Strengthening the Role of Private Training Institutions for the Preparation of Skilled and Professional Workers

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Abstract—Public participation is essential for the realization of a professional training institution with a competent workforce output and ready to work independently or enter the labor market. Based on the fact, most of the existing private training institutions are mostly growing, surviving, and growing minimally without even coaching by the government. In the future, the challenge will be greater as the democratization, global competition, and technological and information changes move towards the era of industrial revolution 4.0. The government's guidance portion for private training institutions and government-owned training institutions should be the same so that they can grow and develop fairly and optimally in order to achieve the goal of sustainable development (SDG's). Through literature study methods obtained data from government agencies, non-governmental organizations, scientific research reports, and other data sources. Then the data are grouped, analyzed, compared and correlated with each other so as to formulate some important parameters that relate and influence to the strengthening of private training institutions, include community aspirations, local wisdom, business climate, government policy, standardization of quality, brand image of the institution, relevance programs with the needs of the labor market.

Keywords—Strengthening, Training Institutions, Skilled Workers

I. INTRODUCTION

This study begins with the question of why private education and training institutions should be strengthened in order to prepare qualified workers. Private education and training institutions should be prepared to respond to rapid and changing educational patterns and the impact of globalization in all areas of life including nonformal education, bringing fierce competition in the field of education services business. Community-based non-formal education institutions such as vocational institutions, courses and training institutions, education and training centers and other designations must always be prepared for the challenges and changes that occur in society.

One of the employment challenges in Indonesia is that the labor force of primary and junior high school graduates still dominates which reaches 60 percent of the total Indonesian workforce [1]. In fact, the rapid development of technology, has changed the character of work that requires high competence. Therefore the readiness of workers who are able to adjust to the development of technology and especially information technology is something urgent in order to improve the competitiveness of the nation. Otherwise the dominance of foreign workers will increase, while the Indonesian worker only gets rough job with low wage value.

Related to this, private education and training institutions must prepare competent instructors and technology-based equipment that are in line with the demands of the business world and the job market. This can be proved by various related research results, such as research by Wikanah which says that one of the characteristics of quality learning in Course and Training Institute is designing learning curriculum in collaboration with business and industry, using media, multimedia, internet in learning, using effective teaching strategies, and providing services to students with a mastery learning system [2]. The same thing was reinforced by Sujanto in his research which concluded that a course and training institution must improve itself to deal with it, the strategy carried out by using the quality assurance of the institution and increasing the number of partners with the business and industry through quality assurance and developing strategies partnerships used to penetrate the labor market [3].

Based on the above thinking, it can be concluded that the focus of training of private educational institutions by the government is to encourage and
facilitate them to provide non-dominant training in the aspect of administration or business management to the students but the government should encourage and promote training programs and apprenticeship based technology and transfer science in accordance with the needs of the labor market. Therefore, private training institutions should cooperate with recruitment agencies or businesses and industries in determining the needs analysis of training and formulating relevant training curricula [4].

The above thinking is a description of the condition of private education and training institutions in general in Indonesia which has become a concern for many parties, especially for the training institutions themselves. There are still many unresolved issues in strengthening the role of private training institutions, including: the limited number of private training institutions whose growth rate is not the same as the growth rate of working age, the types of training institutions that are not synchronized with the absorption of the business world and industry, the quality of services that do not fit standards (not yet all accredited), curriculum that is not relevant to employment, and minimal operational budget for training, and lack of appropriate and representative training infrastructure [5].

In this paper various field data will be discussed from various sources such as research reports, scientific books, and data from various relevant agencies. All of these data are linked, analyzed, and given conclusions or solutions to solve problems related to obstacles in strengthening the role of private training institutions to prepare a skilled and professional workforce.

II. CHARACTERISTICS OF PRIVATE TRAINING INSTITUTIONS AND THE PROBLEMS IN INDONESIA

In Indonesia, many government regulations concerning the implementation of job training for employment as well as what type of executing institutions. Indonesia’s legislation number 13 of year 2003 about employment regulate that job training is conducted by work training institutions either by the government and / or by private institutions. Then Government Regulation number. 31 yearof 2016 and Government Regulation number 11 year 2013 states that the work training institutions are government agencies, legal entities or individuals who meet the requirements to conduct job training.

Further, Indonesia’s legislation number 20 year 2003 explains that the courses and training institutions are one form of non-formal educational institution organized for people who need knowledge, skills, life skills, and attitudes to develop themselves, develop professions, work and self-employment. The derivative is Government Regulation number 17 year 2010 which explains that courses and training are held for the community to develop professional personalities and to improve vocational competence. This means that The Course and Training Institute and Community Learning Center (guided by Ministry of Education), then the Work Training Institution and the Private Workplace Training Center (guided by Ministry of Manpower), and the other kinds can be established by the community or individual (private).

Today many educational and training institutions are built and organized by the community. The shape and the name are various. In this case, the focus of our discussion is private education and training institutions that provide skills training to produce skilled and professional workforce in a particular field. Based on data released by the Ministry Education and Culture (2015) there are several private education and training institutions with various types, as contained in table 1 below.

<table>
<thead>
<tr>
<th>Source: Ministry Education and Culture of RI year 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 1. Education and Training Institution Which is Supervised by the Ministry Education and Culture of RI year 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Type of Training Institution</th>
<th>State Owned</th>
<th>Privately Owned</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Course and Training Institute (LKP)</td>
<td>12</td>
<td>17,237</td>
<td>17,249</td>
</tr>
<tr>
<td>2</td>
<td>Community Learning Center (PKBM)</td>
<td>86</td>
<td>10,965</td>
<td>11,051</td>
</tr>
<tr>
<td>Total</td>
<td>98</td>
<td>28,202</td>
<td>28,300</td>
<td></td>
</tr>
</tbody>
</table>

Then, the ministry of labor also released data. In 2016, there are several training institutions with various types, as contained in table 2 below.

<table>
<thead>
<tr>
<th>Source: Ministry Manpower of RI year 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2. Education and Training Institution Which is Supervised by The Ministry Manpower of RI year 2018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Owner</th>
<th>Job Training Center (BLK)</th>
<th>Productivity Job Training Center (BLKP)</th>
<th>Private Job Training Institutions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Central Government</td>
<td>17</td>
<td>2</td>
<td>-</td>
<td>19</td>
</tr>
<tr>
<td>2</td>
<td>Local Government</td>
<td>281</td>
<td>22</td>
<td>-</td>
<td>303</td>
</tr>
<tr>
<td>3</td>
<td>Privately Owned</td>
<td>298</td>
<td>24</td>
<td>8.066</td>
<td></td>
</tr>
</tbody>
</table>

Refer to Table 1 and 2 above, this means that the government should facilitate and protect the existence of private training institutions to develop the professional personality, vocational skills of learners through life skills education where life skills education
is one of education obtained through non-formal education.

The same ideas be formulated by Roodbari, Sahdipoor, and Ghale in UNICEF (2012). Their research showed that life skill training has a positive effect and improves social development, emotional and social adjustment, suggesting an increase incompatibility of children and public health. Then, Ramesh and Farshad in UNICEF (2012), in his study proved the effectiveness of life skill training in increasing mental and physical health, pro-social behavior and decreasing in behavioral, social problems & self-destructive behaviors.

In comparison, the same thing was found in Malaysia. According to Rus et al. (2015) Malaysian Education Development Blueprint’s (2013-2025) emphasis on the holistic formation of students inline with quality human capital formation is based on the national philosophy of education. This blueprint is in line with the Government Transformation Program (GTP), which propels Malaysia towards becoming a developed and high-income country. Quality students are able to learn through formal, non-formal, and informal education as well as through meaningful experience. There are six main factors that contribute to an environment, which is conducive to effective learning in training institution. There are 1) trainee characteristics; 2) curriculums and training system; 3) pedagogy; 4) training facilities; 5) instructor’s experience: and 6) relationships. Especially for adult training, pedagogy can be changed by andragogy.

Referring to the objective of establishing a private job training institution that is the provision of skilled labor, the main program of private training institutions is life skills programs, especially vocational skills education. Life skills education as a basis for education in private training institutions should be managed well and professionally so that the program can really give birth to an independent and skilled workforce and ready to enter the labor market.

At present, the understanding of many elements is still less related to the role of private training institutions in community empowerment, especially in the field of employment and contributes to the emergence of independent businesses in the community. Various facts show that the budget provided by the government for the development of private institutions is still relatively less. Human resources that manage the training of private training institutions are still limited and the government's spirit to make the priority programs in the labor ministry also appear to be lacking.

Globally, similar conditions are also found in some countries. According to UNICEF (2012), life skills education is an important vehicle to equip young people to negotiate and mediate challenges and risks in their lives, and to enable productive participation in society. UNICEF is an advocate for life skills education (LSE), and has been a source of support for life skills education programmes in many countries. A global evaluation was commissioned by the UNICEF Evaluation Office to assess the relevance, coverage, efficiency, effectiveness and sustainability of LSE initiatives, and to consider UNICEF’s role and additionality in support of the programmes. The evaluation also examined the situation of a range of countries with respect to accepted knowledge about the content, standards and benchmarks for successful LSE programmes, both in schools and in non-formal education settings.

III. SOLUTION FOR STRENGTHENING THE PRIVATE TRAINING INSTITUTIONS

To solve today’s problems and as an effort to improve the role of private education and training institutions, there are four important aspects that should be improved, there are: 1) synchronization between employment requirements, graduate competency standards, and type of education and training institution; 2) quality control by government through institute accreditation program; and 3) fair and balanced budgeting for private and government education and training institutions: and 4) Promotion and Partnership

A. Synchronization between Employment Requirements, Graduate Competency Standards, and Type Of Education And Training Institution

Currently there are two factors competence of Indonesian labor that is the problem that is 1) the level of competence of workers is still below the standards required by the industry; and 2) a competent workforce has not received official recognition in the form of a competency certificate. Thus, the accredited training institutions or other accredited training institutions may conduct competency tests and issue competence certificates for learners who pass the competency test as described in Article 103 paragraph (4) and (5) of Government Regulation No. 17/2010 concerning the management and organization of education.

Based on data of Global Competitiveness Index (GCI) Year 2016 it is known that Indonesia ranked 41 after Azerbaijan, Chile, and Thailand, while in Asean, Indonesia ranked 4 and under Thailand, Malaysia and Singapore. But in the Year 2017 Indonesia rose to rank 36. This shows that the competition of Indonesian
citizens in global competition, especially in business and employment is still far behind when compared to citizens in other Asian countries. Therefore the challenge ahead is how to give birth to a qualified workforce that is able to compete with foreign workers, both domestically and abroad.

Referring to data released by the Departemen Ministry of Manpower Indonesia (2017) we can see the distribution of available employment data at present. The highest employment sector was in the agricultural sector (31.86%), followed by the trade sector (23.37%), community services (18.82%), industrial sector (13.31%). While the financial and mining sectors are very small (1.10% and 0.34%). This data shows that the agricultural sector becomes a big opportunity in labor absorption. This is relevant to Indonesia’s geographical condition is agriculture-based and the main livelihood of its people as well as farmers. The trade sector is also absorbing large enough because it is influenced by the density of the population and the vastness of Indonesia, so that the movement of goods and people between regions and islands has been increasing all the time.

The ironic thing is that the absorption of manpower in the financial, mining and industrial sectors is very minimal, whereas in the age of globalization characterized by digitization as a characteristic toward the era of industrial revolution 4, the financial and mining sectors should be improved as well. Allegedly, one of the causes of the occurrence of this condition is because this sector requires adequate information technology capabilities, as well as technical skills that require special education and training. The question is whether the existing training institutions, especially private training institutions that the number of relatively many have been able to prepare a skilled workforce and experts in the financial sector of industry and mining. Therefore the laborers working in this sector are paid a high salary because of their limited amount [10].

Based on the above analysis, the formation and fostering of private training institutions should be prioritized to training institutions that organize training related to the business world of finance, industry and mining. Besides that, the absorption of manpower in the agricultural sector, the labor required in the agricultural sector is skilled in using digital information technology, industrial engineering, and expertise in managing finances.

In order for private training institutions to always exist, the training programs offered must refer to the needs of the labor in the most demanding sectors, namely in the agricultural, trade and other social services sectors [11]. But along with the industrial revolution 4, the curriculum offered should also provide knowledge and skills quite related to information technology. Furthermore, private training institutions also prioritize graduate competency standards in accordance with the needs of local employment, and increase the number and strengthen training institutions relevant to the needs of the workforce.

B. Quality Control by Government through Institute Accreditation Program

Nowadays the quality of educational institution is important in order to fulfill public trust to education institution. The same applies to non-formal education institutions, including private educational and training institutions. Often we hear private education and training institutions that are not credible and unclear how they carry out a comprehensive educational process. There are eight educational standards that are benchmarks in determining the quality of educational institutions. Therefore, accreditation programs conducted by independent institutions is a must so that the public can know the quality of an educational institution offered to the community [12].

The quality control of non-formal education institutions under the guidance of the Ministry of Education and Culture is conducted by the National Accreditation Board for Early Childhood Education and Community Education (BAN-Paud and Dikmas), while the institutions that accredited educational institutions and trainings outside the target of the Ministry of Education and Culture such as the Accreditation Institute of the Work Training Institute (LA-LPK) for the institutions that are fostered by the Ministry of Manpower, the State Administration Institution (LAN) for all civil state apparatus training institutions, and various other accreditation bodies, either by professional associations or by certification institute of product and service which have national standard and international standard.

For example, in non-formal education institutions, especially the Institute of Courses and Training (LKP), an institution that is directly supervised by the Ministry Education and Culture (2015) in the period of 2009-2013 has been done accreditation process of 6,768 institutions with the results as described in Table 3.
Based on the data in Table 3, we can interpret that there are still few accredited courses and training institutions with good performance criteria, even those with very good performance (A) are only around 1.05 percent and perform well enough (B) around 10.8 percent. It should be understood by all stakeholders who care about the quality of the course and training institutions. It does not make sense if the courses and training institutions can compete with government-owned and even foreign-owned job training institutions if their quality is below standard. Therefore, the government should provide sufficient supply to all private educational institutions and training, especially courses and training institutions so that they can follow the accreditation program. Thus we can create an institution's development roadmap based on the number, criteria, and targets to be achieved over a period of time to enable each private educational and training institution so that they can catch up with them[13].

C. Fair and Balanced Budgeting for Private and Government Education and Training Institutions

So far, the budget given to private training institutions for management and operational management of institutions is relatively less when compared with the budget for government training institutions, while the role of both are the same in order to prepare skilled and professional workers. Private training institutions seem to be under-scrutiny, and activities depend on budget availability from managers. Even more tragic is for private training institutions that do not have commercial production units or commercial services because there is no income generated from production and service activities. Most private training institutions get operational funds only from donation payments from learners.

For example, in 2015 there was an unbalanced and unsustainable budgeting from the Ministry of Education and Culture for the course and training institutions (LKP). The operational cost of education (BOP) granted to the course and training institution in 2015 amounted to Rp 18.3 billion, but in the following year there was a decrease in the budget to only Rp 3 billion. As a result, in 2016 many training institutions are stagnant and not perfect activities, even many private training institutions that do not get a budget at all. Therefore the term "There is a Budget Assistance, There is a Training Program" is something that we often hear. All training institutions both private and public should be given operational costs fairly, balanced, and in accordance with the priority needs of the institution.

Based on the Regulation of the Minister of Manpower of the Republic of Indonesia Number 6 Year 2012, it is explained that each work training institution is entitled to sufficient budget for institutional development, program, accreditation, and institutional socialization. In reality, however, the government prioritizes the funding to state education and training institutions although it is not yet institutionally feasible to implement certain training for the preparation of professional workers. In one aspect there are many private-sector training institutions on a large and small scale expecting budgetary assistance from the government.

In principle, actual institutional strengthening assistance by the government is required as one of the strategic development frameworks. The aids are intended as triggers for courses and training (LKP) to be able to provide comprehensive services in the context of providing quality and professional training courses and training in national and international sciences.

Other types of guidance should also be provided by the relevant agencies, especially the direct supervisory institutions, so that the courses and training institutions (LKP) receive physical / non-physical assistance, directly / indirectly such as assistance in capacity building of facilities and infrastructure, learning capacity, management training, other or in other types of assistance tailored to the development needs of institutions today.

D. Promotion and Partnership

Today we are leaving the era of globalization into the era of industrial revolution 4. It is a necessity that promotional activities and partnership of an institution with many parties is urgent and important. One way to expand the network of partnerships is through advertising in various media such as print, electronic, and other publications. Pujianto (2003), in his research reported that advertising is one of the promotional media in marketing products to consumers in order to consume the products offered. The strategy that is often done by the producers in marketing their products is through advertising media that is by

**Table 3. Accreditation of Courses and Training Period 2009-2013**

<table>
<thead>
<tr>
<th>No</th>
<th>Criteria</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Performance A</td>
<td>63</td>
<td>1.05</td>
</tr>
<tr>
<td>2</td>
<td>Performance B</td>
<td>647</td>
<td>10.80</td>
</tr>
<tr>
<td>3</td>
<td>Performance C</td>
<td>2,670</td>
<td>44.58</td>
</tr>
<tr>
<td>4</td>
<td>Performance D</td>
<td>2,319</td>
<td>38.72</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>6,768</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source : Ministry Education and Culture of RI year 2015*
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By (Meyana, Ulfatin, & Sultoni (2017), as a vocational partnership aspects are very important. Described by (Meyana, Ulfatin, & Sultoni (2017), as a vocational training center there are several factors that need to be concerned that is (1) the purpose of partnership; (2) principles used in the implementation of partnership; (3) partnership planning; (4) organizing partnerships; (5) benefits of partnership; (6) types of partnerships; (7) obstacles faced and how to solve the implementation of partnership.

Based on observations so far, the aspects that are often overlooked in promoting and improving the network. Based on observations so far, the aspects that are often overlooked in promoting and improving cooperation network is not good impression or image of non-formal education institutions or private training institute in the community. Future efforts are what needs to be taken into account in running a promotion and building a partnership network is how to build a positive image of the institution. The appearance of the institution should show the seriousness, quality, and conditions that show the institution's reputation and attract the community. There are four aspects that should be considered related to the brand image of the institution that is the appearance factor (promotion, location appearance, internal arrangement), the quality aspect of the program (human resources, process, infrastructure, graduates, placement, administration and network) work culture, employee performance, and work climate, and achievement aspects (trust, appreciation, and innovation). In the framework of promoting and expanding the network of partnerships, several individuals that should be embraced by institutions and individuals are leaders of similar training institutions, leaders of relevant government agencies, business and industry players. Institutions that need to be invited to partner are employment agencies, training institute associations, professional associations and expertise, and other social organizations [16]. The types of partnerships include bargaining, coalition, joint venture, negotiation, cooptation, coalition, and collaboration. This partnership can be done with domestic and foreign institutions, both bilaterally and multilaterally.

IV. CONCLUSION

Based on the above description and analysis, we can draw two conclusions, are as below:

1. Some important roles of private educational institutions are:
   a) as non-formal education service centers that can be accessed directly by the community, especially in the aspect of life skills education or vocational education;
   b) as a center for skilled labor suppliers for business and industry

2. To strengthen the role of private education and training institutions should be done the following steps:
   a) synchronization between employment needs, graduation competency standards, and types of educational and training institutions;
   b) the quality control of services by the government and other parties through the accreditation program of the institution, both on the aspect of quality of training and quality of administration;
   c) the focus of coaching by the government is on the private training institutions that have the highest labor demand that is based on agriculture, trade, and social services, not on language, business, and management;
   d) equal, fair, balanced, gradual and comprehensive counseling between private

There are four aspects that should be considered related to the brand image of the institution that is the
education and training institutions and state
education and training institutions on aspects
of management, curriculum and budget.

e) promotion and partnership networks and
facilitated by the government.

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