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## **Formulating post placement empowerment of Indonesian migrant workers policy: What are the roles of stakeholders?**

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**Abstract:** This study aims to identify the relationships, power, and influence among stakeholders and analyse their role in the post placement empowerment of Indonesian migrant workers. This study further intends to analyse the existence of convergence and divergence between stakeholders. The sequential explanatory mixed method was employed, with Matrix of Alliance and Mactors used as the tools for analysis, with 13 stakeholders and 8 objectives. The findings of this research revealed that the actor with the most influential and

low-reliance role is academics. Four objectives were positively accepted by all stakeholders, while the remaining four entailed ambiguous acceptance; both positive and negative responses were received. The analysis of convergence and divergence demonstrates that stakeholders tend to cluster according to similarity of interests. The central implication of this study is that education may serve as the driver that is acceptable to all parties, and the role of education should be considered during the formulation of empowerment formulas.

**Keywords:** convergence; divergence; MACTOR; migrant worker; stakeholder analysis.

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## 1 Introduction

Migrant workers entail economic, social, cultural, and demographic implication for their personal life, their families', as well as for the country of origin and the country of destination (IOM, 2010; Gagnon, 2014; Hines, 2014; Borjas, 2015). Their impact on migrants' personal life and their families is guided by motives of altruism and self-interest motives. Altruism implies migrant workers' concern with regard to their families in the home country, toward whom their remittances are directed, with the expectation

that they could improve their families' welfare. Evidence of the altruism motive is manifested when migrants send more money home when the economic conditions of their native country deteriorates, so that their families may still meet their daily needs during the financial crisis (Frankel, 2009; Singh et al., 2014; Khodeir, 2015). Lueth and Ruiz-Arranz (2006) observed that the volume of remittance corresponds to and positively influences the growth rate of GDP per capita, and thus supports the altruism hypothesis. Remittance enhances the economy through improvement in educational level of migrant workers' family members, as well as financial and institutional improvement of their native society in general (Leon-ledesma et al., 2006; Lueth and Ruiz-Arranz, 2006; Piracha and Vadean, 2010; Verner, 2005).

Conversely, the motive of self-interest drives migrant workers to allocate the remittance for their own benefit, in which case they send their remittances for investment in economic assets. This motive leads to a positive relationship between migrant workers' remittance and domestic economic activity (Lueth and Ruiz-Arranz, 2006). A study in Egypt discovered that migrant workers' motivation to save and invest in productive assets during the pre-placement phase is extremely low; only 1% of their income is dedicated to saving and productive investment, as opposed to approximately 20% remittance received by households that they invest in property, MSME's, stock market, and agricultural activities, during the period of migrants' placement (Jureidini et al., 2010). Yang (2008) investigated whether the proportion of remittances used for consumption or investment depends on the household income. The results revealed that most remittances tend to be spent on food and durable goods in poor households, whereas in wealthy households, most remittances are used for business or human capital investment. Yang (2008) also found that the Asian financial crisis, which caused changes in the exchange rates of various countries, affected the incomes of Filipino migrant workers in a different manner. When the dollar exchange rate increases against local currency during crisis, the business scale of households with business activities also increases. Other studies also indicate the positive effect of migrant families entering new business activities after the placement of migrant workers (Yang, 2008; Amuedo-Dorantes and Mundra, 2013; Pozo, 2014).

Indonesia contains the world's fifth largest population size, with 252.3 million people. This large population generates a large labour force. The Central Bureau of Statistics (*Biro Pusat Statistik, BPS*) reported that the number of people aged 15 years and over was 184.6 million, with the total labour force equalling to 128.3 million, out of which, 120.8 million were employed, while the remaining 7.5 million were still unemployed (2015). This data indicates that the unemployment rate in Indonesia reached 5.8%. The number of employment opportunities is only 1.6 million, resulting in a gap of 1.3 million people per year. The main weakness of the Indonesian workforce is the low level of education. BPS data shows that 20% of unemployed workers only have an elementary school degree, only 22.6% have junior high school education, 40.07% have senior high school education, while 9.7% of the unemployed workforce have diplomas and bachelor degrees.

Limited job opportunities in the native country encourage people to work abroad. Government programs for employment provide opportunities for Indonesian migrant workers (*Tenaga Kerja Indonesia/TKI*) with special requirements. The data from the National Agency for the Protection and Placement of Indonesian Migrant Workers (*Badan Nasional Perlindungan dan Penempatan Tenaga Kerja Indonesia/BNP2TKI*) shows that the number of TKI abroad was 586,802 people, 494,609, and 512,168 in 2011, 2012, and 2013 respectively. The number decreased in 2014 and 2015 to 429,872 people

and 275,736 respectively. The decline was caused due to the Minister of Labour’s policy concerning the moratorium of TKI’s placement as domestic workers. The policy includes a strict rule, namely the cessation of migrant workers’ placement in 21 countries in the Middle East, and a softer element, namely the constriction of migrant workers’ placement in the Asia Pacific countries. Violations of this policy are considered as the criminal offense of human trafficking (BNP2TKI, 2015).

The Indonesian government understands that employment as a migrant worker presents an alternative to mitigate unemployment. In order to regulate the placement and protection of migrants, the government has included several stakeholders in the form of government institutions and supporting organisations. The stakeholders can be classified as follows:

**Table 1** The stakeholders classification

<i>Position</i>	<i>Institution</i>
Regulator	a Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI)
	b Directorate General of Manpower Development and Placement (BINAPENTA)
Executor	a Agency for the Service, Placement and Protection of Migrant Workers of Central Java Province (BP3TKI)
	b Provincial Community Empowerment Board (Bapermas)
	c Provincial Small and Medium Enterprises, Cooperation, and Trade Office (Dinkop)
	d Provincial Manpower Office. Dinas Tenaga Kerja (Disnaker)
Supporting system	a Migrant Workers Union (SBMI)
	b The Private Company of Indonesian Migrant Workers’ Placement (PPTKIS)
	c Banking
	d Academics
End User	The Indonesian Migrant Workers (TKI) are divided into three groups. TKI1 refers to a migrant worker who aspires to become a new entrepreneur. TKI2 implies a migrant worker who intends to work and enter the labour market in the home country. TKI3 refers to a migrant worker who wants to return to work in abroad

Migrant workers undergo three important stages: pre-placement, placement, and post placement. Becoming a migrant worker is an interesting alternative if domestic employment opportunities are limited and the salaries offered are extremely low and do not facilitate sustenance. The main mission of BNP2TKI is to reduce unemployment in Indonesia and to ensure that working abroad is a temporary choice for the unemployed work force in Indonesia. Overseas working placement serves only as a safety valve when job and business opportunities in Indonesia are limited. Therefore, after completing the contract, migrant workers are expected to return to work or open businesses in Indonesia. Business opportunities are closely related to the empowerment of the economics actors. The high potential of remittances from Indonesian workers can lead to an increase in business opportunities when they accompanied by empowerment to enhance the migrants

skill set. The empowerment of migrant workers requires the support of various stakeholders.

Due to these issues, it is necessary to conduct research on the formulation of post-placement empowerment model to improve their economic welfare. The purpose of this study is to identify relationships, power, and influence among these stakeholders in accordance to the objectives of the post-placement empowerment of Indonesian migrant workers and to analyse the convergence and divergence among stakeholders.

The empowerment of post-placement migrant workers is an interesting issue to investigate in Indonesia because of

- the potential of Indonesia's natural resources, which are abundant but less optimally developed
- high unemployment
- capacity of post-placement migrants both in human and financial terms.

These three components, given they are formulated properly in the policy, may help to resolve the employment problems in Indonesia. A review of existing literature and research indicated that existing studies on migrant workers empowerment policies using stakeholder analysis models continue to be rare, despite their relevance and significance. Thus, this research could be expected to contribute to the formulation of policies related to migrant workers and unemployment policies in Indonesia as well as for the enrichment of the current discourse of labour economics.

## 2 Literature review

Economic migration is often described as a movement of population from a lower to higher economic growth areas, as high economic growth areas offer higher employment opportunities for the workforce (Jureidini et al., 2010; Ghosh, 2006). Migration is influenced by the push factors of home regions, such as the reduction in the sources of living, declining employment opportunities, political and religious problems, as well as disruption of human rights, education, employment or marriage, and natural disasters (Hugo, 1993, 1998, 2008; Massey 1999). Migration is also affected by the pull factors of destination regions, such as the expectation of the chance to one's standard of living and education level, live in a comfortable environment, and the attraction of economic activities in big cities.

By definition, empowerment implies giving power to those who are less powerful. The powerlessness of a particular person or a group of people is not caused by their lack of potential, but mostly due to their inability to identify their potential and assume the appropriate direction for the development of their potential. With this understanding, empowerment is defined as a process of obtaining power, strength or ability, and/or a process of giving power, strength, or ability by the powerful to the less powerful ones, lacking power in society (Fernández-Moral et al., 2015; Putterman, 2013; Shepard, 1994; Mafruhah et al., 2016).

Cognitive empowerment is influenced by environmental, organisational, and personal factors, and can serve as an influential factor in organisational effectiveness and innovation. In terms of psychology, empowerment includes five values: meaning, competence, impact, self-determination, and trust (Safari et al., 2010). Existing studies in

the US show that the empowerment of the community reflects the moral values of the past that promote strong family ties in a healthy environment, mutual and voluntary cooperation, and the balance of rights and responsibilities. The success of empowerment programs is also supported by the strengthening of social institutions. Community empowerment needs to be consistent with pre-determined concepts, supported by government elites, and should employ intermediary community institutions to facilitate the rebuilding of social capital from the environment (Dreier, 1996). Therefore, essentially, empowerment entails the creation of an atmosphere or climate that allows people to develop their potential and to work collectively and in a collegial manner, in which all members of society have a specific role in accordance with their respective abilities. Empowerment has a positive relationship with the commitment of actors and requires a specific role assignment. The learning process situation becomes a strong predictor in this situation and may bring a sense of belonging and improve people's learning motivation. The involvement of actors in activities and decision-making processes will open avenues for creative expression and organisational improvement. The power of actors will be influenced by personal characteristics such as strength, position, knowledge, and expertise. Higher performers tend to serve as strong leaders and exercise a strong influence on the process of empowerment (Shafaei and Nejati, 2012; Conger and Kanungo, 2012).

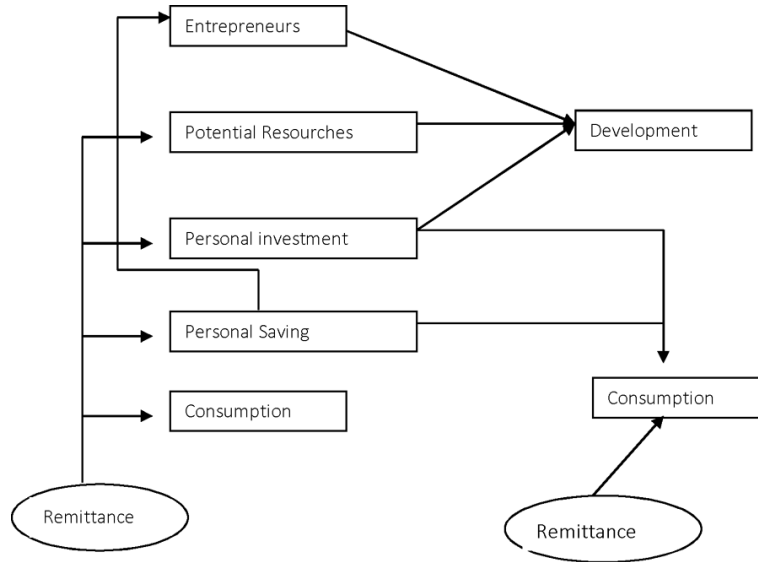
Carling (2005) conducted research on the pattern of remittance utilisation by migrant workers and found three patterns:

- direct consumption, in which all remittances are spent by the families for consumption purposes
- personal saving, in which, migrant families keep some remittances in the form of personal savings, or other illiquid assets, that may serve to cover future living expenses when migrants return home
- personal investment, under which, migrant families invest part or all of the remittances in the form of personal and productive investments.

The last form, personal investment, when combined with potential resources and entrepreneurship can promote the development and economic improvement of migrants and their families' situation as well as their surrounding communities.

Figure 1 implies that proper management of remittance, entrepreneurship, and potential resources can support economic development. This process can be accomplished through empowerment that requires the involvement of various stakeholders either directly or indirectly. By definition, stakeholders are concerned individuals, groups, or institutions who influence the outcome of an activity and the achievement of an activity's objective. Stakeholders are important groups that have a significant role in the continuity and success of a corporation or community in achieving their goals (Fontaine et al., 2006; Miles, 2012; Reed et al., 2009). Management activities, ranging from planning to implementation and finally to evaluation, are carried out only by habit and in accordance to long-established *job descriptions*. Therefore, they often entail challenges in addressing the more recent issues in the field. Accordingly, stakeholder analysis becomes one of the necessary alternatives to encourage the participation of each stakeholder. The level of stakeholder relationship can be analysed with the *Stakeholder Analysis* technique.

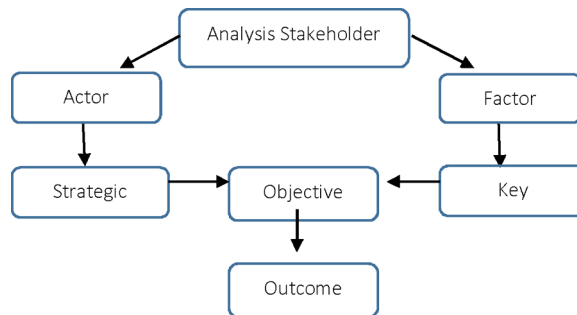
**Figure 1** Relationship patterns of remittances, entrepreneurship, and human capital



Source: Carling (2005)

Figure 2 shows that stakeholder analysis requires the active participation of all components involved in the achievement of objectives. Each stakeholder will be confronted with the objectives to be achieved, their perceptions, actions, or interventions to be employed, and the extent of the achieved outcomes in comparison to the initial targets.

**Figure 2** Stakeholder analysis (see online version for colours)



### 3 Material and methods

This study uses a sequential explanatory mixed method, which combines quantitative and qualitative analyses. The analytical tool used in this study is the Matrix of Alliance and Conflict: Tactics, Objectives, and Recommendations (MACTOR), which comprises a series of six-step actor analysis. Added value is gained through calculations that reveal actors, positions, and strengths in relation to a number of strategic objectives. MACTOR

method is extremely broad, because it can be used for up to 20 related purposes but remains simple and accessible. MACTOR includes several stages of matrix preparation:

- determination of key variables and actors involved
- preparation of actors' table
- preparation of strategic issues and objectives
- positioning actors and strategic objectives in the position matrix
- calculating the convergence and divergence matrices performed in three stages
- calculating the direct and indirect relationship of power matrix
- calculating the position matrix value
- analysing the strategic recommendations of each actor.

To obtain an accurate result of the analysis, an in-depth interview is required with the help of questionnaires that can be answered honestly by stakeholders (Godet, 1991; Ahmed et al., 2009; Rees et al., 2017).

In this research, the actors represent 13 agencies acting for the main stakeholders in the Indonesian migrant workers' empowerment. They include the

- Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers
- Agency for the Service, Placement and Protection of Migrant Workers of Central Java Province
- Provincial Community Empowerment Board
- Provincial SME Cooperation and Trade Office
- Migrant Workers Union (SBMI)
- Provincial Manpower Office
- TKI 1
- TKI2
- TKI3
- Directorate General of Manpower Development and Placement
- Government-approved private recruitment agencies (PPTKIS)
- banking sector
- academic agents.

This research categorises the post-placement TKI's into three groups:

- the group that already has business
- the group that works in the company
- the group that intends to return to work in abroad.



The official policies that become the indicators in this study include the following:

- training for post-placement migrant workers
- restrictions on the working period of migrant workers
- moratorium of informal sector migrant workers
- post-training incentives for migrant workers
- special small business loans for migrant workers
- business insurance for migrant workers
- mandatory remittance savings
- business assistance for migrant workers.

The number of key persons for each stakeholder is two, except for TKI. In total, this study covers 20 key persons from relevant governmental agencies as the respondents and 60 migrant workers (TKI 1, TKI2, TKI 3) who are grouped and classified in accordance with their perception against the indicators' policies.

The data in this study was obtained using in-depth interviews guided with questionnaire, field observations, and Focus Group Discussions (FGD). In-depth interviews were conducted with the above-mentioned stakeholders, except the TKI, within the same time frame and with the same question guides in the form of objectives that were prepared based on the results of previous research and the relationships observed among actors. Meanwhile, beside the actors from the governmental agencies, FGD's were also conducted with the TKI who were classified into three groups (TKI 1, TKI 2, TKI 3). The selected TKI comprised the sample for observation in this study, those are living in the Central Java Province. The Central Java Province was selected as locus of this research area, because it is among the top three suppliers of Indonesian labour migrants in Indonesia.

In-depth interviews were conducted intensively over a period of three months. The result was used as the base material in FGD involving actors representing government, business, academic, and community domains. FGD's were conducted simultaneously, in which all representative actors were invited to the same forum in order to allow intense discussions. The topic of discussion was the objective set in the model and the relationship among actors. To ensure fair and objective discussions, FGD's were guided by facilitators from academia, the neutral parties whose personal interests were not directly involved in the problem of migrant workers' placement.

The first result of the MAKTOR analysis was the map of influence and interdependence that served as a graphical representation of the actor's position within a network of influence and dependence (directly or indirectly) among actors. The area of the map could be divided into four quadrants, namely

- a combination of high influence and low dependence
- a combination of high influence and high dependence
- a combination of low influence and high dependence
- a combination of low influence and low dependence.

The second results comprised the convergence and divergence matrices. The convergence matrix is divided into three orders. The first order, the convergence of goals among the actors, identifies the general position of the actors against the goals (whether they are *pro* or *contra*). The closer actor will have the strongest convergence, depicted in red, the thick blue line indicates a strong convergence, the thin blue line indicates a moderate, the black line indicates a weak, while the dashed line indicates the weakest convergence. The neutral position is not considered. The second order, the convergence matrix of the actors' X objectives, calculates the mean convergence intensity between two actors when they possessed the same level of pro and contra. The matrix calculation focuses on the intensity of the alliance with objective preference from several actors. The third order, the calculation of the matrix using the weighted value, entails the weighted position of the actors X objectives. This third order identifies the number of alliances and considers the actors' objectives and competitiveness preference. Values in this case represent the level of convergence, where a higher value indicates more actors with common interests. Actors whose relationships are closer and characterised by face-to-face interactions show a stronger convergence degree.

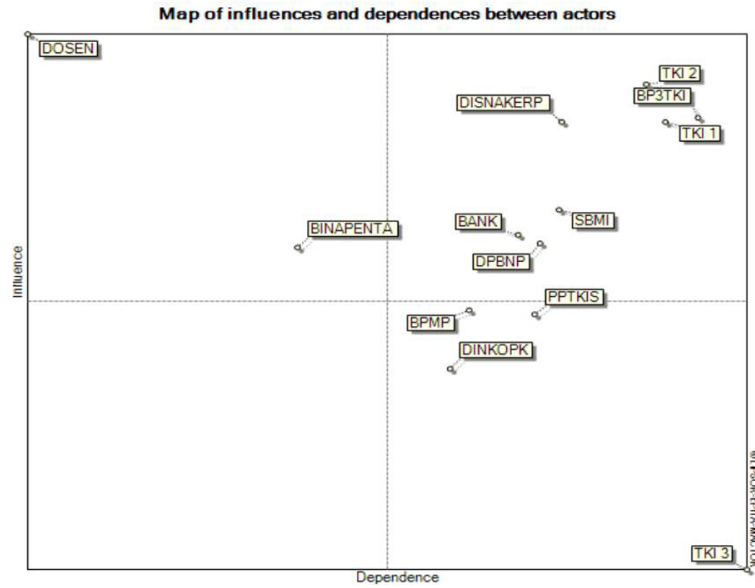
Divergence matrix, which involves the identification of relationships among actors that are mutually distant or spreading, illustrates the existence of potential conflict. This matrix also comprises three orders. The first order indicates actors who have many differences and are separated, not in the same position, and prone to conflicts. The second order shows the actors that have face-to-face interactions but actually exhibit many differences. Instead of measuring the number of potential conflicts, the values in the matrix indicate the conflict intensity with preferences from several actors. This second order will facilitate the identification of the potential alliances and conflicts. The third order is a weighted divergence matrix in which the *Actors X Actors matrix* is related to the *Actors X Objectives matrix*. In general, the divergence map will show the increasing number of differences.

#### **4 Results and discussion**

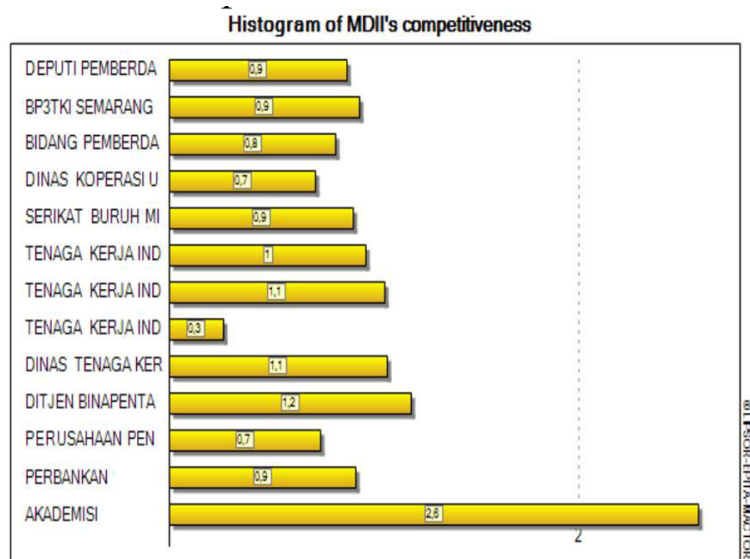
The MACTOR tool in this study employs eight objectives and 13 actors, comprising 20 respondents, which represent governmental agencies, and 60 special respondents representing the migrant workers. The results can explain the influence and interdependence between actors and display the level of stakeholders' competitiveness in determining the future policy. The higher the level of competitiveness, the stronger the influence of the stakeholders in accommodating the interests of each stakeholder. The results also indicate the level of actors' approval against the future objectives. Furthermore, the results may reveal the convergence and divergence between actors.

The first result shows the map of influence and interdependence among actors, which forms a graphical representation of the position of each actor within the network of influence and dependence as shown in Figures 3 and 4.

**Figure 3** Influence and dependence map between actors



**Figure 4** Histogram of matrix direct and indirect competitiveness (see online version for colours)



Source: Processed primary data (2016)

Figures 3 and 4 show that academics exercise the highest influence and the lowest dependence, resulting in the highest competitiveness. These results indicate that academics have a central role in the post-placement empowerment process of migrant workers. The actor with the lowest influence and high dependence is TKI 3, implying that they depend heavily on the other actors. This is in contrast to TKI 1 and TKI 2, who have high competitiveness, implying potential for successful empowerment. The different

outcomes for the same stakeholders indicate that migrant workers have different levels of competitiveness. Meanwhile, the in-depth interview indicates that there are several influential social factors involved in the competitiveness of migrant workers, such as education level, overseas experience, and place of origin. In-depth interviews also found that workers from rural areas tend to have low competitiveness, as represented by TKI 3.

The next goal is to analyse stakeholders' perceptions regarding the objectives that become indicators. Five of the eight objectives receive positive response from all actors, meaning that all actors agree on the importance of those objectives. These include training, business incentives, the provision of special loan, the proposed insurance policies, and business assistance. Conversely, working period restriction, informal-sector migrant workers moratorium, and mandatory remittance savings yield ambiguous results: they received both positive and negative responses.

There are different perceptions among actors regarding the restriction of working period and the moratorium on informal sector workers. Indonesian Migrant Workers Association (SBMI), TKI1, TKI2, TKI3, the labour service, and (PPTKIS) disagree with both objectives. Conversely, the Deputy for Empowerment of BNP2TKI, BP3TKI, Provincial Community Empowerment Board, The Provincial Office of Cooperation and SME, Directorate General of Manpower Development of the Ministry of Manpower, banking institutions and academic agents are in favour of the restriction and moratorium. After the in-depth interviews, the disagree actors revealed that these objectives would lead to high unemployment rates in the country of origin, since domestic employment opportunities have not been able to keep up with the rapid workforce growth. The high-income gap entailed by working in the home country and working abroad also became the main reason for their disagreement with those objectives. The actors who agreed with this policy stated that the post-placement migrant workers must return to the area of origin and start new business as entrepreneurs.

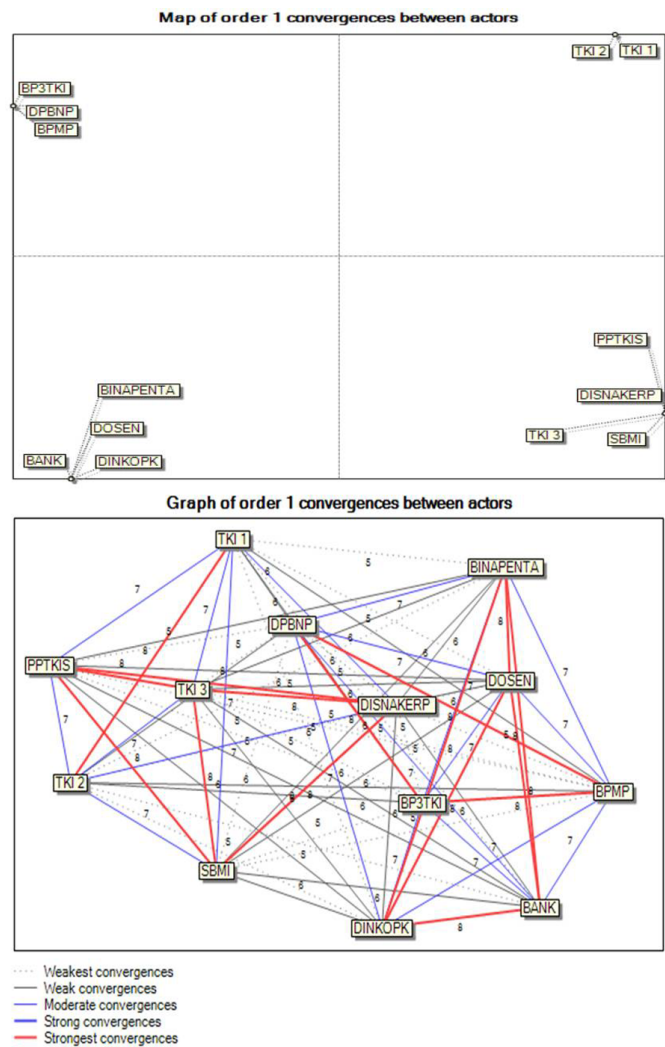
With regard to mandatory remittance savings, more actors representing governmental agencies express disagreement, including Empowerment Deputy of BNP2TKI, BP3TKI, and Provincial Community Empowerment Board. They argued that this objective may depress the TKI and can potentially lead to failure. The altruism motive is also considered as the reason behind the disagreement toward mandatory remittance saving. In contrast, the remaining actors believe that this objective will help migrant workers in managing their finances. A better financial management will enable the migrant workers to accumulate enough personal savings as capital to start their business and fulfil their future needs once they return home.

The convergence matrix for actors regarding migrant workers empowerment showed the strong values of academic agents, banking institutions, Directorate General of Manpower Development and Placement, and Cooperation, and the SME office. This result proves the important position of these actors, since all of them share a high degree of common interest. Stakeholders with the lowest convergence are TKI 1 and TKI2. This low level of convergence is related with their high competitiveness, which discourages them from connecting with external parties for empowerment, since they deem it unnecessary. The results of the in-depth interviews indicate that the relatively high level of education, overseas experience, origin, and family support are important factors for migrant workers to possess a high level of competitiveness.

The convergence matrix was divided into three orders. The first order shows the simple convergence to identify actors who share a common perception regarding particular objectives, whether they are for or against those objectives. This matrix

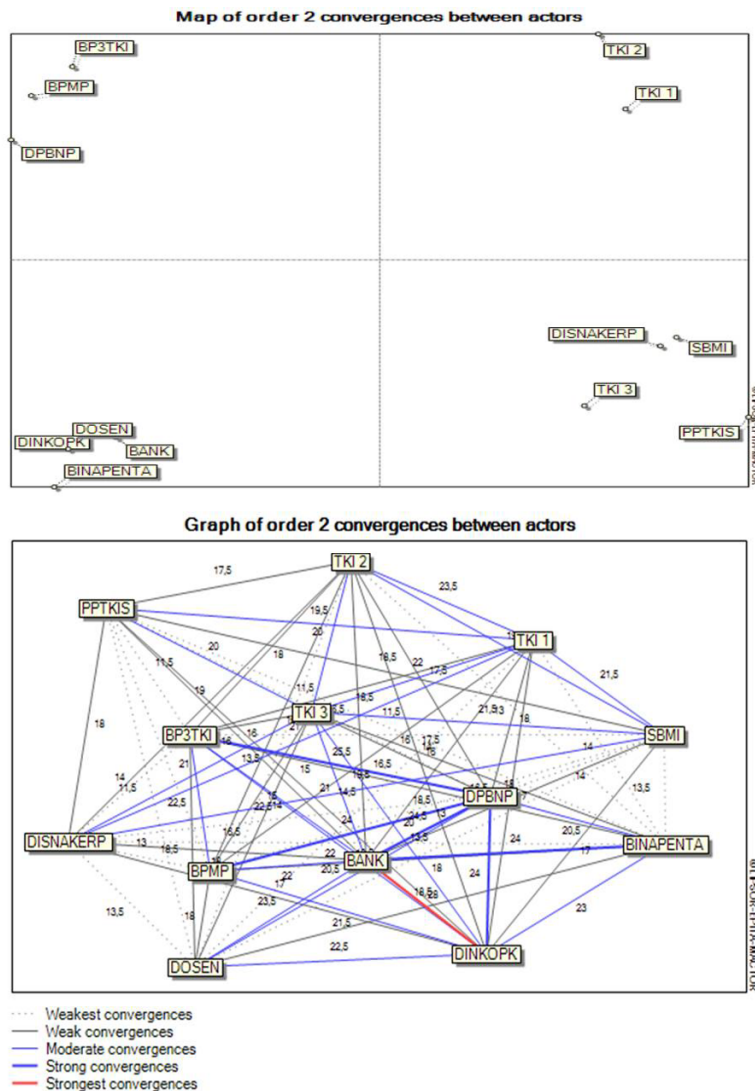
identifies the number of possible alliances. Figure 5 shows a clustered convergence that is divided into four major groups. The first group includes BP3TKI, Deputy of Empowerment BNP2TKI, and Provincial Community Empowerment Board. The second group consists of banking agents, academics, Directorate General of Manpower Development and Placement of the ministry of manpower, and Provincial Cooperation, and the SME office. The third group includes TKI 1 and TKI 2, while the fourth group consists of PPTKIS, Provincial Manpower Office, TKI3, and Indonesian Migrant Workers Union (SBMI). TKI 3 showed an interesting behaviour. Since they do not possess high competitiveness, they are positioned closer to PPTKIS and SBMI. Through the in-depth interviews, it was revealed that TKI 3 preferred another work placement abroad rather than establishing their own business in the home country. With adequate institutional assistance, the third group comprising TKI 1 and TKI 2 could form one of the leverage for empowering post-placement migrant workers.

Figure 5 Map of order 1 convergences between actors (see online version for colours)



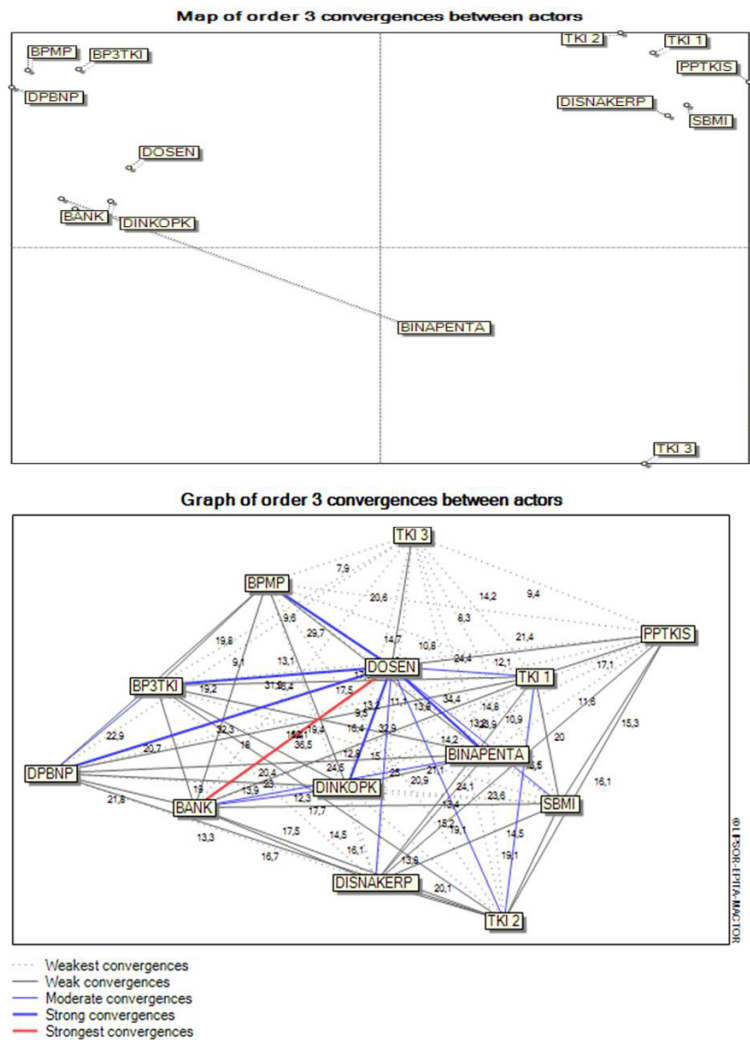
The convergence matrix on the second order shows the relationship between actors with regard to the stated objectives. The average convergences measure the intensity between actors with the same objectives and show the possible intensity of alliances with the hierarchy of objectives or preferences between actors. Figure 6 shows the MACTOR results of the second order. The figure indicates that there was a very strong convergence network between the banking institutions and the Provincial SME Cooperation and the Trade Office. While the other networks were moderate and weak, relatively stronger networks exist among banking institutions and the Directorate General of Manpower Development and Placement of the Ministry of Manpower, Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI), and The Provincial Community Empowerment Board.

Figure 6 Map of order 2 convergences between actors (see online version for colours)



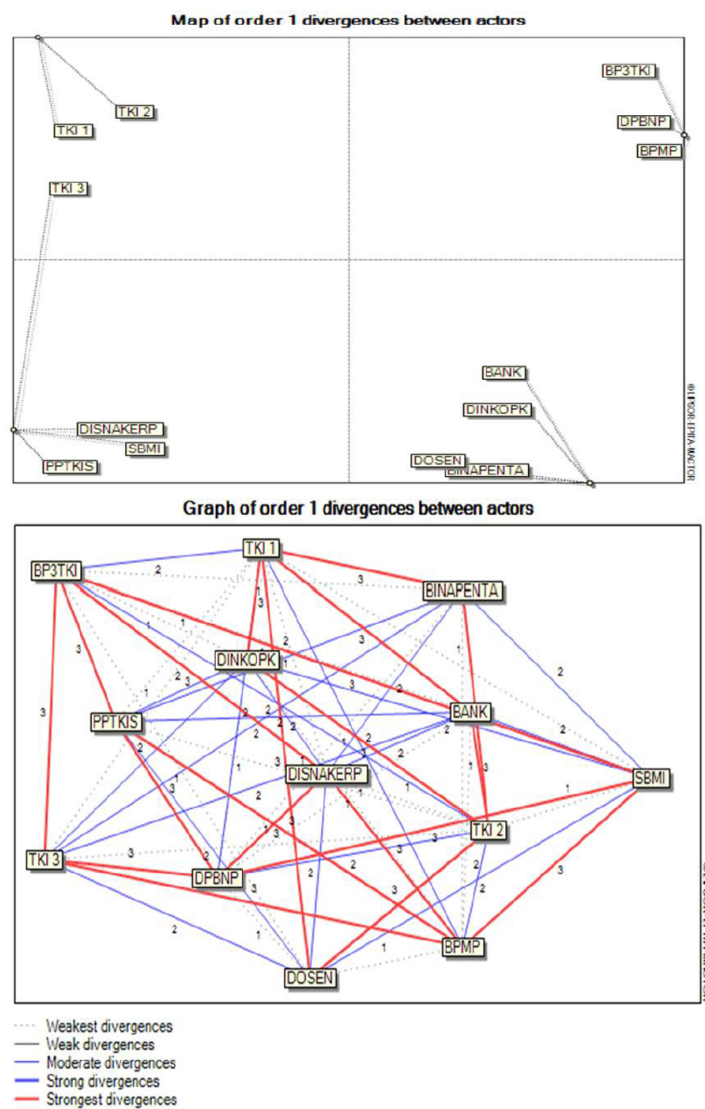
The convergence matrix on the third order comprises a weighted matrix that considers the actors, objectives, and competitiveness of each actor. The actors' influence and dependence form a weighted against with regard to the objectives. Figure 7 shows that academic agents form a strong network with financial institutions. They are also strongly linked to the Directorate General of Manpower and Placement Development of the Ministry of Manpower, Provincial Community Empowerment Board, Provincial SME Cooperation and Trade Office, and Deputy for Empowerment of the National Agency for the Protection and Placement of Labour Indonesia (BNP2TKI). This strong network is not exhibited by the rest of the actors, who present relatively moderate and weak networks. In general, the results of the MACTOR indicate that academic agents can be accepted by all parties and can act as drivers of stakeholders' alliance.

Figure 7 Map of order 3 convergences between actors (see online version for colours)



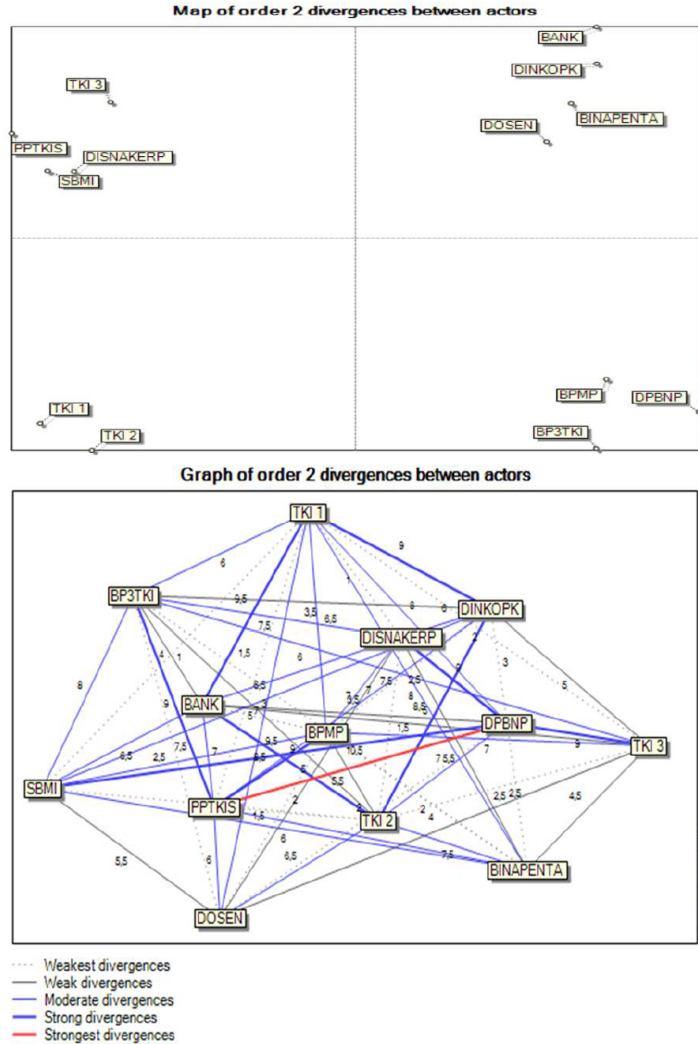
The following results concern the divergence matrix. The MACTOR calculation results show that stakeholders with high divergence potential are TKI 1 and TKI 2, while those with low divergence potential include academic agents, banking institutions, the Directorate General of Binapenta, and the Provincial Cooperation and SME Office. These results indicate that TKI 1 and TKI 2 have a relatively high probability of conflict with the other stakeholders. Academics, banking, the Directorate General of Binapenta, the Provincial Office of Cooperation, and SME have a low probability of conflict; so, they can become central stakeholders in the empowerment process. The position of academic and banking agents is indeed neutral, because they share no direct personal interest with the migrant workers. The divergence map and graph are shown in Figures 8–10.

**Figure 8** Map of order 1 divergences between actor (see online version for colours)





**Figure 9** Map of order 2 divergences between actor (see online version for colours)



The last result of the MACTOR analysis is the graph of net distances between actors. The graph can be used to recognise potential alliances among actors while taking into account the existence of divergences and convergences among them. The graph is displayed in Figure 11.

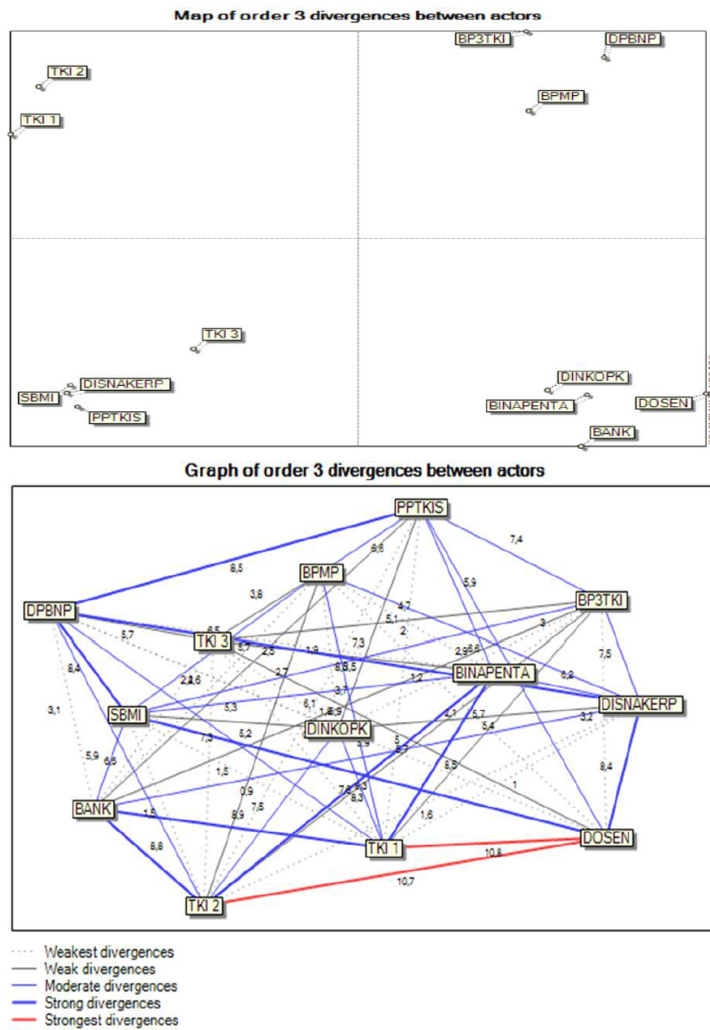
The results of the Mactor analysis show that there is one strongest alliance and four major alliances. The strongest alliance is formed by the Provincial SME Cooperation and Trade Office and banking institutions. Further, the major alliances are formed between the following:

- the Provincial Community Empowerment Board with Agency for the Service, Placement and Protection of Migrant Workers (BNP3TKI) of Central Java Province and Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI)

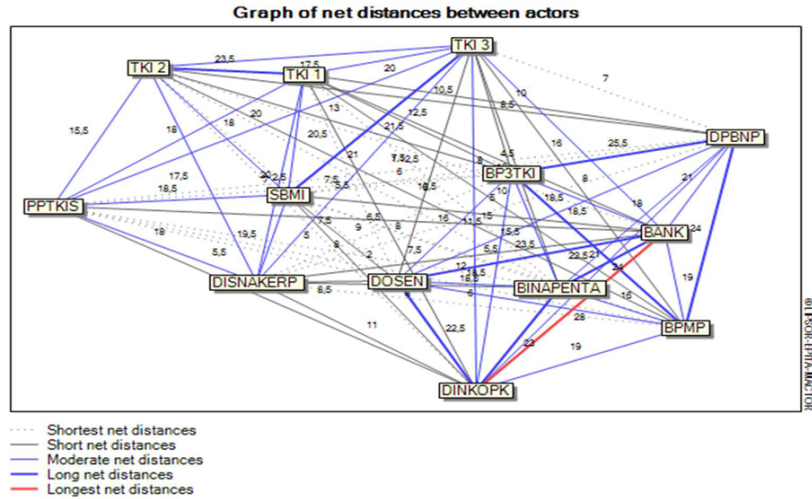
- Provincial SME Cooperation and Trade Office, academic agents, Directorate General of Manpower Development and Placement and banking, in which, the Directorate General of Manpower Development and Placement forms the center
- TKI 1 and TKI 2
- TKI 3 and Migrant Workers Union.

The empowerment of Indonesian migrant workers is a complex issue. It cannot be seen partially from only one perspective because it involves not only economic, but also social, cultural and political issues. This condition has led to the emergence of stakeholders' ambivalence. The MACTOR calculation results reveal that the most ambivalent stakeholders are PPTKIS, because these stakeholders are actually the most dependent on the placement of migrant workers abroad. Therefore, if the workers are highly competitive and empowered, the role of PPTKIS will diminish.

Figure 10 Map of order 3 divergences between actors (see online version for colours)



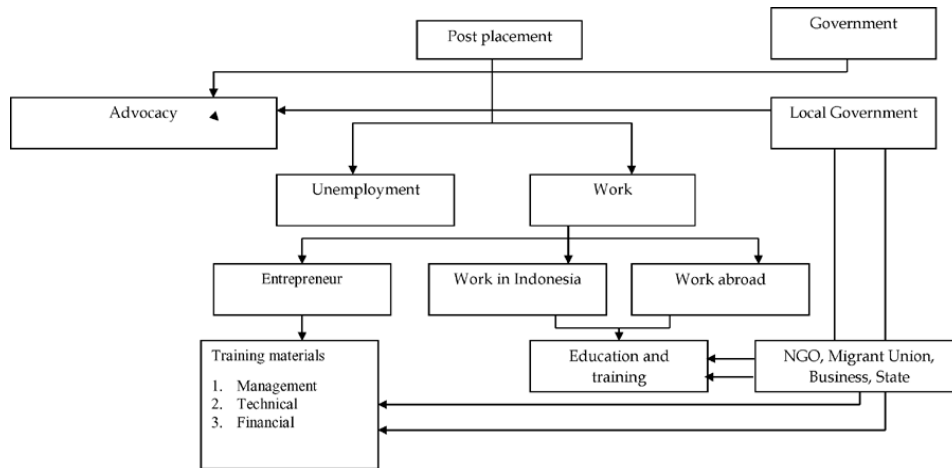
**Figure 11** Net distance between actors (see online version for colours)



The findings of the field study show that the most important role in the empowerment of migrant workers is performed by banking and educational institutions. This is because the post-placement empowerment policy issued by the government is still limited. Government regulations are still concerned with the pre-placement and placement phases of migrant workers, while post placement is mostly left untouched. The executor also fails to develop an empowerment program for post-placement workers due to the absence of a legal framework or relevant guidelines. Stakeholders who have the greatest opportunity to empower migrant workers are the educational and banking institutions. Education institutions may provide training and assistance for post-employment workers in entrepreneurship, covering wide -ranging aspects that include production, management, and marketing. Meanwhile, the banking institutions assist post-placement migrant workers in terms of capital and credit access.

The formulated policies should be developed based on four-party cooperation that would include the government, banking institutions, educational institutions, and the community such as showed by Figure 12. The government can act as the regulator with the main task of preparing regulations that favour the development of post-placement migrants. The policy should be implemented and equipped with technical guidance, so that it can be directly implemented by government agencies at lower levels. Different levels of the government can serve as the executor; for instance, the government agencies can act at the provincial and local levels. They have the duty to conduct socialisation and implementation of the policies set by the higher-level government agents that act as the regulator. Banking institutions as a support system can provide coaching regarding financial planning and offer capital assistance or loan access. Educational institution as supporting systems can contribute to the empowerment process by providing trainings covering a wide range of themes such as achievement motivation training, business motivation training, and business management assistance. The community as a supporting system represented by migrant workers unions can be expected to offer advocacy assistance, both in legal and economic issues.

**Figure 12** The implementation program for post placement TKI



## 5 Conclusion and recommendation

There are four main findings. First, academic agents are the stakeholders with the highest influence and lowest dependence. Therefore, they can become the central actors in the empowerment process of post-placement migrant workers. Second, objectives such as training, business incentives, special bank loan for small enterprises (*Kredit Usaha Kecil/KUR*), proposed business insurance policies, and business assistance yield a positive response from all stakeholders, because these objectives are considered to have good empowerment potential. Third, objectives such as the restriction of work period, moratorium of informal-sector migrant workers, and mandatory remittance savings yield both positive and negative responses from the stakeholders. Immediate migration actors, such as migrant workers, PPTKIS, SBMI, and Manpower office, are the driving force behind the disagreement with regard to these objectives. Fourth, the convergence and divergence can be divided into four major groups according to the interests of each stakeholder.

Based on these findings, this study recommends that the government of Indonesia revise Law No. 39 of 2004 on the Placement and Protection of Indonesian Migrant Workers Abroad. The law should not only emphasise on the pre-placement and placement phases as it does currently, but should also on the post-placement phase to empower the post-placement migrant workers. The revision of the law is expected to catalyse greater opportunities and support for the workers to work or start a business in the home country.

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### **Abbreviations**

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TKI	Tenaga Kerja Indonesia refers to an Indonesian Migrant Worker
Binapenta	Dirjen Pembinaan Tenaga Kerja Kementrian Tenaga Kerja refers to the Directorate General of Manpower Development Ministry of Manpower
BNP2TKI	Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia refers to The National Board of Placement and Protection of Indonesian Migrants Workers
BP3TKI	Badan Pelayanan Penempatan dan Perlindungan Tenaga Kerja Indonesia refers to The Office of Service, Placement and Protection of Indonesian Migrant Workers
PPTKIS	Perusahaan Pengerah Tenaga Kerja Indonesia Swasta is The Private Company of Indonesian migrant Worker Placement
Bapermas	<i>Badan Pemberdayaan Masyarakat</i> refers to the Provincial Community Empowerment Board
Dinkop	Dinas Perdagangan, Koperasi dan UMKM refers to the Provincial Small and Medium Enterprises, Cooperation, and Trade Office
Dosen	Lecturer
Disnaker	Dinas Tenaga Kerja refers to the Provincial Manpower Office
SBMI	Serikat Buruh Migrant refers to the Migrant Workers' Union

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# Formulating post placement empowerment of Indonesian migrant workers policy: What are the roles of stakeholders?

*by* Izza Mafruhah

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## Formulating post placement empowerment of Indonesian migrant workers policy: What are the roles of stakeholders?

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**Abstract:** This study aims to identify the relationships, power, and influence among stakeholders and analyse their role in the post placement empowerment of Indonesian migrant workers. This study further intends to analyse the existence of convergence and divergence between stakeholders. The sequential explanatory mixed method was employed, with Matrix of Alliance and Mactors used as the tools for analysis, with 13 stakeholders and 8 objectives. The findings of this research revealed that the actor with the most influential and



low-reliance role is academics. Four objectives were positively accepted by all stakeholders, while the remaining four entailed ambiguous acceptance; both positive and negative responses were received. The analysis of convergence and divergence demonstrates that stakeholders tend to cluster according to similarity of interests. The central implication of this study is that education may serve as the driver that is acceptable to all parties, and the role of education should be considered during the formulation of empowerment formulas.

**Keywords:** convergence; divergence; MACTOR; migrant worker; stakeholder analysis.

**Reference** to this paper should be made as follows: Mafruhah, I., Waridin, W., Iskandar, D.D. and Thohir, M. (2019) 'Formulating post placement empowerment of Indonesian migrant workers policy: What are the roles of stakeholders?', *Int. J. Trade and Global Markets*, Vol. 12, No. 1, pp.72–93.

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## 1 Introduction

Migrant workers entail economic, social, cultural, and demographic implication for their personal life, their families', as well as for the country of origin and the country of destination (IOM, 2010; Gagnon, 2014; Hines, 2014; Borjas, 2015). Their impact on migrants' personal life and their families is guided by motives of altruism and self-interest motives. Altruism implies migrant workers' concern with regard to their families in the home country, toward whom their remittances are directed, with the expectation

that they could improve their families' welfare. Evidence of the altruism motive is manifested when migrants send more money home when the economic conditions of their native country deteriorates, so that their families may still meet their daily needs during the financial crisis (Frankel, 2009; Singh et al., 2014; Khodeir, 2015). Lueth and Ruiz-Arranz (2006) observed that the volume of remittance corresponds to and positively influences the growth rate of GDP per capita, and thus supports the altruism hypothesis. Remittance enhances the economy through improvement in educational level of migrant workers' family members, as well as financial and institutional improvement of their native society in general (Leon-ledesma et al., 2006; Lueth and Ruiz-Arranz, 2006; Piracha and Vadean, 2010; Verner, 2005).

Conversely, the motive of self-interest drives migrant workers to allocate the remittance for their own benefit, in which case they send their remittances for investment in economic assets. This motive leads to a positive relationship between migrant workers' remittance and domestic economic activity (Lueth and Ruiz-Arranz, 2006). A study in Egypt discovered that migrant workers' motivation to save and invest in productive assets during the pre-placement phase is extremely low; only 1% of their income is dedicated to saving and productive investment, as opposed to approximately 20% remittance received by households that they invest in property, MSME's, stock market, and agricultural activities, during the period of migrants' placement (Jureidini et al., 2010). Yang (2008) investigated whether the proportion of remittances used for consumption or investment depends on the household income. The results revealed that most remittances tend to be spent on food and durable goods in poor households, whereas in wealthy households, most remittances are used for business or human capital investment. Yang (2008) also found that the Asian financial crisis, which caused changes in the exchange rates of various countries, affected the incomes of Filipino migrant workers in a different manner. When the dollar exchange rate increases against local currency during crisis, the business scale of households with business activities also increases. Other studies also indicate the positive effect of migrant families entering new business activities after the placement of migrant workers (Yang, 2008; Amuedo-Dorantes and Mundra, 2013; Pozo, 2014).

Indonesia contains the world's fifth largest population size, with 252.3 million people. This large population generates a large labour force. The Central Bureau of Statistics (*Biro Pusat Statistik, BPS*) reported that the number of people aged 15 years and over was 184.6 million, with the total labour force equalling to 128.3 million, out of which, 120.8 million were employed, while the remaining 7.5 million were still unemployed (2015). This data indicates that the unemployment rate in Indonesia reached 5.8%. The number of employment opportunities is only 1.6 million, resulting in a gap of 1.3 million people per year. The main weakness of the Indonesian workforce is the low level of education. BPS data shows that 20% of unemployed workers only have an elementary school degree, only 22.6% have junior high school education, 40.07% have senior high school education, while 9.7% of the unemployed workforce have diplomas and bachelor degrees.

Limited job opportunities in the native country encourage people to work abroad. Government programs for employment provide opportunities for Indonesian migrant workers (*Tenaga Kerja Indonesia/TKI*) with special requirements. The data from the National Agency for the Protection and Placement of Indonesian Migrant Workers (*Badan Nasional Perlindungan dan Penempatan Tenaga Kerja Indonesia/BNP2TKI*) shows that the number of TKI abroad was 586,802 people, 494,609, and 512,168 in 2011, 2012, and 2013 respectively. The number decreased in 2014 and 2015 to 429,872 people

and 275,736 respectively. The decline was caused due to the Minister of Labour's policy concerning the moratorium of TKI's placement as domestic workers. The policy includes a strict rule, namely the cessation of migrant workers' placement in 21 countries in the Middle East, and a softer element, namely the constriction of migrant workers' placement in the Asia Pacific countries. Violations of this policy are considered as the criminal offense of human trafficking (BNP2TKI, 2015).

The Indonesian government understands that employment as a migrant worker presents an alternative to mitigate unemployment. In order to regulate the placement and protection of migrants, the government has included several stakeholders in the form of government institutions and supporting organisations. The stakeholders can be classified as follows:

**Table 1** The stakeholders classification

<i>Position</i>	<i>Institution</i>
Regulator	a Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI)
	b Directorate General of Manpower Development and Placement (BINAPENTA)
Executor	a Agency for the Service, Placement and Protection of Migrant Workers of Central Java Province (BP3TKI)
	b Provincial Community Empowerment Board (Bapermas)
	c Provincial Small and Medium Enterprises, Cooperation, and Trade Office (Dinkop)
	d Provincial Manpower Office. Dinas Tenaga Kerja (Disnaker)
Supporting system	a Migrant Workers Union (SBMI)
	b The Private Company of Indonesian Migrant Workers' Placement (PPTKIS)
	c Banking
	d Academics
End User	The Indonesian Migrant Workers (TKI) are divided into three groups. TKI1 refers to a migrant worker who aspires to become a new entrepreneur. TKI2 implies a migrant worker who intends to work and enter the labour market in the home country. TKI3 refers to a migrant worker who wants to return to work in abroad

Migrant workers undergo three important stages: pre-placement, placement, and post placement. Becoming a migrant worker is an interesting alternative if domestic employment opportunities are limited and the salaries offered are extremely low and do not facilitate sustenance. The main mission of BNP2TKI is to reduce unemployment in Indonesia and to ensure that working abroad is a temporary choice for the unemployed work force in Indonesia. Overseas working placement serves only as a safety valve when job and business opportunities in Indonesia are limited. Therefore, after completing the contract, migrant workers are expected to return to work or open businesses in Indonesia. Business opportunities are closely related to the empowerment of the economics actors. The high potential of remittances from Indonesian workers can lead to an increase in business opportunities when they accompanied by empowerment to enhance the migrants

skill set. The empowerment of migrant workers requires the support of various stakeholders.

Due to these issues, it is necessary to conduct research on the formulation of post-placement empowerment model to improve their economic welfare. The purpose of this study is to identify relationships, power, and influence among these stakeholders in accordance to the objectives of the post-placement empowerment of Indonesian migrant workers and to analyse the convergence and divergence among stakeholders.

The empowerment of post-placement migrant workers is an interesting issue to investigate in Indonesia because of

- the potential of Indonesia's natural resources, which are abundant but less optimally developed
- high unemployment
- capacity of post-placement migrants both in human and financial terms.

These three components, given they are formulated properly in the policy, may help to resolve the employment problems in Indonesia. A review of existing literature and research indicated that existing studies on migrant workers empowerment policies using stakeholder analysis models continue to be rare, despite their relevance and significance. Thus, this research could be expected to contribute to the formulation of policies related to migrant workers and unemployment policies in Indonesia as well as for the enrichment of the current discourse of labour economics.

## 2 Literature review

Economic migration is often described as a movement of population from a lower to higher economic growth areas, as high economic growth areas offer higher employment opportunities for the workforce (Jureidini et al., 2010; Ghosh, 2006). Migration is influenced by the push factors of home regions, such as the reduction in the sources of living, declining employment opportunities, political and religious problems, as well as disruption of human rights, education, employment or marriage, and natural disasters (Hugo, 1993, 1998, 2008; Massey 1999). Migration is also affected by the pull factors of destination regions, such as the expectation of the chance to one's standard of living and education level, live in a comfortable environment, and the attraction of economic activities in big cities.

By definition, empowerment implies giving power to those who are less powerful. The powerlessness of a particular person or a group of people is not caused by their lack of potential, but mostly due to their inability to identify their potential and assume the appropriate direction for the development of their potential. With this understanding, empowerment is defined as a process of obtaining power, strength or ability, and/or a process of giving power, strength, or ability by the powerful to the less powerful ones, lacking power in society (Fernández-Moral et al., 2015; Putterman, 2013; Shepard, 1994; Mafruhah et al., 2016).

Cognitive empowerment is influenced by environmental, organisational, and personal factors, and can serve as an influential factor in organisational effectiveness and innovation. In terms of psychology, empowerment includes five values: meaning, competence, impact, self-determination, and trust (Safari et al., 2010). Existing studies in

the US show that the empowerment of the community reflects the moral values of the past that promote strong family ties in a healthy environment, mutual and voluntary cooperation, and the balance of rights and responsibilities. The success of empowerment programs is also supported by the strengthening of social institutions. Community empowerment needs to be consistent with pre-determined concepts, supported by government elites, and should employ intermediary community institutions to facilitate the rebuilding of social capital from the environment (Dreier, 1996). Therefore, essentially, empowerment entails the creation of an atmosphere or climate that allows people to develop their potential and to work collectively and in a collegial manner, in which all members of society have a specific role in accordance with their respective abilities. Empowerment has a positive relationship with the commitment of actors and requires a specific role assignment. The learning process situation becomes a strong predictor in this situation and may bring a sense of belonging and improve people's learning motivation. The involvement of actors in activities and decision-making processes will open avenues for creative expression and organisational improvement. The power of actors will be influenced by personal characteristics such as strength, position, knowledge, and expertise. Higher performers tend to serve as strong leaders and exercise a strong influence on the process of empowerment (Shafaei and Nejati, 2012; Conger and Kanungo, 2012).

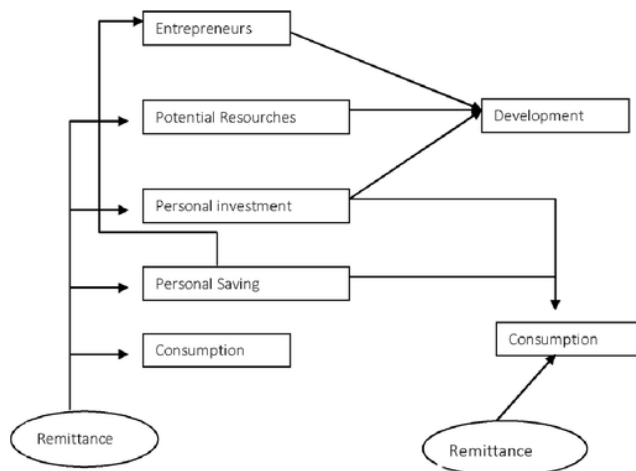
Carling (2005) conducted research on the pattern of remittance utilisation by migrant workers and found three patterns:

- direct consumption, in which all remittances are spent by the families for consumption purposes
- personal saving, in which, migrant families keep some remittances in the form of personal savings, or other illiquid assets, that may serve to cover future living expenses when migrants return home
- personal investment, under which, migrant families invest part or all of the remittances in the form of personal and productive investments.

The last form, personal investment, when combined with potential resources and entrepreneurship can promote the development and economic improvement of migrants and their families' situation as well as their surrounding communities.

Figure 1 implies that proper management of remittance, entrepreneurship, and potential resources can support economic development. This process can be accomplished through empowerment that requires the involvement of various stakeholders either directly or indirectly. By definition, stakeholders are concerned individuals, groups, or institutions who influence the outcome of an activity and the achievement of an activity's objective. Stakeholders are important groups that have a significant role in the continuity and success of a corporation or community in achieving their goals (Fontaine et al., 2006; Miles, 2012; Reed et al., 2009). Management activities, ranging from planning to implementation and finally to evaluation, are carried out only by habit and in accordance to long-established *job descriptions*. Therefore, they often entail challenges in addressing the more recent issues in the field. Accordingly, stakeholder analysis becomes one of the necessary alternatives to encourage the participation of each stakeholder. The level of stakeholder relationship can be analysed with the *Stakeholder Analysis* technique.

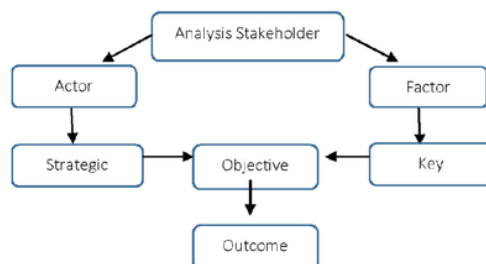
**Figure 1** Relationship patterns of remittances, entrepreneurship, and human capital



Source: Carling (2005)

Figure 2 shows that stakeholder analysis requires the active participation of all components involved in the achievement of objectives. Each stakeholder will be confronted with the objectives to be achieved, their perceptions, actions, or interventions to be employed, and the extent of the achieved outcomes in comparison to the initial targets.

**Figure 2** Stakeholder analysis (see online version for colours)



### 3 Material and methods

This study uses a sequential explanatory mixed method, which combines quantitative and qualitative analyses. The analytical tool used in this study is the Matrix of Alliance and Conflict: Tactics, Objectives, and Recommendations (MACTOR), which comprises a series of six-step actor analysis. Added value is gained through calculations that reveal actors, positions, and strengths in relation to a number of strategic objectives. MACTOR

1 method is extremely broad, because it can be used for up to 20 related purposes but remains simple and accessible. MACTOR includes several stages of matrix preparation:

- determination of key variables and actors involved
- preparation of actors' table
- preparation of strategic issues and objectives
- positioning actors and strategic objectives in the position matrix
- calculating the convergence and divergence matrices performed in three stages
- calculating the direct and indirect relationship of power matrix
- calculating the position matrix value
- analysing the strategic recommendations of each actor.

To obtain an accurate result of the analysis, an in-depth interview is required with the help of questionnaires that can be answered honestly by stakeholders (Godet, 1991; Ahmed et al., 2009; Rees et al., 2017).

In this research, the actors represent 13 agencies acting for the main stakeholders in the Indonesian migrant workers' empowerment. They include the

- Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers
- Agency for the Service, Placement and Protection of Migrant Workers of Central Java Province
- Provincial Community Empowerment Board
- Provincial SME Cooperation and Trade Office
- Migrant Workers Union (SBMI)
- Provincial Manpower Office
- TKI 1
- TKI2
- TKI3
- Directorate General of Manpower Development and Placement
- Government-approved private recruitment agencies (PPTKIS)
- banking sector
- academic agents.

This research categorises the post-placement TKI's into three groups:

- the group that already has business
- the group that works in the company
- the group that intends to return to work in abroad.

The official policies that become the indicators in this study include the following:

- training for post-placement migrant workers
- restrictions on the working period of migrant workers
- moratorium of informal sector migrant workers
- post-training incentives for migrant workers
- special small business loans for migrant workers
- business insurance for migrant workers
- mandatory remittance savings
- business assistance for migrant workers.

The number of key persons for each stakeholder is two, except for TKI. In total, this study covers 20 key persons from relevant governmental agencies as the respondents and 60 migrant workers (TKI 1, TKI2, TKI 3) who are grouped and classified in accordance with their perception against the indicators' policies. <sup>24</sup>

The data in this study was obtained using in-depth interviews guided with questionnaire, field observations, and Focus Group Discussions (FGD). In-depth interviews were conducted with the above-mentioned stakeholders, except the TKI, within the same time frame and with the same question guides in the form of objectives that were prepared based on the results of previous research and the relationships observed among actors. Meanwhile, beside the actors from the governmental agencies, FGD's were also conducted with the TKI who were classified into three groups (TKI 1, TKI 2, TKI 3). The selected TKI comprised the sample for observation in this study, those are living in the Central Java Province. The Central Java Province was selected as locus of this research area, because it is among the top three suppliers of Indonesian labour migrants in Indonesia.

In-depth interviews were conducted intensively over a period of three months. The result was used as the base material in FGD involving actors representing government, business, academic, and community domains. FGD's were conducted simultaneously, in which all representative actors were invited to the same forum in order to allow intense discussions. The topic of discussion was the objective set in the model and the relationship among actors. To ensure fair and objective discussions, FGD's were guided by facilitators from academia, the neutral parties whose personal interests were not directly involved in the problem of migrant workers' placement. <sup>1</sup>

The first result of the MAKTOR analysis was the map of influence and interdependence that served as a graphical representation of the actor's position within a network of influence and dependence (directly or indirectly) among actors. The area of the map could be divided into four quadrants, namely

- a combination of high influence and low dependence
- a combination of high influence and high dependence
- a combination of low influence and high dependence
- a combination of low influence and low dependence.



The second results comprised the convergence and divergence matrices. The convergence matrix is divided into three orders. The first order, the convergence of goals among the actors, identifies the general position of the actors against the goals (whether they are *pro* or *contra*). The closer actor will have the strongest convergence, depicted in red, the thick blue line indicates a strong convergence, the thin blue line indicates a moderate, the black line indicates a weak, while the dashed line indicates the weakest convergence. The neutral position is not considered. The second order, the convergence matrix of the actors' X objectives, calculates the mean convergence intensity between two actors when they possessed the same level of *pro* and *contra*. The matrix calculation focuses on the intensity of the alliance with objective preference from several actors. The third order, the calculation of the matrix using the weighted value, entails the weighted position of the actors X objectives. This third order identifies the number of alliances and considers the actors' objectives and competitiveness preference. Values in this case represent the level of convergence, where a higher value indicates more actors with common interests. Actors whose relationships are closer and characterised by face-to-face interactions show a stronger convergence degree.

Divergence matrix, which involves the identification of relationships among actors that are mutually distant or spreading, illustrates the existence of potential conflict. This matrix also comprises three orders. The first order indicates actors who have many differences and are separated, not in the same position, and prone to conflicts. The second order shows the actors that have face-to-face interactions but actually exhibit many differences. Instead of measuring the number of potential conflicts, the values in the matrix indicate the conflict intensity with preferences from several actors. This second order will facilitate the identification of the potential alliances and conflicts. The third order is a weighted divergence matrix in which the *Actors X Actors matrix* is related to the *Actors X Objectives matrix*. In general, the divergence map will show the increasing number of differences.

#### **4 Results and discussion**

The MACTOR tool in this study employs eight objectives and 13 actors, comprising 20 respondents, which represent governmental agencies, and 60 special respondents representing the migrant workers. The results can explain the influence and interdependence between actors and display the level of stakeholders' competitiveness in determining the future policy. The higher the level of competitiveness, the stronger the influence of the stakeholders in accommodating the interests of each stakeholder. The results also indicate the level of actors' approval against the future objectives. Furthermore, the results may reveal the convergence and divergence between actors.

The first result shows the map of influence and interdependence among actors, which forms a graphical representation of the position of each actor within the network of influence and dependence as shown in Figures 3 and 4.

Figure 3 Influence and dependence map between actors

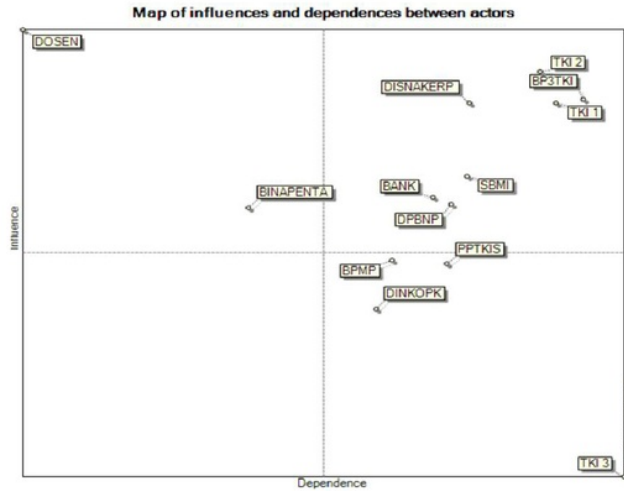
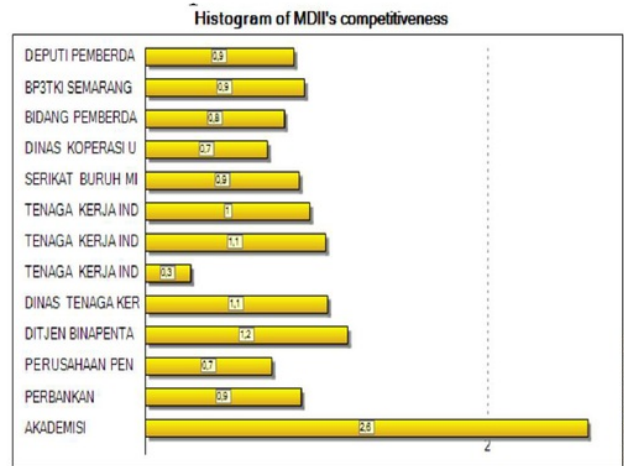


Figure 4 Histogram of matrix direct and indirect competitiveness (see online version for colours)



Source: Processed primary data (2016)

Figures 3 and 4 show that academics exercise the highest influence and the lowest dependence, resulting in the highest competitiveness. These results indicate that academics have a central role in the post-placement empowerment process of migrant workers. The actor with the lowest influence and high dependence is TKI 3, implying that they depend heavily on the other actors. This is in contrast to TKI 1 and TKI 2, who have high competitiveness, implying potential for successful empowerment. The different

outcomes for the same stakeholders indicate that migrant workers have different levels of competitiveness. Meanwhile, the in-depth interview indicates that there are several influential social factors involved in the competitiveness of migrant workers, such as education level, overseas experience, and place of origin. In-depth interviews also found that workers from rural areas tend to have low competitiveness, as represented by TKI 3.

The next goal is to analyse stakeholders' perceptions regarding the objectives that become indicators. Five of the eight objectives receive positive response from all actors, meaning that all actors agree on the importance of those objectives. These include training, business incentives, the provision of special loan, the proposed insurance policies, and business assistance. Conversely, working period restriction, informal-sector migrant workers moratorium, and mandatory remittance savings yield ambiguous results: they received both positive and negative responses.

There are different perceptions among actors regarding the restriction of working period and the moratorium on informal sector workers. Indonesian Migrant Workers Association (SBMI), TKI1, TKI2, TKI3, the labour service, and (PPTKIS) disagree with both objectives. Conversely, the Deputy for Empowerment of BNP2TKI, BP3TKI, Provincial Community Empowerment Board, The Provincial Office of Cooperation and SME, Directorate General of Manpower Development of the Ministry of Manpower, banking institutions and academic agents are in favour of the restriction and moratorium. After the in-depth interviews, the disagree actors revealed that these objectives would lead to high unemployment rates in the country of origin, since domestic employment opportunities have not been able to keep up with the rapid workforce growth. The high-income gap entailed by working in the home country and working abroad also became the main reason for their disagreement with those objectives. The actors who agreed with this policy stated that the post-placement migrant workers must return to the area of origin and start new business as entrepreneurs.

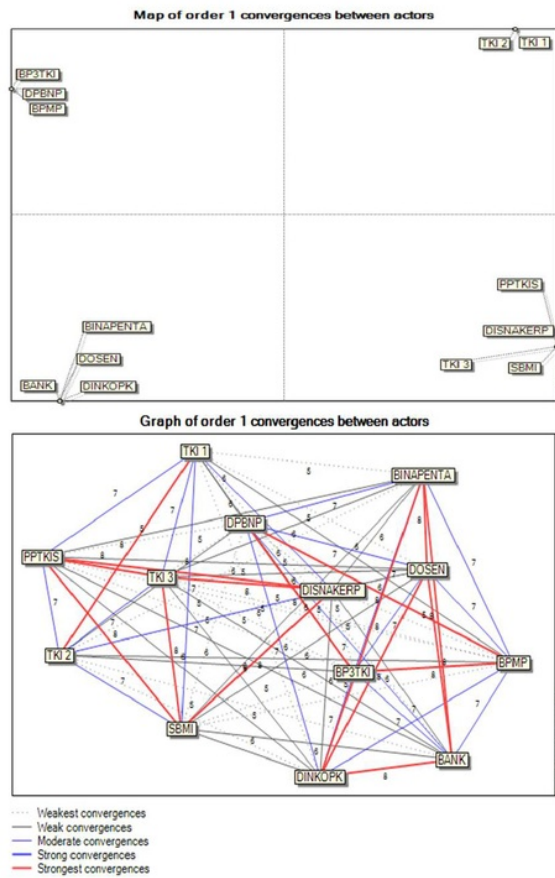
With regard to mandatory remittance savings, more actors representing governmental agencies express disagreement, including Empowerment Deputy of BNP2TKI, BP3TKI, and Provincial Community Empowerment Board. They argued that this objective may depress the TKI and can potentially lead to failure. The altruism motive is also considered as the reason behind the disagreement toward mandatory remittance saving. In contrast, the remaining actors believe that this objective will help migrant workers in managing their finances. A better financial management will enable the migrant workers to accumulate enough personal savings as capital to start their business and fulfil their future needs once they return home.

The convergence matrix for actors regarding migrant workers empowerment showed the strong values of academic agents, banking institutions, Directorate General of Manpower Development and Placement, and Cooperation, and the SME office. This result proves the important position of these actors, since all of them share a high degree of common interest. Stakeholders with the lowest convergence are TKI 1 and TKI2. This low level of convergence is related with their high competitiveness, which discourages them from connecting with external parties for empowerment, since they deem it unnecessary. The results of the in-depth interviews indicate that the relatively high level of education, overseas experience, origin, and family support are important factors for migrant workers to possess a high level of competitiveness.

The convergence matrix was divided into three orders. The first order shows the simple convergence to identify actors who share a common perception regarding particular objectives, whether they are for or against those objectives. This matrix

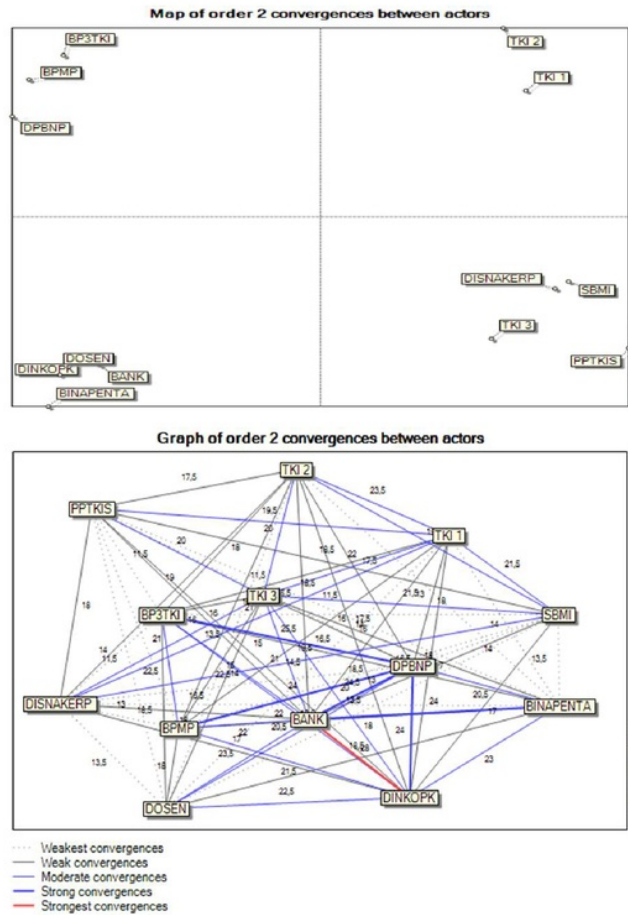
identifies the number of possible alliances. Figure 5 shows a clustered convergence that is divided into four major groups. The first group includes BP3TKI, Deputy of Empowerment BNP2TKI, and Provincial Community Empowerment Board. The second group consists of banking agents, academics, Directorate General of Manpower Development and Placement of the ministry of manpower, and Provincial Cooperation, and the SME office. The third group includes TKI 1 and TKI 2, while the fourth group consists of PPTKIS, Provincial Manpower Office, TKI3, and Indonesian Migrant Workers Union (SBMI). TKI 3 showed an interesting behaviour. Since they do not possess high competitiveness, they are positioned closer to PPTKIS and SBMI. Through the in-depth interviews, it was revealed that TKI 3 preferred another work placement abroad rather than establishing their own business in the home country. With adequate institutional assistance, the third group comprising TKI 1 and TKI 2 could form one of the leverage for empowering post-placement migrant workers.

Figure 5 Map of order 1 convergences between actors (see online version for colours)



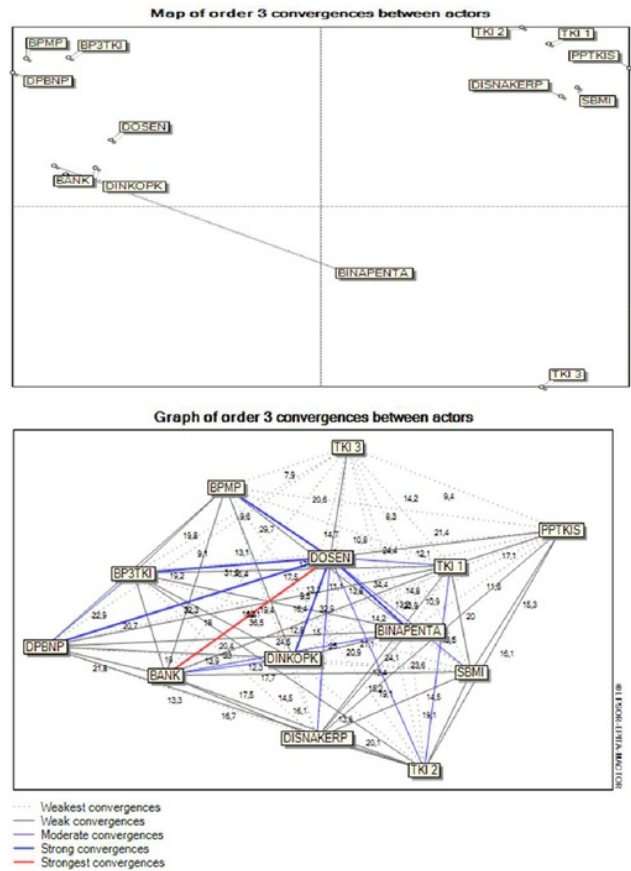
The convergence matrix on the second order shows the relationship between actors with regard to the stated objectives. The average convergences measure the intensity between actors with the same objectives and show the possible intensity of alliances with the hierarchy of objectives or preferences between actors. Figure 6 shows the MACTOR results of the second order. The figure indicates that there was a very strong convergence network between the banking institutions and the Provincial SME Cooperation and the Trade Office. While the other networks were moderate and weak, relatively stronger networks exist among banking institutions and the Directorate General of Manpower Development and Placement of the Ministry of Manpower, Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI), and The Provincial Community Empowerment Board.

Figure 6 Map of order 2 convergences between actors (see online version for colours)



The convergence matrix on the third order comprises a weighted matrix that considers the actors, objectives, and competitiveness of each actor. The actors' influence and dependence form a weighted against with regard to the objectives. Figure 7 shows that academic agents form a strong network with financial institutions. They are also strongly linked to the Directorate General of Manpower and Placement Development of the Ministry of Manpower, Provincial Community Empowerment Board, Provincial SME Cooperation and Trade Office, and Deputy for Empowerment of the National Agency for the Protection and Placement of Labour Indonesia (BNP2TKI). This strong network is not exhibited by the rest of the actors, who present relatively moderate and weak networks. In general, the results of the MACTOR indicate that academic agents can be accepted by all parties and can act as drivers of stakeholders' alliance.

Figure 7 Map of order 3 convergences between actors (see online version for colours)



The following results concern the divergence matrix. The MACTOR calculation results show that stakeholders with high divergence potential are TKI 1 and TKI 2, while those with low divergence potential include academic agents, banking institutions, the Directorate General of Binapenta, and the Provincial Cooperation and SME Office. These results indicate that TKI 1 and TKI 2 have a relatively high probability of conflict with the other stakeholders. Academics, banking, the Directorate General of Binapenta, the Provincial Office of Cooperation, and SME have a low probability of conflict; so, they can become central stakeholders in the empowerment process. The position of academic and banking agents is indeed neutral, because they share no direct personal interest with the migrant workers. The divergence map and graph are shown in Figures 8–10.

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Figure 8 Map of order 1 divergences between actor (see online version for colours)

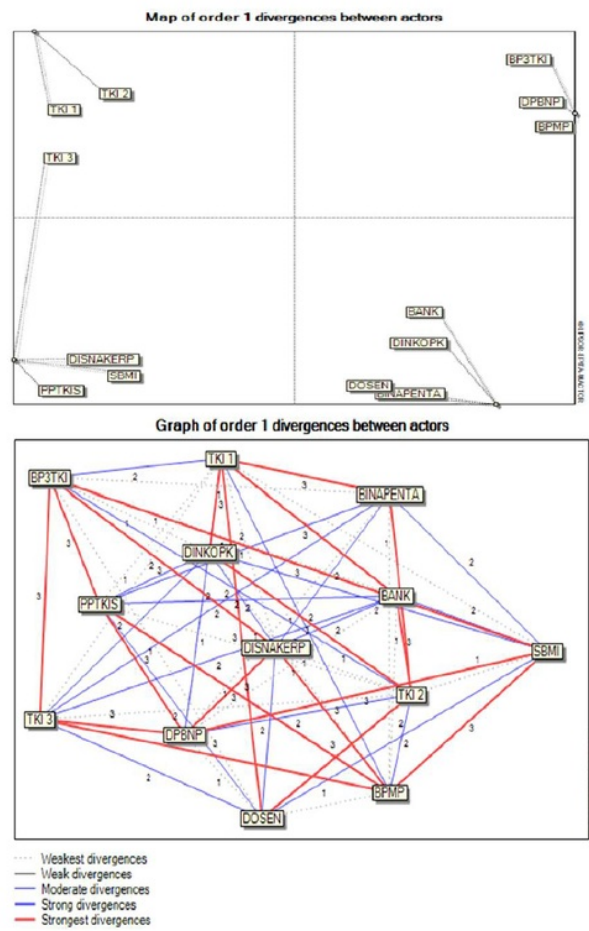
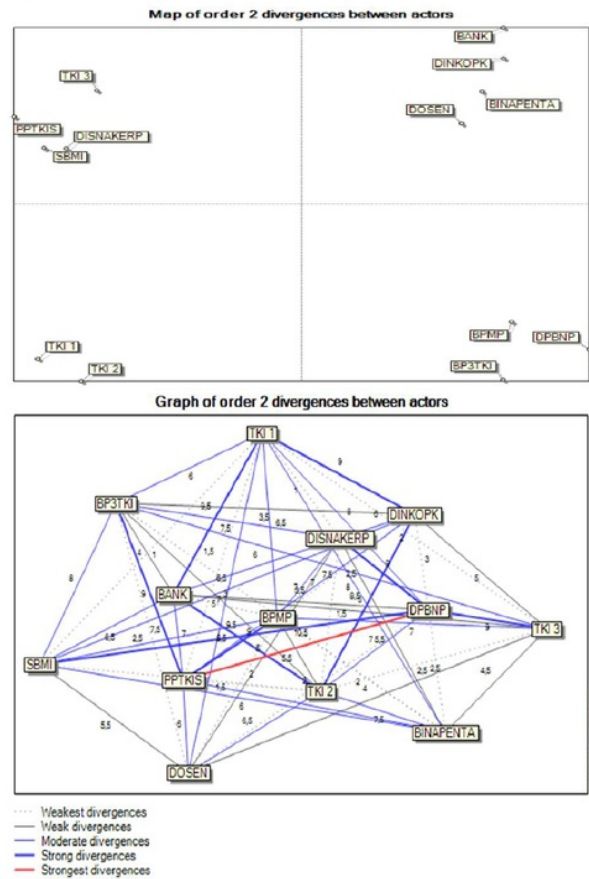


Figure 9 Map of order 2 divergences between actor (see online version for colours)



The last result of the MACTOR analysis is the graph of net distances between actors. The graph can be used to recognise potential alliances among actors while taking into account the existence of divergences and convergences among them. The graph is displayed in Figure 11.

The results of the Mactor analysis show that there is one strongest alliance and four major alliances. The strongest alliance is formed by the Provincial SME Cooperation and Trade Office and banking institutions. Further, the major alliances are formed between the following:

- the Provincial Community Empowerment Board with Agency for the Service, Placement and Protection of Migrant Workers (BNP3TKI) of Central Java Province and Deputy of Empowerment of National Agency for the Protection and Placement of Indonesian Migrant Workers (BNP2TKI)



- Provincial SME Cooperation and Trade Office, academic agents, Directorate General of Manpower Development and Placement and banking, in which, the Directorate General of Manpower Development and Placement forms the center
- TKI 1 and TKI 2
- TKI 3 and Migrant Workers Union.

The empowerment of Indonesian migrant workers is a complex issue. It cannot be seen partially from only one perspective because it involves not only economic, but also social, cultural and political issues. This condition has led to the emergence of stakeholders' ambivalence. The MACTOR calculation results reveal that the most ambivalent stakeholders are PPTKIS, because these stakeholders are actually the most dependent on the placement of migrant workers abroad. Therefore, if the workers are highly competitive and empowered, the role of PPTKIS will diminish.

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Figure 10 Map of order 3 divergences between actors (see online version for colours)

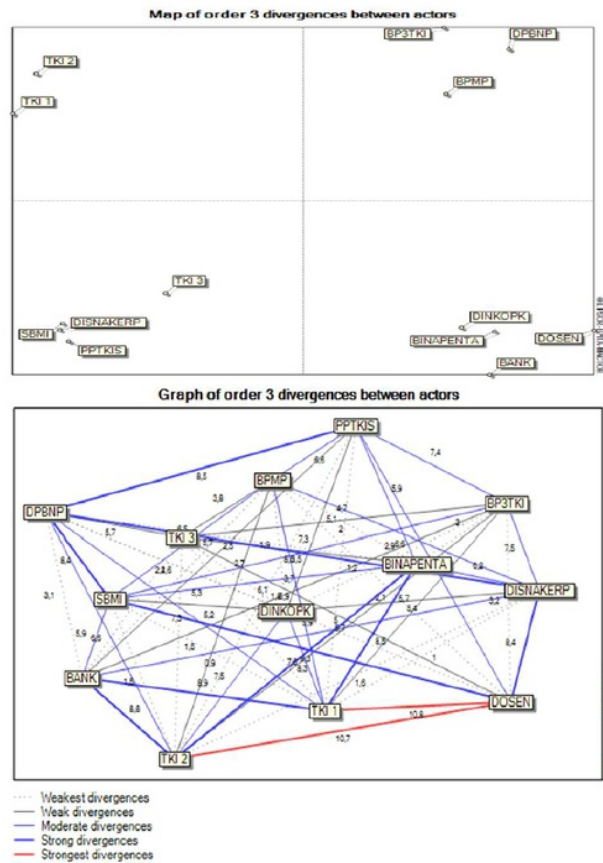
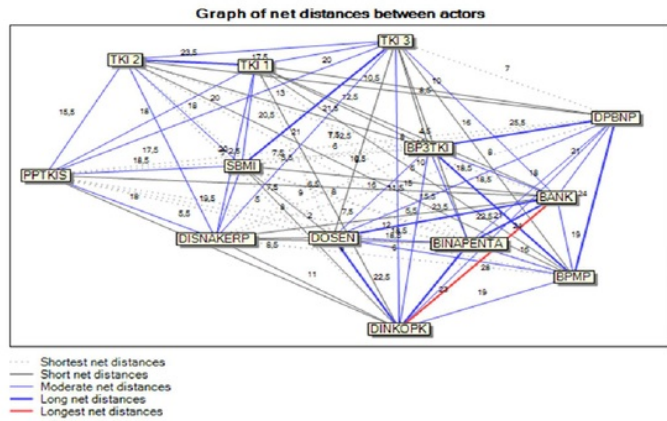


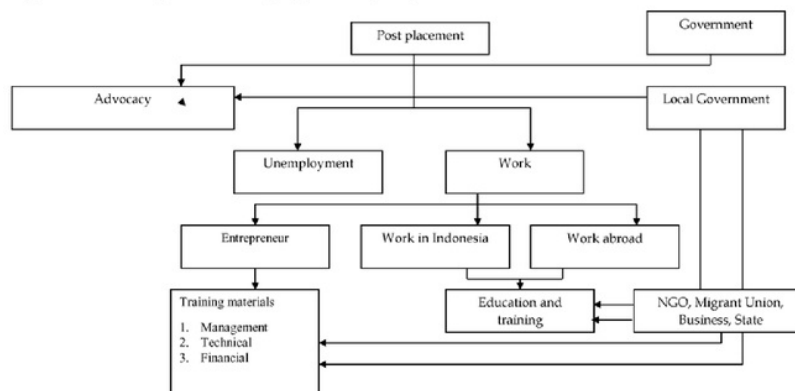
Figure 11 Net distance between actors (see online version for colours)



The findings of the field study show that the most important role in the empowerment of migrant workers is performed by banking and educational institutions. This is because the post-placement empowerment policy issued by the government is still limited. Government regulations are still concerned with the pre-placement and placement phases of migrant workers, while post placement is mostly left untouched. The executor also fails to develop an empowerment program for post-placement workers due to the absence of a legal framework or relevant guidelines. Stakeholders who have the greatest opportunity to empower migrant workers are the educational and banking institutions. Education institutions may provide training and assistance for post-employment workers in entrepreneurship, covering wide -ranging aspects that include production, management, and marketing. Meanwhile, the banking institutions assist post-placement migrant workers in terms of capital and credit access.

The formulated policies should be developed based on four-party cooperation that would include the government, banking institutions, educational institutions, and the community such as showed by Figure 12. The government can act as the regulator with the main task of preparing regulations that favour the development of post-placement migrants. The policy should be implemented and equipped with technical guidance, so that it can be directly implemented by government agencies at lower levels. Different levels of the government can serve as the executor; for instance, the government agencies can act at the provincial and local levels. They have the duty to conduct socialisation and implementation of the policies set by the higher-level government agents that act as the regulator. Banking institutions as a support system can provide coaching regarding financial planning and offer capital assistance or loan access. Educational institution as supporting systems can contribute to the empowerment process by providing trainings covering a wide range of themes such as achievement motivation training, business motivation training, and business management assistance. The community as a supporting system represented by migrant workers unions can be expected to offer advocacy assistance, both in legal and economic issues.

Figure 12 The implementation program for post placement TKI



## 5 Conclusion and recommendation

There are four main findings. First, academic agents are the stakeholders with the highest influence and lowest dependence. Therefore, they can become the central actors in the empowerment process of post-placement migrant workers. Second, objectives such as training, business incentives, special bank loan for small enterprises (*Kredit Usaha Kecil/KUR*), proposed business insurance policies, and business assistance yield a positive response from all stakeholders, because these objectives are considered to have good empowerment potential. Third, objectives such as the restriction of work period, moratorium of informal-sector migrant workers, and mandatory remittance savings yield both positive and negative responses from the stakeholders. Immediate migration actors, such as migrant workers, PPTKIS, SBMI, and Manpower office, are the driving force behind the disagreement with regard to these objectives. Fourth, the convergence and divergence can be divided into four major groups according to the interests of each stakeholder.

Based on these findings, this study recommends that the government of Indonesia revise Law No. 39 of 2004 on the Placement and Protection of Indonesian Migrant Workers Abroad. The law should not only emphasise on the pre-placement and placement phases as it does currently, but should also on the post-placement phase to empower the post-placement migrant workers. The revision of the law is expected to catalyse greater opportunities and support for the workers to work or start a business in the home country.

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### Abbreviations

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TKI	Tenaga Kerja Indonesia refers to an Indonesian Migrant Worker
Binapenta	Dirjen Pembinaan Tenaga Kerja Kementrian Tenaga Kerja refers to the Directorate General of Manpower Development Ministry of Manpower
BNP2TKI	Badan Nasional Penempatan dan Perlindungan Tenaga Kerja Indonesia refers to The National Board of Placement and Protection of Indonesian Migrants Workers
BP3TKI	Badan Pelayanan Penempatan dan Perlindungan Tenaga Kerja Indonesia refers to The Office of Service, Placement and Protection of Indonesian Migrant Workers
PPTKIS	Perusahaan Pengerah Tenaga Kerja Indonesia Swasta is The Private Company of Indonesian migrant Worker Placement
Bapermas	<i>Badan Pemberdayaan Masyarakat</i> refers to the Provincial Community Empowerment Board
Dinkop	Dinas Perdagangan, Koperasi dan UMKM refers to the Provincial Small and Medium Enterprises, Cooperation, and Trade Office
Dosen	Lecturer
Disnaker	Dinas Tenaga Kerja refers to the Provincial Manpower Office
SBMI	Serikat Buruh Migrant refers to the Migrant Workers' Union

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LEMBAR  
HASIL PENILAIAN SEJAWAT SEBIDANG ATAU PEER REVIEW  
KARYA ILMIAH : JURNAL ILMIAH\*

Judul Karya Ilmiah : Formulating post placement empowerment of Indonesian migrant workers policy: what are the roles of stakeholders?  
(artikel)

Jumlah Penulis : 4 Orang (**Izza Mafruhah**, Waridin, Deden Dinar Iskandar, Mudjahirin Thohir)

Status Pengusul : Penulis pertama / ~~penulis ke~~ / ~~penulis korespondensi\*\*~~

Identitas Jurnal Ilmiah :

- a. Nama Jurnal : **International Journal of Trade and Global Markets (Terindeks Q2)**
- b. Nomor ISSN : **1742-7541**
- c. Volume, nomor, bulan, tahun : **Vol. 12, No. 1, 2019**
- d. Penerbit : **Inderscience Publisher**
- e. DOL artikel (jika ada) :
- f. Alamat web Jurnal : <https://repository.feb.uns.ac.id/lihatpdf.php?lokasi=publikasi&kode=886>
- g. Terikdeks di Scimagojr/Thomson Reuter ISI knowledge atau di.....\*\*

Kategori Publikasi Jurnal Ilmiah (beri ✓ pada kategori yang tepat)

- Jurnal Ilmiah Internasional / Internasional bereputasi.\*\*
- Jurnal Ilmiah Nasional Terakreditasi
- Jurnal Ilmiah Nasional/Nasional terindeks di DOAJ, CABI, COPERNICUS\*\*

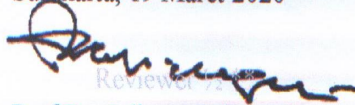
Hasil Penilaian Peer Review :

Komponen Yang Dinilai	Nilai Maksimal Jurnal Ilmiah 40			Nilai Akhir Yang Diperoleh
	Internasional/ Internasional bereputasi** <input type="checkbox"/>	Nasional Terakreditasi <input type="checkbox"/>	Nasional *** <input type="checkbox"/>	
a. Kelengkapan unsur isi artikel (10%)	4			4
b. Ruang lingkup dan kedalaman pembahasan (30%)	12			12
c. Kecukupan dan kemutakhiran data/informasi dan metodologi (30%)	12			12
d. Kelengkapan unsur dan kualitas terbitan/jurnal (30%)	12			12
<b>Total = (100%)</b>	<b>40</b>			<b>40</b>
<b>Nilai Pengusul = 60% x 40 = 24 (Penulis Pertama)</b>				

**Catatan Penilaian artikel oleh Reviewer :**

- a. **Kelengkapan dan kesesuaian unsur isi artikel :**  
Artikel ini disusun dengan mengikuti panduan yang terdapat dalam Internasional Journal Trade dan Global Market. Model penulisan IMRAD ( Introduction, Method, Result and Discussion) sesuai dan memenuhi kelayakan sebuah artikel. sehingga sangat layak diberikan nilai 4,0
- b. **Ruang lingkup dan kedalaman pembahasan :**  
Artikel ini membahas tentang pengentasan rantai kemiskinan bagi pekerja migran Indonesia (PMI) dari aspek purna penempatan dengan memasukkan peran stakeholder baik pada sisi regulator (pembuatan kebijakan), eksekutor ( pelaksana program), supporting system ( stakeholder yang mendukung) sampai dengan target yaitu PMI. Artikel ini mensitasi 30 artikel dari berbagai penelitian terdahulu, data-data dan buku, sehingga aspek kedalaman dalam pembahasan, keterbaruannya dan noveltynya bisa lebih terbukti karena berbeda dengan artikel dan bahan reference sebelumnya. Hal ini menyebabkan layak diberikan nilai 12,0
- c. **Kecukupan dan pemutakhiran data/informasi dan metodologi :**  
Alat analisis yang digunakan dalam penelitian ini adalah MACTOR (*Matrix of Alliances and Conflicts: Tactics, Objectives and Recommendations*) yang masih jarang digunakan yang dipadukan dengan analisis kualitatif, sehingga bisa menyusun bagaimana peran dan posisi masing-masing stakeholder. Sehingga novelty nya adalah pada penggunaan alat analisis ini karena banyak digunakan sebagai acuan oleh peneliti setelahnya. Sehingga layak untuk mendapatkan nilai maksimal 12,0
- d. **Kelengkapan unsur dan kualitas terbitan :**  
International Journal of Trade and Global Market ini merupakan journal bereputasi dengan Q2 dan SJR 0,33 dan H Index 5 sehingga dinilai cukup bereputasi dan layak untuk diberikan nilai 12,0
- e. **Indikasi Plagiat :**  
Hasil turn it in mempunyai nilai 15 sehingga tidak ada indikasi plagiarism karena berada di bawah 25%
- f. **Kesesuaian bidang ilmu :**  
Bidang ilmu penulis sebagai penulis tentang Indonesian Migrant Worker sesuai dengan kompetensi penulis dari aspek Ekonomi Pembangunan dengan spesialisasi Poverty Alleviation.

Surakarta, 19 Maret 2020



Reviewer 2

Prof. Dr. Julianus Johnny Sarungu., M.S

NIP 195107011980101001

Jabatan : Guru Besar

Pangkat, Gol Ruang : Pembina Utama Madya / IV/d

Unit Kerja : Fakultas Ekonomi dan Bisnis UNS

Bidang Ilmu : Ekonomi Pembangunan

\*Dinilai oleh dua Reviewer secara terpisah

\*\*Coret yang tidak perlu

\*\*\*Nasional/terindeks di DOAJ, CABI, Copernicus

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d. Kelengkapan unsur dan kualitas terbitan/jurnal (30%)	12			12
<b>Total = (100%)</b>	<b>40</b>			<b>40</b>
<b>Nilai Pengusul = 60% x 40 = 24 (Penulis Pertama)</b>				

**Catatan Penilaian artikel oleh Reviewer :**

**a. Kelengkapan dan kesesuaian unsur isi artikel :**

Penyusunan unsur dalam artikel ini sudah sesuai dengan acuan artikel ilmiah dengan point penting Introduction, Method, Result and Discussion dan ditutup dengan Conclusions. Artikel ini menggunakan 30 referensi yang terdiri atas buku, data-data dan artikel yang sudah terdahulu. Banyaknya referensi memberikan tambahan wacana dalam penulisan artikel ini. Berdasarkan uraian tersebut maka artikel ilmiah ini layak diberikan nilai 4

**b. Ruang lingkup dan kedalaman pembahasan :**

Artikel ini membahas tentang Pekerja Migran Indonesia (PMI) dari aspek post placement. Penanganan PMI post placement dalam artikel ini adalah dengan memasukkan peran stakeholder baik pada sisi pemerintah pusat, pemerintah daerah, komunitas dan juga akademisi. Aspek kedalaman dalam pembahasan, keterbaruannya dan noveltynya karena penggunaan metode yang belum pernah dilakukan.. Hal ini menyebabkan layak diberikan nilai 12,0

**c. Kecukupan dan pemutakhiran data/informasi dan metodologi :**

Tujuan dalam artikel ini dianalisis dengan menggunakan alat MACTOR (*Matrix of Alliances and Conflicts: Tactics, Objectives and Recommendations*) yang masih jarang digunakan yang dipadukan dengan analisis kualitatif, sehingga bisa menyusun bagaimana peran dan posisi masing-masing aktor. Novelty artikel ini adalah pada penggunaan alat analisis Mactor yang masih jarang digunakan sebagai acuan oleh peneliti setelahnya. Sehingga layak untuk mendapatkan nilai maksimal 12,0

**d. Kelengkapan unsur dan kualitas terbitan :**

Artikel ini diterbitkan dalam International Journal of Trade and Global Market yang merupakan journal bereputasi dengan Q2 dan SJR 0,33 dengan H Index 5 sehingga dinilai cukup bereputasi dan layak untuk diberikan nilai 12,0

**e. Indikasi Plagiat :**

Hasil turn it in mempunyai nilai 15 sehingga tidak ada indikasi plagiarism karena sebesar 15%

**f. Kesesuaian bidang ilmu :**

Bidang ilmu penulis sebagai penulis tentang Indonesian Migrant Worker sesuai dengan kompetensi penulis dari aspek Ekonomi Pembangunan dengan spesialisasi Poverty Alleviation,

Surakarta, 18 Maret 2020

Reviewer <sup>\*\*</sup>

Prof.Dr. Yunastiti Purwaningsih.,M.P

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Jabatan : Guru Besar

Pangkat,Gol Ruang : Pembina Utama Madya / IV/d

Unit Kerja : Fakultas Ekonomi dan Bisnis UNS

Bidang Ilmu : Ekonomi Pembangunan

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