation of an online system, which will facilitate a more efficient application process and provide easy access to necessary information for prospective employees. In addition, it would be beneficial to include features in this system that allow individuals to share feedback and suggestions for future improvements, thus fostering a culture of continuous improvement within the company. In addition, potential solutions to address the issue of employees experiencing device-related issues during the recruitment process could involve providing specialized devices to ensure that potential candidates do not miss out on opportunities to complete online tests and assessments. By implementing these improvements, the company will not only improve its recruitment process but also demonstrate its commitment to providing a smooth and efficient experience for all applicants.

References

- Affan, I. (2018). The phenomenon of work contract and outsourcing viewed by sociological and law, Indonesia. *IOSR Journal of Humanities & Social Science (IOSR-JHSS)*, 23(5), 83-88.
- Ahsany, F., Alamsyah, F. A., Al-Fatihah, S. (2020). Legal protection of labor rights during the coronavirus disease 2019 (COVID-19) pandemic. *Jurnal Pembaharuan Hukum*, 7(2), 100-115.
- Alim, M., & Beullens, P. (2022). Improving inventory system performance by selective purchasing of buyers' willingness to wait. *European Journal of Operational Research*, 300(1), 124-136.
- Apriyanti, R., Sudiarditha, I. K. R., Saptono, A. (2021). Effect of reward and work environment on employee performance through work satisfaction as a mediation (study on employees of Pt. International Chemical Industry). *Dinasti International Journal of Economics, Finance & Accounting*, 1(6), 979-1002.

- Boushey, H., & Ansel, B. (2016). Working by the hour: The economic consequences of unpredictable scheduling practices. *Washington Center for Equitable Growth*.
- Budirianti, B. L., Agusdin., & Surati. (2020). The influence of work discipline, motivation, job satisfaction, and the work environment on the performance of contract employees. *International Journal of Multicultural & Multireligious Understanding*, 7(11), 174-184.
- Cai, M., & Luo, J. (2020). Influence of COVID-19 on manufacturing industry and corresponding countermeasures from a supply chain perspective. *Journal of Shanghai Jiaotong University (Science)*, 25, 409-416.
- Chaza, A., Wang, W., & Li, Y. (2020). The impact of technology on recruitment process. *Issues in Information Systems*, 21(4).
- Cirillo, F. (2018). *The pomodoro technique: The acclaimed time-management system that has transformed how we work*. New York: Currency.
- Creswell, J. W. (2013). *Qualitative inquiry & research design: Choosing among five approaches (3rd ed.)*. Los Angeles: Sage.
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative and mixed methods approaches (4th ed.)*. Thousand Oaks, CA: Sage.
- Daniel, C. O. (2019). Compensation management and its impact on organizational commitment. *International Journal of Contemporary Applied Researches*, 6(2), 26-36.
- Dewi, S., Yulianto, R., & Ruswanti, E. (2022). The effect of job motivation, job satisfaction and transformational leadership style on employee. *European Journal of Business & Management Research*, 7(3), 107-113.
- Dillender, M., Heinrich, C. J., & Houseman, S. N. (2020). Effects of the affordable care act on part-time employment: Early evidence. *Journal of Human Resources*.
- Fuglie, K., Gautam, M., Goyal, A., & Maloney, W. (2019). *Harvesting prosperity: Technology and productivity growth in agriculture*. Washington, DC: World Bank Publications.
- Gholamian, N., Mahdavi, I., Moghaddam, R. T., & Amiri, N. M. (2015). Comprehensive fuzzy multi-objective multi-product multi-site aggregate production planning decisions in a supply chain under uncertainty. *Applied Soft computing*, 37, 585-607.
- Greer, C. R. (2021). *Strategic human resource management*. Pearson Custom Publishing.
- Heizer, J. (2015). *Operations management: Sustainability and supply chain management*. Britania Raya: Pearson.
- Hidayat, N., & Lee, C. W. (2018). The influence of transformational leadership and intrinsic motivation to employee performance. *Advances in Management & Applied Economics*, 8(2), 1-12.
- Htun, A., Maw, T. T., & Khaing, C. C. (2019). Lean manufacturing, just in time, and Kanban of Toyota production system (TPS). *International Journal of Scientific Engineering & Technology Research*, 8(1), 469-474.
- Jackson, H., & John, M. L. (2007). *Human resource management = manajemen sumber daya manusia - 10/E*. Jakarta: Salemba Empat.
- KEP-150/MEN/1999, K. M. (1999). *Penyelenggaraan program jaminan sosial tenaga kerja bagi tenaga kerja harian lepas, borongan dan perjanjian kerja waktu tertentu*. Jakarta: Kementerian Tenaga Kerja.
- Kotabe, M., & Kothari, T. (2016). Emerging market multinational companies' evolutionary paths to building a competitive advantage from emerging markets to developed countries. *Journal of World Business*, 51(5), 729-743.
- LeMay, S. A., Helms, M., Kimball, B. & McMahon, D. (2017). Supply chain management: The elusive concept and definition. *The International Journal of Logistics Management*, 28(4), 1425-1453.
- Mollah, M. S. (2015). A critical analysis of employee job satisfaction: A case study of apple UK. *European Journal of Business & Management*, 7(7). www.iiste.org
- Mondy, R. W., & Martocchio, J. (2015). *Human resource management*. Pearson Education.
- P.P, N. 3. (2021). *Tentang perjanjian kerja waktu tertentu, alih daya, waktu kerja dan waktu istirahat, dan pemutusan hubungan kerja*. Jakarta: Kementerian Tenaga Kerja.
- Paul, S. K., & Chowdhury, P. (2021). A production recovery plan in manufacturing supply chains for a high-demand item during COVID-19. *International Journal of Physical Distribution & Logistics Management*, 51(2), 104-125 <https://doi.org/10.1108/IJPDLM-04-2020-0127>.
- Perdana, S. (2021). Comparison of government efforts in improving the welfare of Indonesian workers based on law number 13 of 2003 concerning manpower and draft law number 11 of 2020

- concerning job creation. *International Journal Reglement & Society (IJRS)*, 2(1), 35-44.
- Permana, I., Afkar, E., & Augusta, H. (2021). Differential diagnosis of digital culture in startup Vs non-startup companies in Indonesia to drive employee engagement and digital maturity. *JHSS (Journal Of Humanities and Social Studies)*, 133 - 141.
- Prillya, L. T., Lumbanraja, P., & Sembiring, M. T. (2022). Analysis of job satisfaction, job stress, and job insecurity on employee turnover intention at a manufacturing company in the industrial and chemical sector in North Sumatra. *19th International Symposium on Management (INSYMA 2022)*. Atlantis Press., 664-671.
- Purwanto, A. (2020). Effect of compensation and organization commitment on turnover intention with work satisfaction as intervening variable in Indonesian industries. *Sys Rev Pharm*, 11(9), 287-298.
- Qomarotun Nurlaila, R. I. (2023). *Lean manufacturing*. Makasar: CV. Tohar Media.
- Rachmawati, R., Choirunnisa, U., Pambagyo, Z. A., Syarafina, Y. A., & Ghiffari, R. A. (2021). Work from home and the use of ICT during the COVID-19 pandemic in Indonesia and its impact on cities in the future. *Sustainability*, 13(12) 6760., <https://doi.org/10.3390/su13126760>.
- Rasmi, S. A., & Turkay, M. (2021). *Aggregate planning: Strategies, models, and analysis*. Springer.
- Rizal, M., Idrus, M. S., & Mintarti, R. (2014). Effect of compensation on motivation, organizational commitment and employee performance (studies at local revenue management in Kendari city). *International Journal of Business & Management Invention*, 64-79.
- Roziqin, A., Mas'udi, S. Y. F., & Sihidi, I. T. (2021). An analysis of Indonesian government policies against COVID-19. *Public Administration & Policy*, 24(1), 92-107.
- Rubery, J., Keizer, A., & Grimshaw, D. (2016). Flexibility bites back: The multiple and hidden costs of flexible employment policies. *Human Resource Management Journal*, 26(3), 235-251.
- Sitinjak, I. Y., & Nainggolan, R. (2021). Legal aspects of hotel policy towards employees due to the covid-19 pandemic in Parapat. *Budapest International Research & Critics Institute-Journal (BIRCI-Journal)*, 4(1), 664-673.
- Slack, N., Brandon, -J. A., Johnston, R., & Betts, A. (2015). *Operations and process management: Principles and practice for strategic impact* (4th ed.). Harlow, U. K.: Pearson.
- Somjai, S. (2017). Advantages and disadvantages of outsourcing. *The Business & Management Review*, 9(1), 157-160.
- Widyorini, S. R., & Aniek, T. (2022). Work agreement on outsourcing system and legal protection for workers. *International Journal of Educational Research & Social Sciences (IJERSC)*, 3(1), 484-499.
- Trivedi, J. J. (2018). Recruitment: A comparative study of modern v/s traditional methods. *Excel India Publishers*.
- Turner, J. R. (2022). *The handbook of project-based management*. Prentice Hall.
- Wolor, C. W., Kurnianti, D., Zahra, S. F., & Martono, S. (2020). The importance of work-life balance on employee performance millennial generation in Indonesia. *Journal of critical Reviews*, 7(9), 1103-1108.
- Yeboah, A. (2013). The relationship between outsourcing and organizational performance. *European Journal of Business & Management*, 5(2).
- Zanabazar, A., Yondonrenchin, M., & Baljinnnyam, E. (2023). The impact of leadership styles on employee loyalty and engagement. *European Journal of Business & Management Research*, 8(4), 94-100.