The Role of Foreign Language on Multinational Companies in Indonesian Economic Development

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Abstract—Developing countries are countries whose populations have low education therefore their income is economically inclined to be low. There are many unemployed and under-capitalized, so that developing countries tend to have underdeveloped infrastructure. It is very influential on the economic development of a country. The presence of Japanese multinational corporations is one of the solutions to help solve the problems of developing countries related to the human resources aspect which is managed as business drivers. The working culture of multinational corporations is energy that can drive people to work, with a work culture of discipline, responsibility, cleanliness, and order. Mastering foreign language namely English generally and Japanese especially is able to improve standard of living. With better performance, it can automatically improve the economy of the community itself. The method used in this research is descriptive qualitative. The data collection in this research is done by library research. The results showed that multinational companies in Indonesia play an important role as the driving force of the Indonesian economy. The need for human resources who have the ability to speak Japanese and English is a must which continues to increase even outside Japan. Japanese language skills will be one of the strengths of competitiveness to support job seekers, particularly based in Asia. The meaning of support is that Japan has helped the Indonesian economy in the field of economy through capital investment of multi-national companies in Indonesia. Tax levies from multi-national companies are used to finance government programs as in the management of infrastructure. The opening of multinational companies is welcomed by the inhabitants of the country, because multinational companies have many advantages compared to other companies, including: extensive network, higher income, and clearer job description.

Keywords: Japanese language, multinational company, economic development

I. INTRODUCTION

This introduction describes the initial understanding of the role of foreign language/Japanese Language Education on multinational corporations in Indonesian economic development. The economic dimension is always present in many ways, such as international automotive sales, power politics, and the global economy. Relations between countries, the frequency of transactions, and economic events are getting more and more. In broader international relations much involves various governmental organizations and individuals. The Indonesian Foreign Investment Law (Act No. 1/1967) was issued to attract foreign investment to build the national economy. In this case in Indonesia the authority of the Investment Coordinating Board (BKPM) is to give approval and permission on foreign direct investment.

Indonesia as a developing country is a country with low incomes, so the average standard of living is low. It is very influential on the development of a country. Developing countries tend to have underdeveloped and poor infrastructure. As for examples from other developing countries beside Indonesia there are Thailand, Philippines, India, and others.

The standard of living of people in developing countries is low on average, meaning that with the low income of society, it is difficult for the public to get education up to university level. As a result, there is high unemployment, uninhabitable housing, and so on. With the high level of unemployment then many crimes in the surrounding environment becomes a problem for the society and the country.

The main problem of developing countries is economic problems. It takes a long time to solve the problem for developing countries. With the problems mentioned above, it needs a solution to alleviate poverty. This problem cannot be solved by the developing countries themselves, but the need for assistance from developed countries, such as America, Japan, Australia and others as one solution.

Japan is one of the developed countries that has concern for the problems in developing countries. Since joining the United Nations in 1956, Japan has played an important role as a member of the international community. Japan is also a member of the G8. Relations with other Asian countries are a special priority for Japan.

Japan is actively involved in various activities aimed at achieving peace, prosperity and stability in the world. Japan contributes to the settlement of global issues, such as combating terrorism, helping ensure world economic growth, and protecting the environment. Japan also plays an active role in fostering regional stability by strengthening relations and cooperation with the world's superpowers. Japan in
strengthening its economy established many multinational companies in various countries in the world

In recent years, thanks to increasingly moving overseas business transfers to areas of system development as well as customer support, diversification of tourism business, as well as strengthening economic relations among nations, the need for human resources who have the ability to speak Japanese and English increasingly continue to increase even outside Japan. For example, this year in Vietnam it has been established that Japanese language education will be applied as the first foreign language equivalent to English and so on. This change is due to the strengthening of economic relations between the two countries. For this reason, Japanese language skills will be one of the strengths of competitiveness for job seekers, particularly based in Asia which is the goal of expansion of a large number of Japanese companies that will employ local labor. (https://id.japanese-jobs.com/contents/v1/media/id/media_id_01.html)

In addition, Japan is also developing Japanese language operations around the world. It is evident that, Japan annually holds an international Japanese language proficiency test called Noken. Japanese language education in Indonesia is conducted formally growing from high school to university level.

Japan is a country with the third largest economy in the world in terms of GDP (in 2015), and Japanese companies have many branches spread across the world. In addition, Japan also has a very large domestic market, and foreign-language speakers in Japan, including English but they are few. Therefore, foreigners who have the ability to speak both Japanese and English will have high competitiveness in various fields such as business, tourism, and so on. On the other hand, Japan also has abundant resources in terms of history, tradition, and culture that can be proud worldwide. For those who are interested and want to add more in-depth understanding to these areas, of course, the ability of Japanese language is very necessary. (https://en.japanese-jobs.com/contents/v1/media/id/media_id_01.html)

Recent developments are inseparable from the appeal of the Japanese economy that has encouraged many students, to learn Japanese. As a foreign language, Japanese presence can not be separated from the Japanese people themselves which are known unique and known full of mystery and myths that envelop him. Myths about Japanese for example, it is known not only as one of the foreign languages that have different structures, but it is also said to be a language that is difficult to translate into other languages.

Mastery of foreign languages such as Japanese will be useful to accelerate the occurrence of technology transfer or transfer of information required by the company. Many companies are sending their best employees to attend various activities abroad aimed at improving the quality of the company.


The presence of multinational companies in developing countries, especially in Indonesia, of course, relates to aspects of human resources which are managed as a driver of its business. It has indirectly helped Indonesians to gain employment opportunities. It can improve community's standard of living to a better level. Japanese companies determine a wider range, focusing on different activities and goals / targets. The differences in labor market mobility for Japanese firms are more often internally focused. Japanese companies are widely known to pursue equality (equity & equality) rather than equity (equity).

IHRM or International Human Resource Management by Lado & Wilson (1994) are a number of activities, functions and processes that govern the process of attracting, developing and maintaining human resources in multinational corporations, for the development of human resources in developing countries, one of which is Indonesia, which is also an aggregate of a number of human resource management systems used to manage human resources in the environment of multinational companies, both local and international scale.

The Role of Multinational Enterprises in Indonesian Economy. Multinational companies carry a disciplined work ethic which is an energy that can move people to work with discipline, both behavior and time. This work culture has motivated people to be able to compete with the people of other countries. With better performance, it can automatically improve the economy of the community itself.

Theoretical basis

This study used descriptive qualitative method. According to Meleong that qualitative research is a scientific research, which aims to understand a phenomenon in a natural social context by emphasizing the process of deep communication interaction between researchers with the phenomenon studied (http://www.pelajaran.co.id/2016/18/pengertian-penelitian-kualitatif-dan-metodepenelitian.html). Deskriptif is a form of research aimed to describe the phenomena that exist, both natural phenomena and man-made phenomena. According to Whitney (1960: 160) descriptive method is the search for facts with appropriate interpretation. (https://idtesis.com/metode-deskriptif/). Data collection is done by library study (library research) and data collected, then processed and analyzed by using qualitative method analysis technique. Library research is an activity to observe various literatures related to the issues raised either in the form of books, papers or writings that are helpful so that it can be used as a guide in the research process. According to Kartini Kartono (1986: 28) in the Introduction book of Social Research Methodology suggests that the purpose of library research is to collect data and information with the help of various materials available in the library, the result is used as a basic function and the main tool for research practice in the field.

This theoretical basis contains the general theories to the special theory that used as the basis of knowledge to understand the process of research, understanding, traits, used in multinational companies. The results of the study explain that multinational companies in Indonesia play a role as a pillar of the Indonesian economy, namely a form of research aimed at describing the phenomena that exist, both natural phenomena and man-made phenomena.

Problem

- What are the problems faced by developing countries such as Indonesia?
What is meant by poverty, limited employment, income inequality, lack of capital, inadequate human resources, the growth rate of low national income, the high rate of population growth, malnutrition, low productivity, inadequate infrastructure?

Are educational standards and living standards of people in developing countries (especially in Indonesia) fairly low?

What is the role of Japanese on multinational companies in economic development of Indonesia?

The main problem of developing countries is the economic problems that are closely related to poverty, limited employment field, income inequality, lack of capital and inadequate human resources. Developing countries need help from developed countries to overcome the above problem. The problems that exist in developing countries especially in Indonesia can be identified as follows:

- Poverty, Limited employment, Inequality of income, Lack of capital, Inadequate human resources, The growth rate of national income is low, The high rate of population growth, Malnutrition, Low productivity, and Inadequate infrastructure.

Based on the above problems, it can be described as follows;

First, Poverty is a situation where there is an inability to meet basic needs such as food, clothing, shelter, education, and health. Poverty is understood in different ways. Its main insights include: The description of material shortcomings, which usually includes (Poverty in this sense is understood as a situation of scarcity of basic goods and services.) (https://en.wikipedia.org/wiki/Berkas:Jakarta_slumhome_2.j pg).

Second problem faced by developing countries like Indonesia is the lack of employment. Employment is an important indicator on the level of community welfare and also an indicator of successful implementation of "education".

Third issue of developing countries such as Indonesia is that income inequality is a big problem. Inadequate infrastructure leads to inequality in a development outcome. The inequality of income distribution is one of the development problems because economic growth is not much beneficial to the improvement of people's welfare if the distribution of uneven development results.

Fourth, the developing country in undergoing economic development process has a problem of capital lack. The lack of capital causes the development process will be hampered, otherwise it will cause poverty in a country.

Fifth, the developing countries have the inadequate human resources. The lowest level of labor productivity in the world is due to the lack of human resource skills. This will cause the land and labor will not have high productivity.

Sixth, problems of developing countries that become the main priority is in the field of education. Facilities and infrastructure is one of the most important factors in education. In fact, however, in developing countries, government budgets for facilities in schools are still not fulfilled.

Seventh, high rate of population growth in developing countries is much higher two even up to four times compared to growth rates in developed countries. 75% of people in the world occupy in developing countries, so no wonder if the rate of population in developing countries is very high.

Eighth, problems that exist in developing countries are health problems. Many people in developing countries are malnourished. This is because of the economic conditions which are not good. Malnutrition that occurs in developing countries is caused by the factor of poverty not because of the difficulty of getting food, but the purchasing power of the society is weak.

Ninth, Productivity which is low in developing countries is cused by the use of technology and science which is still very low will result low productivity. Thus automatically generate less skilled labor.

Tenth, developing countries generally have large areas compared to developed countries. Obviously by having a large area, infrastructure must grow rapidly. However, due to economic limitations in developing countries, infrastructure development is hampered.

II. RESULTS AND DISCUSSION

Based on the problems faced by the developing countries like Indonesia, there needs a solution. The solution requires the interference of the developed countries. Japan is one of the developed countries that has concern for developing countries. One of Japan actively provides ODA-Official Development Assistance to developing countries to assist their economic and social development. The basic policies of the Japanese ODA include support for self-sustaining undertakings by developing countries and improving human security. Japan is one of the world's leading donors in terms of ODA.

Japanese ODA is given in various forms. Grant aid, which is not required to be repaid, is provided to help developing countries meet their people's basic needs in areas such as food, health and education. Meanwhile, loans are provided for large projects with the aim of assisting economic development in a country, such as building bridges and roads. Another form of ODA is the delivery of Japanese citizens within the framework of the Japan Overseas Cooperation Volunteers - to developing countries to share their skills and expertise in areas such as technology, health and education, to local people. In addition to ODA, there are also Japanese businesses to expand their business and at the same time help developing countries to work together in business such as multi-national companies. Lately many multinational companies are emerging in developing countries. The multinational corporation seeks to work with Native entrepreneurs to help overcome various obstacles in economic growth in developing countries, such as in Indonesia, Tanzania, India, etc.

The companies are trying to open new job opportunities, help improve skills or skills, assist in technology development or technology transfer. This is welcomed by developing countries that are still under-capitalized. One form of company that most built in Indonesia is a multi-national company (PMN). In Indonesia there are multinational companies from various countries in the world. Such as, America, Japan, Korea, etc. The presence of multinational companies, of course, relates to aspects of...
human resources which are managed as drivers of its business. Positive impact on the intended country as a place of business. Furthermore, in this research more focus on Multi National Japanese company that exist in Indonesia.

Corporate Culture: Culture in this case is the human life itself that includes the thoughts, works and the results of his work. The culture consists of something that can not be palpated like values, beliefs, behavioral norms and attitude patterns. Corporate culture is energy that can drive people to work. Corporate culture is also often called corporate culture which are dominant values that are disseminated within the organization and used as a reference or employee work guidelines. Schein (1985), argues that corporate culture refers to a system of shared meanings had by members who differentiate the organization from other organizations. Meanwhile, according to Robbins (1990), corporate culture is also called as a basic philosophy that provides direction for organizational policies in the management of employees and customers.

There are seven characteristics of organizational culture as follows:

- Innovation and the courage to take risks.
- Attention to detail.
- Results-oriented.
- Oriented to humans.
- Team oriented.
- Aggressive.
- Stable (Robbins, 2001).

The presence of values perceived by all members of the organization is urgent in the corporate culture. Those values become the glue of the organization to bind members of the organization. Judging from the information system, corporate culture is useful as an instrument to maintain and disseminate knowledge, beliefs, and behavior. Matsumoto in Moeljono (2003) defines corporate culture as a set of attitudes, values, beliefs and behaviors held by a group of people and communicated from generation to generation. Thus, corporate culture not only emphasizes the system of values that are believed, but is also taught to all members of the organization. The role of corporate culture can be divided into five roles:

- Culture gives a sense of identity and pride for employees, which is creating a clear distinction between the organization with others.
- Culture facilitates the formation of commitments and thoughts that are wider than one's personal interests.
- Strengthen the standards of organizational behavior in building superior services to customers.
- Culture creates patterns of adaptation.
- Establish an overall organizational control system (Poerwanto, 2008).

The founders of the company is an important factor in the formation of the company's initial culture. They formed the vision and mission of the company that will give the form of the company. According to Schein (in Robbins, 1990), corporate culture is the result of the interaction between (1) the bias and assumptions of its founders and (2) what the first members of the company hired by founders learned of their own experience. The corporate culture built by the founders is the soul of its members, therefore it is necessary for example or exemplification of the founders to the members of the organization so that the existing culture can be moral in running the company. In this case, the founder must be able to build organizational communication that can serve as an instrument to perpetuate corporate culture. The corporate culture that has been formed, needs to be maintained in order for him to stay alive. Giving the same experience to a number of employees is a way for corporate culture to exist. The form can be cultural socialization.

Robbins (2001), argued that socialization is the process of adaptation of employees to the culture created by the organization. Poerwanto (2008), suggests that socialization consists of two main stages: learning and adaptation. Learning stage is the time employees learn about organizational life patterns. Employees learn the various rules relating to the implementation of tasks and patterns of organizational behavior. Adaptation stage is the time employees have made adjustments to the organizational system which is a process. The process of adaptation of employees is done in various ways such as exemplary of leaders, characterizing the story of the predecessors in raising companies, routines, symbols and slogans or creeds. The presence of multinational corporations in the field of world economy and politics, feels very conspicuous. Multinational companies have a positive impact on developing countries. Positive impact of multi-national companies, among others:

First, as a foreign investor whose role in filling the gaps or lack of resources between the targeted investment level and the actual amount is a “mobilized savings” that can be mobilized.

Second, by collecting taxes on the profits of multinational corporations and participating financially in their domestic activities, developing country governments expect that they will be able to help mobilize financial resources in order to finance development projects better.

Third, these multinational companies will not only provide financial resources and factories just to developing countries acting as a host, but they also provide a "package" of resources needed for the overall development process, including as well as experience and managerial skills, entrepreneurial skills, which can eventually be manifested and taught to domestic entrepreneurs.

Fourth, multinational companies are also useful to educate local managers to know strategies in order to make contacts with overseas banks, to seek alternative sources of resources, and expand marketing networks to the international level.

Fifth, multinational companies Lately, thanks to the increasing passage of business transfers abroad for areas of system development and customer support, diversification of tourism business, as well as the strengthening of economic relations between nations, the need for human resources who have the ability to speak Japanese continues to increase eventhough in outside Japan. For example, this year in Vietnam it has been established that Japanese language education will be applied as the first foreign language equivalent to English and so on. This change is due to the strengthening of economic relations between the two
countries. For this reason, Japanese language skills will be one of the strengths of competitiveness for job seekers, particularly based in Asia which is the goal of expansion of a large number of Japanese companies that will employ local labor. (https://en.japanese-jobs.com/contents/v1/media/id/media_id_01.html)

In addition, Japan is also developing Japanese language operations around the world. It is evident that, Japan annually holds an international Japanese language proficiency test called Noken. Japanese language education in Indonesia is conducted formally growing from high school to university level.

Japan is a country with the third largest economy in the world in terms of GDP (in 2015), and Japanese companies have many branches spread across the world. In addition, Japan also has a very large domestic market, and foreign-language speakers in Japan, including English which are few. Therefore, foreigners who have the ability to speak in Japanese will have high competitiveness in various fields such as business, tourism, and so on. On the other hand, Japan also has abundant resources in terms of history, tradition, and culture that can be proud worldwide. For those who are interested and want to add a deeper understanding to these areas, of course the ability of foreign / Japanese language is needed. (https://en.japanese-jobs.com/contents/v1/media/id/media_id_01.html).

Recent developments are inseparable from the appeal of the Japanese economy that has encouraged many students, to learn Japanese. As a foreign language, the Japanese language presence can not be separated from the Japanese nation itself. It is known as a country whose economy has developed. Japan is also known not only as one of the foreign languages that have different structures, but it is also said to be a language that is difficult to translate into other languages.

Mastery of foreign languages such as Japanese will be useful to accelerate the occurrence of technology transfer or transfer of information required by the company. Many companies send their best employees to attend various activities abroad aimed at improving the quality of the company (https://hermansah.wordpress.com/2009/04/28/companies-wajibkan-pegawai-kuasai-bahasa-asing/).

The presence of multinational companies in developing countries, especially in Indonesia, of course, relates to aspects of human resources in which are managed as a driver of its business. It has indirectly helped Indonesians to gain employment opportunities. It can improve the life of society to a better level. Japanese companies determine a wider range, focusing on different activities and goals / targets. The differences in labor market mobility for Japanese firms are more often internally focused. Japanese companies are widely known to pursue equality (equity & equality) rather than equity.

The opening of multinational corporations is welcomed with the inhabitants of the country, as international companies, they have a profit share in comparison with other companies, among them as follows:

1. Extensive network: Multinational companies have a wide network of jobs, the company is not only developed in one country, but many. Therefore, opportunities for overseas are great for training or addition of workers in other countries.

2. Higher Income: This makes many people choose multinational companies, because multinational companies offer higher salaries compared to other companies. Not only salary, this company also has more facilities in comparison with private companies or other national.

3. Descriptive work more clearly: Work Description given by multinational company is more clearly or not overlapping so that we feel comfortable in our work (http://sigitbim.blogspot.co.id/).

The role of multinational corporations in the Indonesian economy, carrying a disciplined work ethic which is an energy that can move people to work with the discipline of both behavior and time. This work culture has motivated people to be able to compete with the people of other countries. With better performance, it can automatically improve the economy of the community itself.

The research method used in this research is descriptive research type that is a research form aimed to describe the phenomena that exist, both natural phenomena and man-made phenomenon. Data collection is done by library study (research library) and data collected, then processed and analyzed by using qualitative method analysis technique. The results of the study explain that by mastering the Japanese language, the opportunity to work in larger multinationals and the possibility of earning a higher income. Thus the role of Japan as a developed country in addition to seeking profits while providing employment opportunities to local communities in Indonesia. Thus multi-national company financing in Indonesia serves as Indonesia's economic support through taxes, and employment opportunities for its citizens.

In the era of globalization it can be said that the boundaries between countries are considered to be more subtle. This is because inter-country interaction is made easier, both in information exchange, commerce, technology, lifestyle and other forms of interaction. Such circumstances are influenced by increasingly sophisticated communication technology and the increasingly widespread economic activity in the world market.

International Human Resource Management by Lado & Wilson (1994) is a number of activities, functions and processes that govern the process of attracting, developing and maintaining human resources in multinational companies. Human resource management in multinational corporations involves more complex arrangements, such as issues of applicable labor regulations, wage & transfer pricing conversions, expatriates, and cultural issues. Culture in this case is the human life itself that includes the thoughts, works and the results of his work. Culture is a value, belief, behavioral norms and attitude patterns that ultimately affect the culture of behavior and work culture. With good human resource management as well as changing the behavioral culture of society itself becomes better in the family environment as well as in the wider scope as citizens of the city or national.

Multi-national companies from Japan in Indonesia have exemplified the good values of the Japanese people. This is known as Kaizen culture. Kaizen is a term in Japanese culture
that means continuous improvement. In Kaizen culture, all the good way of life in terms of work or social life or even married life needs to be perfected at all times. The view implies that everyone must perfect his life any time. Kaizen culture is always applied by the Japanese community which has 5 noble values and are often referred to as the 5S movement. These values are made into philosophy in their daily lives and are a strong and sustained value throughout their lives. The 5S movement is (Seiri, Seiton, Seiso, Seiketsu, and Shitsuke). The explanation is as follows:

1. Seiri (compact) is an activity to get rid of items that are not needed so that all goods that exist in the work location is only the goods that are really needed in work activities. 2. Seiton (neat) i.e everything must be placed according to the position set so ready for use when needed.

3. Seiso (resik) is an activity to clean the equipment and work area so that all work equipment is maintained in good condition.

4. Seiketsu (care) is a personal hygiene activity as well as complying with the previous three stages.

5. Shitsuke (diligent) is the maintenance of personal discipline of each worker in carrying out the five stages (https://www.linkedin.com/pulse/20140904062203-1548845822-analisis-budaya-perusahaan-mnc-multinational-corporation-bersis-basis-je-pang-di-indonesia)

5S is always applied in Japanese multi-national companies in Indonesia. With the application of the value of 5S it also teaches about the meaning of discipline. With discipline can change people's behavior more responsibly, working in multinational corporations on an increasingly income economy, while changing lives for the better.

The role of multi-national companies in Indonesia as a developing country is to invest funds by mobilizing through business, government development projects. Other than that, Multi-national companies provide the resources needed in the development process in the developing country as a whole including experience and managerial skills, entrepreneurial skills, and ultimately can be manifested and taught to domestic entrepreneurs.

The work culture of multinational companies is energy that can drive people to work, with a work culture, discipline, responsibility, clean, and order. By working like this automatically can support their lives for the better and can improve the economy of the community itself. Multi-national companies also through taxes paid to the state have significant economic value. Where the tax is managed by the government to fund a variety of inadequate infrastructure or open new infrastructure for the smooth transportation and improve the economy in various regions in Indonesia.

III. CONCLUSION

Indonesia as a developing country in poverty alleviation can not be done alone, but need the help of developed countries. One solution in alleviating poverty is the existence of investments through multinational corporations engaged in various fields of automotive and other franchises. The presence of multinational companies in Indonesia, of course, is related to the human resources (human resources) which is managed as a process to improve the quality of human resources by making labor regulations applicable, wage conversion & transfer pricing, to cultural issues, which ultimately affect employee work culture. The purpose of culture is to equip members with a sense of (identity) of the organization and generate commitment to the values adopted by the organization. It has changed people's behavior into accountability, better discipline.

With globalization, multinational companies (multinational corporation / MNC) can be freer to expand to developing countries including Indonesia. In addition to obtaining new resources, the expansion of market share, on the other hand multinational companies is a driver of society to be able to live better, especially in developing countries like Indonesia.

Working in Multinational Enterprises has many advantages over other companies, including: extensive networks, higher revenues, and clearer job descriptions. Japanese companies determine a wider range, focusing on different activities and goals / targets. The differences in labor market mobility for Japanese firms are more often internally focused.

Strong group orientation is a common label that is still widely applied to Japanese companies, probably because of a culture that is still very collective. Original Japanese values that are still applied to MNC Japan companies are 5S, namely Seiri, Seiton, Seiso, Seiketsu, and Shitsuake. Industrial relations in Japanese firms tend to favor trade unions. Discussions between management and employees called Roushi Kyougi were also conducted to express opinions, wisdom, and ties within the company.

Japan's role in the problems of Indonesia develops foreign language education. Japan invests through multi-national companies in addition to seeking profits, Japan provides opportunities for local communities to participate in disciplined workers in multi-national companies. By mastering a foreign language, it facilitates the transfer of technology which in turn can increase the income of local people therefore can automatically improve the living standards of the community itself. We as citizens of Indonesia, including developing countries must begin an action towards the change in order for Indonesia to become a developed country.

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