Market Insights

An examination and analysis of recruitment techniques employed across the Asia-Pacific region

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Executive Summary

As economies in the Asia-Pacific continue to experience strong growth rates, businesses operating within this region will need to have an effective recruitment strategy to meet the labour demands of their growing business. The purpose of this paper will be to examine the recruitment practices of businesses across five jurisdictions in the Asia-Pacific region. Specifically, the focus of this paper will be examining the recruitment practices of businesses in Japan, Thailand, South Korea, Malaysia, and Indonesia. Ultimately, a complex interplay of cultural, economic, and socio-political factors are influencing how businesses in each of the countries establish a recruitment strategy to best meet their needs. In recent years, businesses across the region have seen a shift away from traditional recruitment practices and move towards more cost effective and flexible recruitment models. Furthermore, businesses are increasingly engaging in recruitment of members of marginalised groups, such as persons with disabilities and refugees, to meet their labour needs.

In Japan, businesses have traditionally recruited new employees into their companies through a number of cultural traditions such as shinsotsu recruitment, long-term employment, and seniority based remuneration. In recent years, there has been a shift away from these traditions and towards more modern approaches to recruitment such as the usage of third party recruitment agencies, year round recruitment programs, as well as merit based remuneration.

The recruitment practices of businesses in Thailand have also been heavily influenced by cultural traditions. Despite the strong influence of cultural practices on Thai businesses there has been a slow shift towards adopting more modern approaches to recruitment such as the usage of third party recruitment agencies, and employment agencies. Furthermore, businesses in Thailand have also increasingly been turning towards marginalised groups to meet their labour needs within the market place.

Until the 1990s, the recruitment practices of businesses in South Korea have emphasized a number of the human resource ideals endorsed by early businesses in Japan, namely, long-term relationships between the employer and the employee as well as seniority based remuneration. The Korea style of recruitment underwent a change following the 1990s financial crisis when it began to emphasized more flexible relationships between employers and employees as well as the adoption of year round recruitment of employees. Furthermore, businesses in South Korea are also increasingly using third party agencies as well as performance-based remuneration.

In Malaysia, businesses have been largely consistent over the past few decades in their recruitment practices. Traditionally, businesses would recruit employees through year round hiring and the usage of job posting in print and online sources. As the country’s economy has expanded and there has been an increase in competition within the labour market other more modern approaches have dominated recruitment techniques such as the usage of job fairs, online job posting through social media, and third party recruitment agencies.

Lastly, the recruitment practices of businesses in Indonesia have also undergone a gradual shift away from traditional models and towards more modern techniques of recruitment. Traditional methods of recruitment in Indonesia include the practice of sourcing new employees through ‘word-of-
mouth”, print resources, and in some cases, through the practice of patronage. Despite the continued widespread prevalence of businesses using traditional techniques, there has been a shift in recent years towards using third party recruitment agencies. As the Indonesian economy continues to grow, it is anticipate there will further need for third party recruitment agencies to meet the growing labour requirements of businesses.

One recruitment trend that has begun to emerge across all examined countries in the Asia-Pacific region is that businesses are increasingly turning to marginalised groups to meet their labour needs. In particular, government initiatives throughout the region have encouraged businesses to hire persons with disabilities through a variety of programs such as employment quota schemes and employment training centers. Businesses are responding positively to these initiatives and starting to increase recruitment of persons with disabilities into their organisations. Refugee populations are also increasingly being recruited by business in jurisdictions such as Japan. It is anticipated that as labour shortages continue to increase across the region, there will continue to be an increase in the demand by businesses for recruitment from marginalised groups.
Introduction

The purpose of this paper is to provide an examination and analysis of recruitment practices used by corporate entities in the Asia-Pacific region. For this task, this paper will be focusing on recruitment practices within the five key regional centers throughout the region, namely, Indonesia, Japan, Malaysia, South Korea, and Thailand. While the focus of this paper is on recruitment practices it must be noted that an examination of recruitment practices is not complete without a brief introduction to broader practices in human resources. As such, this paper will explore how human resource culture in the various jurisdictions influences recruitment practices. Ultimately, an understanding of how recruitment practices involving members of the general population and marginalized groups will demonstrate there is considerable variability in recruitment styles across the region. Differences in recruitment style throughout the region can be accredited to a number of factors that influence preference for utilizing certain techniques over others. Large forces such as government policy and national economics may encourage or disrupt corporate entities from adopting certain techniques. Other micro factors such as local culture, known as ethnocentrism, can equally influence the corporate environment in manner that creates preference for certain recruitment practices over others. Ultimately, the unique interplay of macro and micro factors create environments where corporate entities are required to utilize certain recruitment techniques in lieu of others.
Structure of the Paper

This paper will be structured into three sections. The first section will present an overview of the various recruitment techniques that are utilized by corporate entities when there is a need to fill a position within the Company. This section will also explore how human resource management styles influence the recruitment techniques of businesses. Next, we begin our examination of how recruitment practices occur in specific countries in the Asia-Pacific region. For this section, we will review the recruitment practices in Indonesia, Japan, Malaysia, South Korea, and Thailand. A review of each country will examine the overall human resource style used within the country, and what are the recruitment practices that are most utilized by corporate entities within each region. The latter will look at in-country and cross-border recruitment practices of members of the general population as well as marginalized groups such as persons with disabilities and refugee populations. Where applicable, there will be an overview of how government policies can influence corporate entities to adopt certain recruitment techniques. Finally, the paper will present analysis of how various factors within countries interplay to develop unique climates that demand corporates to adopt a flexible recruitment style when attempting to recruit new employees into their jurisdiction.

I) Definitions

Before this paper explores how businesses in difference countries vary their recruitment practices, we must first clarify how we define several terms that will be utilised throughout this report. The definitions that need to be clarified are “member of general population”, “marginalised groups”, “persons with disabilities”, “refugees”, “in-country recruitment” and “cross-border recruitment”.

A member of the general population refers to male and female members of the total population who are not deemed marginalised in this report. Furthermore, members of the total population include all persons of the nationality of the country being examined as well as persons within the country who have a right to work and not deemed to be a member of a specific marginalised group.

While there many types of marginalised groups that could be surveyed in this report, we have decide to narrow our approach on recruitment practices to persons who are defined as ‘refugees’ as well as persons with disabilities. We understand there are many definitions that could be used to describe a ‘refugee’ and a ‘person with a disability’ so we have decided to adopt a specific definition for each that is recognised and utilized by an international organisation. Through narrowing our scope of inquiry to these specific definitions, we hope to gain a glimpse of the employment situations for a specific subsection of persons who fall under the broader umbrella of a ‘refugee’ and a ‘person with a disability’ rather than to attempt to credit an analysis of the each entire category. We hope this analysis conducted in this report will complement existing discourse of the unique environments these marginalised persons are required to navigate in their lives. Finally, we also note that being a member of one marginalised group does not exclude the potential you could be from other marginalised groups. In this manner, we recognize that marginalised groups are not mutually exclusive from one another.

This paper will use the definition of a ‘refugee’ as used by the United Nations High Commissioner for Refugees (UNHCR). According to the UNHCR:

“A refugee is someone who has been forced to flee his or her country because of persecution, war, or violence. A refugee has a well-founded fear of persecution for reasons of race, religion,
nationality, political opinion or membership in a particular social group. Most likely, they cannot return home or are afraid to do so. War and ethnic, tribal and religious violence are leading causes of refugees fleeing their countries. \(^2\)

A ‘person with a disability’ can be defined in a number of manners. We have decided to select a specific definition when conducting our examination and analysis of recruitment techniques. For the purpose of this report, we have adopted the definition of ‘person with a disability’ as defined by the International Labour Office of the International Labour Organization (ILO). According to the ILO, a ‘person with a disability’ is defined as:

“An individual whose prospects of securing, returning to, retaining and advancing in suitable employment are substantially reduced as a result of a duly recognized physical, sensory, intellectual or mental impairment.”\(^2\)

The ILO recognises that a disability may be temporary or permanent in nature.\(^3\) While a person has a disability, the ILO encourages ‘reasonable accommodation’ of that disability.\(^4\) Specifically, “reasonable accommodation” is defined as “appropriate measures enabling a person with a disability to have access to, participate, advance in employment, undergo training or other career development opportunities”.\(^5\)

Finally, we need to clarify the terms ‘in-country recruitment’ and ‘cross border’ recruitment. ‘In country recruitment’ is used to define the scenario where an employer in country A seeks to fill a vacant job by hiring persons found within country A. On the other hand, ‘cross border recruitment’ is used to describe the scenario where an employer in country A seeks to fill a vacant job in their organisation by hiring persons found across international boundaries in country B.

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1 Taken from the UNHCR Website on 5/2/2018: www.unrefugees.org/refugee-facts/what-is-a-refugee/
3 International Labour Office, *Managing disability in the workplace* (February 2002),
Overview of the Types of Recruitment Practices

Recruitment is a term used to describe the act of finding, engaging and attracting new employees or members to an organization. Companies undertake recruitment for a variety of reasons. Whether an organisation is trying to fill a vacant role following the resignation of a former staff member, or a business is looking to expand and with that they require more support staff to enhance capacity, these scenarios and many more would count as recruitment. Corporate entities can recruit new employees on their own or they can engage a third party (also known as a talent scout or recruiter) to assist with the recruitment process. Generally recruitment of unskilled workers will use more traditional models, while corporates who are required to recruit skilled workers adopt both traditional and modern techniques. The main defining feature that divides traditional recruitment practices from alternative practices is whether a third party is involved as an intermediary for either sourcing potential employees, supplying an employee on short or long term basis to satisfy the requirement needs of the company, or as taking control and managing the service that needs to be carried out to meet the needs of the business. As time has progressed, businesses have used a variety of traditional and modern approaches to meet the requirements of a business.

Traditional recruitment practices tend to involve the use of print campaigns, and mass recruitment practices such as online job boards as well as career websites. Print campaigns include practices where job vacancies are posted in written form and presented to public in the form of a sign, a flyer, a newspaper or magazine, as well as job notice boards. A company may decide to utilize print campaigns for a variety of reasons. For example, print campaigns have the ability to reach a broad range of the general population. Print campaigns also allow employers to reach job seekers in a quick timeframe. One of the negatives of print campaigns is that the job posting must be seen by the job applicant which requires the applicant to read the specific resource (such as a newspaper) and find the ad. Other recruitment techniques have attempted to readjust the odds of a job seeker seeing the advertisement. In recent times, the usage of online print material has allowed businesses to reach a broad range of audiences thus increasing the likelihood that a job posting could be viewed by a suitable applicant. Used in a similar manner to print advertisements, online job boards allow businesses to illustrate a vacant position in an online post and include relevant details about the position. Companies

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can post the online job board on their own website or use a third party sites where job seekers can view available positions. Unlike print campaigns, online job boards are significantly less expensive, and allow job seekers to connect with job opportunities that meet their criteria in a more streamline manner. Furthermore, online job boards allow job seekers a more direct forum for finding job opportunities that meet their specific professional requirements (i.e. salary, industry, term of employment, etc.) through usage of search engines to identify relevant job notices.

More modern techniques have used third parties to directly assist in the recruitment process. Third party recruiters offer companies a variety of services to satisfying their unique human resource needs. While there are many modern recruitment techniques, the two most common that are utilized are recruitment process outsourcing, and recruitment process insourcing.

A popular recruitment process used by many businesses is recruitment process outsourcing (RPO). The Human Resources Outsourcing Association describes RPO as “a form of business process outsourcing (BPO) where an employer transfers all or part of its recruitment processes to an external service provider.” The business may engage the third party service provider to handle the complete recruitment process or individual components of the recruitment process such as background or reference checks, interview screening as well as exit interviews. One of the many benefits of RPO is that it allows businesses to decide which aspects of the recruitment process they would like to handle. Ultimately, businesses are increasingly turning to RPO services as it can greatly increase the efficiency of a business that needs to recruit new employees.

Another form of modern recruitment technique is recruitment process insourcing (RPI). RPI occurs when a third party recruitment company is engaged and sends one of their recruiters to operate ‘on-site’ at the client’s company while performing their recruitment of new employees. Some companies may view this recruitment style as more favourable as the ‘onsite’ experience allows the recruiter to experience the unique dynamics of the company in their current state. Furthermore, the ‘on-site’ experience gives some companies the appearance of maintaining a larger degree of control over the recruitment process without the negatives of trying to manage the process internally.

Both traditional and modern recruitment techniques offer companies a variety of methods, each with their own benefits and negatives, to source employees. One very important aspect that can influence a company’s recruitment techniques is how the company engages in human resource management.

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(HRM). Human resource management (HRM) is defined as the planned approach adopted by a Company to manage people effectively within the organisation to meet performance objectives. There are a variety of styles that are used to describe the way a Company engages in HRM including polycentric, ethnocentric, geocentric, and regiocentric approaches to HRM.

The first HRM style that we will examine is known as ethnocentric hrm. In this style, a Company hires management from the Company’s country of origin as it is believed this will enhance communication with the company’s head office and thereby the efficacy and overall productivity within the Company. While this management style can increase efficiency within the company, it often leaves employees working in countries outside the country of origin as feeling they are limited in their ability to advance within the organisation. A lack of opportunity for progression for employees can result in lower retention rates within the Company, and may increase recruitment and training costs. Another HRM style that adopted by many businesses is Polycentric HRM. This style is used when a Company engages in a multinational staffing strategy and where satellite offices located in separate jurisdictions from the company’s country of origin manage their unique national identity within the company. This style of HRM encourages hiring locally in satellite countries thereby minimizing cultural as well as linguistic challenges in satellite regions. Another style known as Geocentric HRM describes when a Company actively hires the most qualified candidates regardless of a person’s nationality. A benefit of this HRM strategy is that it actively encourages performance as well as innovation by employees. One potential problem with this style is that while certain employees may be the best qualified for the position, they may face additional obstacles due to their nationality (such as obtaining a work permit). Finally, some companies select a regiocentric approach to HRM. This style looks for the best candidate across an entire particular region. Regiocentric approaches to HRM allow head offices to obtain the most qualified candidates, while at the same time allowing the company to gain an employee with a unique skill set (such as language skills) that may allow the business to expand into new regions.

In the end, there are a variety of recruitment practices that can be used by Company to fill their particular requirements. A Company’s HRM can influence the way they engage in recruitment, however, this is only one factor that can influence the manner in which Company’s can recruit. The next section will explore how other factors such as local culture, regional economics, and government policy have the ability to influence a Company’s preference to use certain recruitment practice in lieu of others. Through an analysis of five regional centers, it will be shown that a complex interplay of factors has created a unique environment in the Asia-Pacific region through which Company’s must carry out their human resource management.

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Japan

As the third largest economy in the world, Japan represents a unique environment for examining recruitment practices in the Asia-Pacific region. Unlike in many other jurisdictions, a range of cultural practices, government policies, as well as regional economics heavily influences the HRM style in Japan. The unique interplay of these factors has forced Japanese companies to adopt a unique set of recruitment practices when trying to hire talent from the general population as well as marginalised groups.

I) Traditional Recruitment Practices

Culture remains at the foundation of Japanese society and heavily influences both the employer in deciding how to engage new talent as well as the person considering entering the recruitment process. In Japan, culture plays a significant role influencing how companies engage in recruitment practices. While there are a number of cultural practices that influence recruitment practices, we have decided to focus our discussion on two prominent cultural trends that heavily influence Japanese businesses. Firstly, there is an understanding that new employees are expected to remain with their company for a long period of time. Next, Japanese business culture believes advancement should be based on seniority of an employee rather than a strictly merits based system. Each of these features have remained prominent fixtures in Japanese culture since the early twentieth century and continue to remain an important force guiding HRM style in Japan.

In Japan there is a well established belief that once an employee joins a company that they will remain with that company for the long-term, and often the entire duration of their professional careers. Statistics compiled by the Ministry of Health, Labour and Welfare support this belief holds largely true in Japan. For example, in 2010 approximately 43.2% of employees in Japan remained in the service of their employer for ten or more years whereas in South Korea only approximately 16.5% of employees have worked with the same employer similar amounts of time. The tendency by employees to remain with their employer for longer periods of time has translated to a need for recruitment practices in Japan to target the largest pool of talent at the most advantageous time, namely, when persons are finalizing their education and looking to enter the job market for the first time. The cultural practice of Japanese companies recruiting talent at this critical moment is known as Shinsotsu recruiting.

Shinsotsu recruitment is used to describe the practice whereby Japanese Companies recruit talent from the pool of new graduates that have just finished University. Since it first being used in the 1920's,

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the practice of recruiting has become a cornerstone of Japanese companies. Many businesses engage in Shinsotsu recruitment as it believe recruitment of individuals at this early stage of an employee professional career allows employers to truly capture and harness an employees skills and aptitudes to meet the needs of the Company. In return for a graduate accepting a position at the Company, the Company was understood to guarantee long-term employment to the recruit. Ultimately, Japanese businesses saw the shinsotsu recruitment as the first stage for establishing a long-term relationship between the individual and the Company.

There are several benefits to this style of recruitment beyond simply capturing bright new employees at an early age. One benefit of shinsotsu recruitment is that HR practices can be structured and developed in a systematic manner that corresponds to the annual recruitment calendar. For example, in-house training of new graduates can be developed and coordinated in a controlled manner corresponding to the annual cycle. Current employees can also benefit from the shinsotsu recruitment practice as current employees are often created mentors to new recruits that have been found to create a sense of motivation within the Company. From an HR perspective, managers are able to better manage and balance the composition of its workforce in a variety of facets including age and gender of employees as well as salary composition.

There are several negatives to the Shinsotsu recruitment style. One negative of this style of recruitment is that it is a “lengthy and time consuming process” as businesses are recruiting from a talent pool that has very limited skills and experience. The lack of experience held by applicants is due to the fact many individuals in Japanese universities will not have professional experience to transfer into their new roles upon being recruited into the new Company. Another difficulty of this recruitment style is that businesses expend an immense amount of time as well as effort when trying to hire new employees via Shinsotsu recruitment leaving their human resource teams with limited resources to explore other recruitment avenues outside of this model. This lack of flexibility in recruitment can mean that Japanese companies may face difficulty in scenarios where market conditions reduce the available applicant pool. For example, in the event market conditions changed and the available pool of quality applicants in the Graduate community is reduced then Companies may be unable to pivot to other recruitment techniques to avoid financial loss of the Company. Although negatives such as these are connected with Shinsotsu system, this style of recruitment remains a national tradition that has remained a consistent feature in Japanese society for nearly a century.

Another unique feature of Japanese business culture is that the majority of businesses in Japan use a seniority-based remuneration system. Under this system, an employee’s wage is calculated based on the duration of time that an employee is with the Company. As a result, employees start their


professional careers at a low salary with the understanding that they will be entitled to regular pay increases over the course of their professional careers.\textsuperscript{28} Towards the end of an employee’s professional career with the Company, the worker will be entitled to a much higher pay when compared with new employees and will also have the benefit of preferential treatment in a host of areas including job promotion and vacation time.\textsuperscript{29} While this practice provides employees with reassurance that their compensation as employees will continue to grow as they progress through life, this system has been criticized for failing to acknowledge performance differences between employees (such as recognition of merit within the workplace). Under a merit-based remuneration system, employees who outperform other employees are rewarded with salary increases or promotions in recognition for their contribution to the firm above other employees. By extension, employees who outperform other employees and are given the recognition perceived to be due for their contribution are more likely to seek new employment opportunities. Under this system it is more common for employees to stay with a given period of time then transition to a new role rather than remain for lifetime employment. Within Japan, foreign multinational companies rather than Japanese businesses most often use merit-based remuneration. Multi-national companies argue in favour of merits-based remuneration as this system can help with retention of employees as well as encourage performance increases.\textsuperscript{30}

\textbf{II) Modern Recruitment techniques in Japan}

Since 2000, there has been a shift between in the recruitment techniques used by foreign and national businesses operating in Japan. These changes in recruitment practices reflect a need by businesses operating within Japan to adopt a more flexible and diverse model for recruitment. Specifically, Japanese businesses required a more flexible approach to recruiting talent due to changes in population trends, regional economics and a shift in government policy.

Changes in population trends in Japan have caused a dramatic shift in the job-to-applicant ratio creating a need for companies to diversify their recruitment techniques to fill vacant positions. This shift has occurred for a variety of reasons including the average age of Japan’s population increasing toward retirement age, and a dramatic decrease in overall birth rate of the country.\textsuperscript{31} These populations are leading to a higher number of vacant positions in companies, and a much smaller pool of graduates at Universities where companies traditionally recruit new employees.\textsuperscript{32} The issue has become so pronounced in urban centers such as Tokyo that there are on average more than two vacant jobs to every

\begin{thebibliography}{9}
\bibitem{31} Chris Weller and Reuters, "Japan’s population is falling faster than it ever has before" (5 July 2017) in Business Insider, accessible at: http://www.businessinsider.com/japans-population-falling-faster-than-ever-before-2017-7?r=T
\bibitem{32} Shoko Oda and Isabel Reynolds "Tokyo has more than two job openings for every applicant" (16 March 2017) in Bloomberg, accessible at: https://www.google.com.au/search?q=Tokyo+has+more+than+two+job+openings+for+every+applicant%E2%80%9D&oq=Tokyo+has+more+than+two+job+openings+for+every+applicant%E2%80%9D&aqs=chrome..69i57.295j0j9&s=chrome..69i57.295j0j9&sourceid=chrome&ie=UTF-8
\end{thebibliography}
Ultimately, the shift in population trend in Japan has resulted in Companies needing to diversify and adapt their recruitment practices to the rapidly changing labour market.

One of the first maneuvers used by Japanese businesses to counter the shifting labour market was a proportional increase in the percentage of University graduates being recruited by the traditional Shinsotsu method. Statistics collected via the Works Institute illustrated that Japanese businesses began to progressively increase the number of job offers from 2000 to 2009. In 2000, the ratio of job opening-to-application ratio for applicants taken via Shinsotsu was 0.99. By the time 2009 arrived, this ratio rose dramatically to 2.14. These statistics indicate that the number of job seekers throughout the whole period from 2000 to 2009 remained relatively constant while the fluctuating factor was the increase in job openings. The gradual increase in job offers halted the following year in 2010 when the effects of the 2008 Global Financial Crisis began to truly hit the Japanese economy causing employers to shift their internal HR tactics.

Next, Companies began to expand the pool of applicants they would consider offering permanent contracts to include more foreigners. While foreigners have worked in Japan for many years this subset of the population was predominately isolated to working in non-Japanese multinational companies and generally at higher levels within the company structures. Traditionally, Japanese companies viewed the hiring of foreign employees as being too burdensome due to cultural differences and immigration obstacles when compared with employment of Japanese applicants. On the other hand, non-Japanese businesses operating within Japan viewed foreigner employees as an opportunity to ease communication between Japan and the overseas headquarters as well as a means to foster a Western corporate structure (i.e. merits-based remuneration, multicultural and diverse work environment, etc.). When the labour shortages began to hamper the activities of Japanese companies, it was small and medium-sized businesses that were first forced to look elsewhere to open positions within their companies. These small and mid-tier companies were unable to compete with top Japanese companies to recruit the talent they required so they increasingly began to look overseas to secure the support they required. One such company that was facing recruitment issues was Lawson Inc who in 2008 was forced to diversify the type of applicant they accepted when filling vacant job positions. In an attempt source new employees Lawson Inc began to recruit foreign workers to fill vacant positions. The move was a successful for Lawson Inc who now source approximately 10-30% employees from overseas. Other benefits beyond simply filling vacant positions were soon noted by small and mid-tier firms including that companies were now able to utilize advanced linguistic skills that foreign workers brought with them. The added benefits of recruiting foreign talent were soon identified by top-tier companies who began to expand their recruitment

33 Shoko Oda and Isabel Reynolds “Tokyo has more than two job openings for every applicant” (16 March 2017) in Bloomberg, accessible at: https://www.google.com.au/search?q=Tokyo+has+more+than+two+job+openings+for+every+applicant%E2%80%9D&oq=Tokyo+has+more+than+two+job+openings+for+every+applicant%E2%80%9D&aqs=chrome..69i57.295j0j9&sourceid=chrome&ie=UTF-8
34 Works Institute statistics noted in article by Disco Inc “Recent Recruitment Trends in Japan” (2012) page 1, accessible at:
35 Disco Inc, “Recent Recruitment Trends in Japan” (2012) accessible at:
36 Disco Inc, “Recent Recruitment Trends in Japan” (2012) accessible at:
37 Kyodo, “Top Companies move to hire more foreign employees” (1 May 2016) in Japan Times, accessible at:
https://www.japantimes.co.jp/news/2016/05/01/business/top-companies-move-hire-foreigners/#.WrdKcpNubOQ
practices in the following years. Recruitment companies during this period also began to increase in numbers. In particular, recruitment process outsourcing became increasingly popular as a means for Japanese companies to connect with overseas talent seeking jobs. While the vast majority of the foreigners that were being recruited into these programs had studied at Japanese universities it was also during this time that there was an increase in cross-border recruitment from overseas jurisdictions. In the end, this shift towards a more diverse recruitment model has been a slow process but has acted as a small release valve to labour shortages within Japan.

Another shift in Japanese recruitment practices was due to the experience faced by the business in Japan following the Global Financial Crisis (GFC). While traditionally businesses favored the ‘life-long’ employment model and seniority-based remuneration system, the GFC marked a turning point in human resource management in Japan. In particular, many businesses began see the negatives of the traditional recruitment practices leading to a shift by Japanese businesses to adopt more flexible human resource management models.

As the GFC hit, many businesses in Japan were restricted in their ability to counter the negative effects of economic downturn. One of the reasons the businesses were unable to respond was because their employment structure had favored traditional long-term employment models. The negative of a business having permanent contracts during a period of economic uncertainty is that business operations were required to maintain commitments to employees. As employment overheads remains at levels pre-GFC, many businesses were unable to cope and shift their behavior and were forced to rely on reducing their front end recruitment practices as one means to cut costs. The difficulty with the traditional employment structure in Japan is that while business in GFC were able to reduce their recruitment efforts of new employees their existing commitments to permanent employees remained, and one of those commitments was the seniority-based remuneration system. Thus, as the Japanese economy was struggling and businesses were trying to cut costs, employment overhead continued and in some cases grew for employees. Ultimately, these employment models meant businesses were restricted in their ability to respond by cutting the employment costs.

As businesses in Japan began to slowly emerge from the GFC, there were two key shifts in recruitment practices that began to emerge. Firstly, businesses in Japan began to move away from offering permanent models and towards more often offering irregular/part-time employment models. According to the Health, Labour and Welfare Ministry irregular employees now accounted for 40% of the total population. The dramatic rise between the years of 2012 to 2015 was quoted as a ~8.1% increase in the number of irregular employees in the total workforce. When businesses were asked by the Health, Labour and Welfare Ministry as to why irregular employment models were becoming popular respondents cited a number of reasons. In response, 38.6% of companies maintained the shift was due to a need for reduction of overall employment expenses as the main reason, while 32.9% of respondents indicated the need for a more flexible workforce to meet ever-changing demand in the market. The shift towards irregular


40 Japan Times article “Plight of irregular workers” (5 January 2016) in Japan Times, accessible at: https://www.japantimes.co.jp/opinion/2016/01/05/editorials/plight-of-irregular-workers/#.WrdXQJNubOQ
employment provided businesses in Japan with flexibility in the event they required should they need to cut costs in another economic downturn. A second major shift in recruitment practices following GFC-period was that businesses were beginning to consider using merits-based remuneration models for new recruits rather than seniority-based recruitment. Reflecting on the lack of flexibility during the GFC, a merits-based system would allow businesses to better manage remuneration of employees, as there wasn’t the expectation of salary raises purely on the basis of length of time with the Company. As businesses in Japan are beginning to move away from traditional recruitment models they are increasingly beginning to use the services of third party recruitment agencies. In particular businesses are increasingly using recruitment process outsourcing services to meet their employment needs. Since 2013, Japan’s businesses have been dramatically increasing their expenditure in the temporary staffing service market. In 2013, the market size was ~3.59 trillion Japanese Yen. By 2017 the market was forecasted to reach 4.7 trillion Japanese Yen. As businesses progressively move towards outsourcing their recruitment operations away rather than strictly focusing on direct recruitment via the Shinsotsu model there will increasingly be more need for the service offerings of third parties to fill vacant job positions.

Recruitment and Marginalised Groups

In recent years, Companies in Japan have become more active in hiring members of marginalised group. To begin, we will survey how businesses are increasingly hiring persons with disability to meet their business’ labour needs and fulfill their requirements under labour law in Japan. Next, we will examine how new initiatives by large multinational corporations to Japan have attempted to change traditional perception towards offer jobs to refugees.

I) Persons with Disabilities

The Japanese economy has actively encouraged and promoted the integration of persons with disability into the workforce albeit with varying degrees of success. While the legal system in Japan actively encourages employment of persons with disability there remains widespread stigma against persons with disabilities that often limits the types of employment opportunities that disabled candidates can seek. Despite the stigma held by some within Japan, the outlook for employment of persons with disabilities remains optimistic as disabled persons are actively recruited into businesses through a variety of means such as through direct recruitment and through labour agencies and NGOs.

One of the hallmark features of the Japanese economy is the employment quota system developed and managed by the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers. Developed during the 1960s-1970s the scheme places requirements on businesses with more than 50 employees to actively recruit and employ persons with disabilities. The scheme states companies with more than 50 employees are required under Japanese law to have at least 2% of their workforce as persons with disabilities. Failure to satisfy the 2% quota will result in penalties being applied to Companies for each month they fail to satisfy the quota. The penalty amount that a

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company will be liable to pay is 50,000 yen for each person they are under. Companies employ persons with disabilities beyond the 2% requirement will receive an additional bonus. Specifically, companies with more than 50 persons and 300 or less that employ beyond the 2% will receive 27,000 yen for each person beyond the required quota.\textsuperscript{44} Companies with 301 or more employees will receive a bonus of 21,000 yen for each person over the quota. The government has limited the bonus eligibility to a maximum of 6 additional employees beyond the 2% quota for the Companies.\textsuperscript{45} Many within Japan agree that the employment quota system has helped to increase the employment of persons with disabilities.\textsuperscript{46}

Another item that heavily influences the employment of persons with disabilities in Japan is how individuals and companies perceive hiring a person with a disability. In the homogeneous society of Japan where there is cohesion between people on the basis of likeness, there is often alienation towards persons with disabilities due to their differences from the ‘general population’.\textsuperscript{47} In the labour market this stigma towards hiring people with disabilities can manifest in the type of employment opportunities being offered towards disabled persons. Specifically, some employers may limit the job positions that are available to disabled persons to positions that require low skills. When employers limit the type of job positions offered to disable persons to only low skill positions this can alienate persons with disabilities that have skills and qualifications that exceed the skills level of the position. Despite there being a stigma towards hiring persons with disabilities in Japan, the employment quota and more progressive attitudes towards persons with disabilities has create a need for disabled persons to be actively engaged within the labour market.

Persons with disabilities can be recruited into the workforce through a variety of means. To begin, disabled persons can submit an application directly to the employer in response to a recruitment campaign of the Company. In addition to the job application the applicant will often be required to complete a disability statement where the person must if they have any mental, intellectual, or physical impairment. The inclusion of the disability disclosure form allows companies to identify disabled persons that may be able to contribute to the Companies employment quota under the levy-grant scheme.

Next, persons with disabilities can be recruited into businesses through the assistance of third parties service providers such as NPOs, government employment centers, as well as private companies.\textsuperscript{48} These third parties can assist persons with disabilities through providing opportunities to learn skills to access employment (such as computer and curriculum vitae writing classes), sourcing employment opportunities, as well as providing counseling services to individuals after securing employment.\textsuperscript{49} In 2007 there were only 603 of these support locations in Japan, however, this number has increased to 2,518 by

\textsuperscript{47} Aliasis, “Cultural Differences Between USA and Japan” (28 September 2013) accessible at: https://owlcation.com/social-sciences/Cultural-Differences-Between-the-US-and-Japan
2012. It is hoped that these organisations will continue to increase in popularity across Japan in the coming years.

II) Refugee Populations

Refugee populations have struggled to access employment opportunities within the Japanese economy for many years. The struggle by business to recruit from the refugee population is due to a numbers of reasons including the fact there are relatively few refugees living in Japan, there is a held by many in Japan towards refugees, and finally, language requirements of Japanese businesses make it difficult from refugees to secure high skill employment. Despite these challenges there have been attempts in recent years to enhance recruitment of refugee populations into the work force.

The first item it is important to understand is that there are relatively few refugees accepted into Japan which makes it difficult to conduct a comprehensive review of the working environment surrounding this marginalised group. Despite Japan having a large number of refugee applicants there are relatively few that are actually granted refugee status. Since 1982 when the UN Refugee Convention was signed by Japan there have been less than 700 refugees accepted into the country. In the first half of 2017, there were approximately 8,561 new refugee applications to the Japanese government, however, the country has only accepted 3 applications in the first half of this year. While there a number of explanations as to why Japan accepts so few refugees there are two that consistently arise in the literature. Firstly, Japan has a procedurally long and drawn out application process which makes it difficult for individuals to apply for refugee status. In Japan, asylum-seekers must ensure their application and any supporting documents is filled out in Japanese before their asylum-claims can be considered by the immigration authority. Furthermore, asylum-seekers must meet Japan’s own unique interpretation of the refugee convention and when asylum can be granted, namely, “an applicant must be individually targeted by the authorities of their home country”. This added layer to the refugee convention means that an asylum seeker who is a member of a group that is targeted by the government will not meet the required threshold to be deemed a refugee under Japanese law unless they are personally identifiable within that group. The effect of this higher threshold is that it is more difficult for those who seek asylum to obtain refugee status in Japan. Another reason put forward by many to explain the low number of successful refugee applications is that there are relatively few applications with legitimate grounds that meet the criteria under the 1951 refugee convention. A high profile report by The Japan Times interviewed a series of experts who agree “that a vast majority of the recent applicants are migrants trying to take advantage of a loophole in this nation’s convoluted and time-consuming refugee recognition procedures".

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53 Robin Harding, “Japan accepted 28 refugees in 2016” (13 February 2017) in Financial Times, accessible at: https://www.ft.com/content/528996e-f1b4-11e6-8758-6876151821a6
54 Robin Harding, “Japan accepted 28 refugees in 2016” (13 February 2017) in Financial Times, accessible at: https://www.ft.com/content/528996e-f1b4-11e6-8758-6876151821a6
experts believe a shift in Japan’s policy towards unskilled labour has led to an increase in individuals lodging refugee applications simply to get the work permit that accompanies the process.\(^{56}\) As the refugee screening process generally takes on average 10 months and 23 months for those who file appeals to their decisions this can mean an individual can work for extend period of time.\(^{57}\) It must be noted that despite an individual being rejected by the Japanese government, there would be the ability for applicants to lodge a new application if unsuccessful at first instance. The dramatic rise in applications being lodged without legitimate grounds has led to the Japanese government in January 2018 to adopt a stricter refugee screen policy.\(^{58}\) Under the new policy, first time applicants may be deported at first instance if they file refugee applications without legitimate claims. The Justice Minister for the Japanese Government, Yoko Kamikawa, hopes the new policy will allow Japan “to concentrate on dealing with refugees who need protection”.\(^{59}\) Others argue the new policy will not enhance “genuine refugee protection” in Japan but will merely speed up the deportation procedure.\(^{60}\) In the end, the low numbers of refugees in Japan is one reason as to why Japanese businesses fail to engage in targeted recruitment practices towards refugee populations.

Stigma towards refugees is another important factor as to why businesses tend to avoid recruitment from refugee populations. Japan has a strong nationalistic identity that encourages embracing one’s own culture above other cultures.\(^ {61}\) Issues arise in relation to this belief, and can lead to stigmatization of groups who do not conform to the dominant Japanese culture. As a refugee who has entered a new country to seek safety, the culture of ‘exclusion of the other’ in Japanese culture can create personal and professional challenges. In professional environment, this stigma towards refugees can result in an employer not wishing to hire outside of the Japanese ethnicity, or can lead fellow co-worker to discriminate against coworkers of another ethnicity. Ultimately, the ethnocentric views of employers or their staff can lead to lower changes of refugee populations being recruited into their businesses.

Another issue faced by refugees in Japan is that they are often limited in the type of jobs they can apply to due to domestic requirements such as being competent in the Japanese language. The Tokyo-based Refugee Assistance Headquarters (RHQ) has analyzed data which indicates that while some refugees are able to secure factory positions, such as those that support the auto manufacturers industry, they are most commonly employed in providing cleaning and washing services.\(^ {62}\) An official at RHQ,

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\(^{59}\) South China Morning Post, 12/1/18, article.

\(^{60}\) South China Morning Post, 12/1/18, article.


Hiroaki Ito, states “they work at places where work can be done without speaking Japanese.” So long as knowledge of the Japanese language continues to be an important requirement for employers, this will continue to be an important barrier blocking the ability of refugees to access skilled employment opportunities.

In recent years there has been hope for refugees seeking to gain access to employment opportunities in Japan. Specifically there has been a progressive increase in incidents where large multinational corporations have sought to recruit refugee populations. Uniqlo was one of the first large multinational companies to support refugees through their business activities. In 2011, Uniqlo’s parent company, Fast Retailing, entered into a global partnership the UNHCR “to strengthen in response to the worsening refugee situation.” Uniqlo has participated in this program by offering an employment program at their stores in Japan for individuals who have been positively recognised as refugees by the Japanese government. Overall the employment program has been a large-scale success albeit on a small scale. Since the program started it has successfully offered employment opportunities to 50 refugees around the world of which 39 are in Japan. Uniqlo aims to offer up to 100 positions in its company to refugees over the next few years. Through global partnerships such as the Uniqlo-UNHCR relationship, it is hoped companies in Japan will begin to see the many benefits of offering employment opportunities to refugee populations. Benefits of recruiting from refugee populations allow Japanese businesses to not only gain a new employee with a skill set or to satisfy a CSR policy, but these employees can also turn ethnocentric companies into truly multicultural and global corporations. In the end, as businesses begin to see more success stories such as the Uniqlo employment program it is expect more large corporations will begin to offer similar employment opportunities to marginalised groups such as refugee populations.

Conclusion on Japan

In the end, a unique interplay of factors influence the recruitment landscape in Japan for the general population as well as those who are members of marginalised groups. At the foundation are unique cultural features that permeate throughout the company-employee relation in Japan such as the tradition of life-long employment in Japan. Traditionally, the Shinsotsu recruitment practice was the primary way individuals were recruited into large companies in Japan. However, in recent years companies have begun to shift their policy away from the long-term employment position and towards a more agile and flexible model due to two reasons. The first reason is a decline in the available talent pool as low birth rates have stifled the available domestic labour force. Another reason is due to changes in global economics such as the shock of the GFC on the globe that demanded companies adopt more flexible employment models. As the Japanese labour force continues to shrink in Japan there will increasingly be the need by businesses to rely on marginalised groups such as disabled persons and refugees. In recent years, persons with disabilities are increasingly recruited by businesses to meet both their business needs.

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66 Japan Times, Uniqlo opens its doors to job-seeking asylum-seekers at home and abroad.
and the employment quota system in Japan. Other marginalised groups such as refugee populations are also expected to be targeted by businesses in Japan as a means to fill job vacancies albeit at a slower rate.
Thailand

As one of the fastest growing nations in the Asia-Pacific region, Thailand has developed a recruitment style that tries to harness the collective talent of both the general population as well as marginalised groups. Members of the general population at entry to mid-level positions are often recruited into organisations through traditional methods of recruitment, namely, job postings in both print and online mediums. Entry for mid-level to management level occupations are often recruited through third party recruitment companies so employers can bring in the specific talent they require in a targeted and strategic manner. Persons with disabilities are increasingly being incorporated into the workforce as government policy and domestic attitude towards the populations encourage employment opportunities to be given beyond the general population. Unfortunately, refugees in Thailand face difficulties securing lawful employment due to adverse government policy.

I) Traditional Recruitment Practices

Similar to Japan and South Korea, culture within Thailand remains a strong force influencing how businesses operate within the country. Besides influencing the how businesses engage with their customers, unique cultural principles influence the employer-employee relationship as well as heavily influencing how employers recruit new talent into their company. The key principles of “sanook”, “greng jai” and paternalistic relationship within the workplace are the most prominent cultural principles in play within the business environment in Thailand. Firstly, is how the role “sanook” permeates within Thai culture. This concept refers to the guiding principle found within Thai communities to embrace “fun”. Within the workplace employers strive to ensure the work environment is also “fun” and is a happy environment that is not too overbearing on an employee. When it comes to recruiting new employees into the office, employers are conscious to consider how the new employees may influence the work environment. Another aspect of Thai culture that influences how businesses operate within Thailand is the value of “Greng jai” which encourages persons to avoid disturbing other individuals. Within the work environment this translates to employees avoiding confrontation with other employees as well as avoiding questions with those who are senior. Finally, it is important to note that in Thailand there is a strong sense hierarchy in Thai society. Within the work environment this strong sense of superiority exemplifies in how decisions are made within the corporate structure and where the responsibility within the company lies. In both scenarios the responsibility and decision making ability lies at the top of the corporate hierarchy. All of these aspects of Thai culture influence how a business recruit individuals in Thailand.

Traditionally methods of recruitment in Thailand include the usage job posting in print and online form. Positions that employers required to be filled may be placed in newspapers or outside shops, and then prospective applicants would apply. Members of the general public would then nominate themselves for the positions by informing the employer in person, or through submission of an application or

curriculum vitae for their suitability for the position. Often times there will be an interview stage in addition to the initial step so as to ensure the suitability of the applicant to fit the business structure. It is at the interview stage that an employer will be able to assess the suitability of the applicant to ensure the workplace maintains sanook and grengjai. Once a suitable candidate is selected the employer may offer a “contract for work” or a “contract of services.” Both types of employment contracts will establish a different relationship with the employee and involve varying degrees of government regulation. A “contract for work” will occur where an individual is engaged as an independent contract to fulfill a specific job. A “contract of services” involved the establishment of a formal and long-term work relationship with the individual. The latter employment contract involves a much higher degree of regulation and liability of the employer’s actions such as establishing protections for employees against employer abuses. While these techniques are describes as traditional methods in Thailand, they continue in practice throughout much of the country in the modern period.

II) Modern Recruitment Practices

In recent years, businesses in Thailand have turned to third party agencies, such as training centers, employment agencies, and recruitment companies, to recruit employees. Training centers are increasingly becoming popular locations for Thai employers to find potential employees for several reasons. Training centers are facilities where individuals are looking to increase their skill set through formal education and/or vocational placements in the private sector. The benefit of these centers is that employers are able to access a large pool of potential applicants in a quick amount of time. Furthermore, employers can elect to offer placement positions to applicants through the training center that allows them the opportunity to ‘trial’ potential employees. The ability to trial employees offers employers the chance to test the suitability of applicants in their workplace without requiring them to offer a formal employment contract to the applicant.

Employment agencies are centers where employees can access potential employers for recruitment. Specifically these employment centers provide a location for persons to view employment boards, speak with personnel who can assist them with sourcing employment options as well as providing in house training on topics such as writing a curriculum vitae. In general these employment centers are non-profit organisations funded through grants or private donors, or alternatively, are government funded support organisations. In the end, these centers act as conduits for employees to access recruitment programs of businesses.

Finally, third party recruitment agencies are increasingly becoming popular in Thailand as a means for businesses to recruit new talent into the organisations. In particular third party recruitment companies are used by businesses in Thailand to recruit talent for middle and top-level positions within the company. One of the benefits for businesses in using a recruitment company is that they can outsource their human

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resources as well as access internal databases of applicants that are held by Thai recruitment companies. As business in Thailand continues to expand and requires further skilled talent in specific niche areas of the market, it is anticipate the usage of the third party recruitment companies will increase due to the ability of these companies to facilitate cross-border recruitment from outside of Thailand.

**Recruitment and Marginalised Groups**

As a country with a diverse cultural composition, Thailand has created an environment where the recruitment of members of marginalised groups is fairly open when compared with the recruitment practices in other nations. Specifically, employers tend to be more supportive of recruiting marginalised groups such as persons with disabilities as well as refugee populations. However, there does appear to a difference when it comes to how the government in Thailand approaches these marginalised groups. While the Thai government has been increasingly supportive of persons with disabilities, there is less supportive legislation towards refugee populations.

1) **Persons with Disabilities**

With approximately 3% of the population in Japan being persons with disabilities, Thailand has in recent years passed legislation to promote greater inclusion of this marginalised group within Thai society. The United Nations ESCAP in 2015 conducted an investigation in 2015 into the employment situation for persons with disabilities across the Asia-Pacific region and took an in-depth analysis of situation for persons in Thailand. According to the Report, the unemployment rate of persons with disabilities has been long-term problem in Thailand with rates as high as 60% for this marginalised population whereas overall unemployment rates in the general population hover around 2%. With 40% of the disabled population being employed, the Thai government has seen the need to address issues surround employment faced by this group.

To address the high unemployment rates among persons with disabilities in Thailand, the Thai government has adopted a series of laws to promote greater inclusion of disabled persons within the workforce. Starting in 1997, the Thai constitution adopted an anti-discrimination policy to protect against discrimination that may be faced by persons on the basis of physical or health conditions. Other government legislation have aimed to offer further protections to persons with disabilities, and to promote a more inclusive work environment including the Persons with Disabilities of Life Promotion Act (2007), the Persons with Disabilities Education Act (2008) as well as The Declaration on Rights for People with Disabilities in Thailand. Other initiatives similar to the Japanese employment quota scheme have been instituted in Thailand. The employment quota system in Thailand places requirements on

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companies that have more than 100 employees. Complying businesses who employ at least 1 disabled person for every 100 employee from the general population are entitled to a tax benefit. Unlike the employment quota system in Japan, businesses in Thailand do not have a ceiling cap on the benefits of employing beyond the requirement. In Thailand the employment quota system grants employers who have a workforce with “60% or more disabled employees (employed for more than six months in the fiscal year), [the ability to claim] a total tax exemption”. Employers who fail to comply with the employment quota will be liable to “contribute to a State Fund for Rehabilitation of Disabled Persons”.

Other initiatives to promote the inclusion of persons with disabilities into the labour market have arisen from partnerships between domestic partners and international organisations such as the International Labour Organisation and others. The Thailand Industrial Resource Center (IRC) is one such initiative that has aimed to provide support to workers at the “onset of a disability to create a return-to-work plan”. As part of the program, the TRC aims to return workers back to their old jobs through vocational as well as medical rehabilitation, counseling services, psychosocial supports session and adult educational classes. In cases where individuals are unable to return to work, the IRC can assist individuals with finding a new job. Ultimately, government initiatives and partnership programs are trying to create a more positive environment for persons with disabilities to access jobs within the community.

Disabled persons in Thailand often times seek employment in a similar manner to how the general population would proceed, namely, by responding to job postings. Persons seeking positions would identify positions in print or online media, and then subsequently nominate themselves as a suitable applicant. Difficulties arise for applicants when their disability frustrates their ability to respond to the job posting by the business. In recent years departments within Thai Government as well as the Department for Empowerment of Persons with disabilities has arisen that can assist disabled persons with the process of applying for new positions. Similarly businesses that are looking to recruit a persons with a disability into their organisation can turn to such organisations such as IRC to obtain a pool of potential applicants to fulfill vacant positions within the company.

In the end, there are several options for persons with disabilities to seek employment.

II) Refugee Populations

At present, Thailand’s government has a refugee policy that impedes the ability of refugees to obtain lawful employment within the country. Despite the unsupportive policy of the Thai government, refugees in Thailand are receiving support from NGOs as well as the private sector. Before an analysis of

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how businesses engage in recruitment strategies engage towards refugee populations, it is important to review the socio-political framework that refugees occupy within Thai society. Following an overview of the socio-political environment, we will examine how businesses are establishing employment relationships with refugees in Thailand.

Despite having an estimated 111,000 persons in Thai refugee camps, the Government of Thailand does not provide a supportive environment for refugee populations found within their borders. To begin, Thailand has not ratified the 1951 Refugee Convention, and at present has no domestic legislation concerning refugees. To manage the refugee situation within the country, Thailand permits the UNHCR to undertakes refugee status determination (RSD) activities within the country. In Thailand, asylum seekers waiting for refugee determination are placed within detention camps under the control of the UNHCR which are often located in isolated regions in the north of the country. Thailand does not recognize urban refugees and will arrest illegal asylum seekers and transport them to detention centers for processing, or deportation. The lack of government support by the Thai Government has created a difficult situation for asylum seekers and refugees within the country trying to seek employment opportunities.

Both refugees and asylum seeker Neither asylum seekers nor persons recognised as refugees by the UNHCR are given a right to work within Thailand, and are often restricted to accessing informal labour markets. Within UNHCR refugee camps in Thailand there are employment options although limited in number. A report conducted by Emerging Markets Consulting in conjunction with the UNHCR and Handicap International surveyed the employment situation for persons in Thai refugee camps along the border. The publication found that among the employers surrounding the camps there was approximately 57% of employers surveyed currently or have in the past hired refugees. Accordingly to those businesses surveyed, the primary business activity was in agriculture and required little to no formal skills. When asked if the situation was easier or more difficult in the past year to hire refugees or migrants approximately 60% of the respondents indicated it was increasingly becoming harder to hire refugees for a host of reasons. The most common response as to what barriers were impeding the ability of refugees to obtain employment was because of employers becoming increasingly worried about authorities discovering the informal employment. When asked about whether respondents would be interested in hiring employees if doing so could be done officially under Thai law there were 77% of respondents who indicated “yes” they would.

Other reports have examined how refugees located in urban areas in Thailand have accessed employment opportunities. Urban refugees in Thailand are considered illegal by the Thai government as refugees are only permitted to reside in formal detention camps. Despite the harsh law towards urban

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89 Article at: Asylumaccess.org/program/Thailand

90 Asylum Access, “Thailand” (2014) in Asylum Access Website, accessible at: Asylumaccess.org/program/Thailand


refugees there remain over 8,000 refugees residing illegally in urban areas such as Bangkok. Similar to the experience of refugees in rural settings, urban refugees are required to obtain employment informally and off the radar from the authorities. In general, urban refugee worker find employment through their social networks or through the assistance on NGOs such as Asylum Access Thailand (AAT). Third party organisations provide a vital support role in two main ways. Firstly, AAT acts as an access point for refugees to secure employment with businesses looking to obtain employment by connecting refugees with suitable employment opportunities. Next, AAT provides ongoing support services such as employment skills training that can better equip refugees in the urban environment with accessing employment opportunities where skills are required. Through the support of organisation such as AAT, refugees are able to enhance their position within the Thai labour market.

Conclusion on Thailand

When compared with other countries examined in this report, Thailand represents a unique environment to study recruitment practices. For members of the general population, Thailand continues to use traditional methods of recruitment. In general, traditional methods of recruitment such as through the use of job posting in print and online acts as the primary means of recruitment. Modern techniques such as the usage of employment centers and third party recruitment techniques are increasingly being used by businesses to solve their employment needs. Businesses seeking to recruit members of marginalised groups face an even more unique environment when it comes to Thailand. In the case of persons with disabilities, there is a large degree of support for this marginalised group in Thai society. Government legislation has created a positive legal framework that encourages recruitment of persons with disabilities. Unfortunately, refugee populations do not receive the same the degree of support from the Thai Government as they are denied a right to lawful employment.

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South Korea

As Asia’s third largest economy, Korea represents a fast growing and dynamic work environment where recruitment techniques are continually changing to meet new demands. For members of the general population there has been a gradual shift in the recruitment practices of businesses over the past three decades. Specifically, the general population has seen the effects towards favoring performance-based pay systems and specialist knowledge of applicants. While the shifts towards performance-based remuneration and specialist knowledge follow a much broader global shift seen around the western world in human resource management, South Korea has also developed a cultural preference for hiring recruits with a particular aesthetics so as to cultivate their corporate image. The recruitment practices towards marginalised groups have also been developed in recent years although to a much smaller degree when compared with the shifts influencing the general population. While there does appear to be positive development towards persons with disabilities, refugees face significant difficulties when trying to secure employment.

Recruitment Practices in South Korea

1) Traditional Recruitment

Recruitment practices have changed considerably over the past four decades in South Korea. To begin, there will be a brief overview of human resource management style in South Korea so as to contextualize the environment in which recruitment practices operate in South Korea. Once an overview is provided, there will be an introduction into traditional recruitment techniques used by corporates to fill vacant positions within their businesses. Ultimately, traditional recruitment techniques required a massive overhaul in the 1990s as companies required more flexibility to meet changing market demands.

Up to the 1990s, South Korea had a similar employment tradition as persons in Japan. To begin, human resources in South Korea focused on the long-term relationship between the employer and the employee. As such, recruitment of individuals was done at the earliest moment in an applicants professional career, namely, right before an individual completes their university education. It was believed that if a company could recruit the smartest and brightest at the earliest possible moment in their professional career then the business would be able to harness the talent of that individual to meet the specific needs and goals of the business. Under this method an ideal candidate would be intelligent, charismatic, and have a strong generalist knowledge that could be captured and shaped by the new employer. To ensure strong applicants would apply, businesses would send out representative to Universities across South Korea twice a year (in Spring and Autumn) to scout, test, and interview potential applicants. At the beginning of the recruitment seasons businesses, such as large family controlled businesses known as Chaebol, would provide information to potential applicants on their business and the work environment.


well as take part in aptitude testing and interviews. Successful applicants would be offered long-term permanent employment in the company. Like the traditional recruitment experience in Japan, it was generally understood that the employee would join the company for the duration of their professional year and in return the company would ‘look after’ the individual. A prominent feature of human resource management in pre-1990s South Korea was that employees would have remuneration that reflected their seniority within the company. A seniority-based remuneration system rewarded loyalty (on the basis of how long an individual is employed by a company) with the company, and discouraged employees leaving to join new companies as an employee in a new business generally started at the lowest end of the pay table. Until the 1990s, this traditional method of human resource management as well as unique recruitment practice in South Korea remained a constant fixture in Korean society.

II) Modern Recruitment Practices

In the 1990s, the negatives of the traditional human resource management style in South Korea began to be seen as businesses faced increased competition from international players and were forced to ‘weather’ the Asian financial crisis. The most prominent feature was a distancing in the employer-employee relationship that saw businesses putting their need for flexibility and efficacy being paramount in their human resource management style. Business became more flexible in a number of ways. The first strategy businesses began to enact was a shift away from offering life-long employment and a move towards short-term employment contracts. Moving away from life-long employment allowed businesses greater flexibility to manage the financials of the business. For example, in the event a financial crisis hit the company and the businesses needed to cut costs then an employer could terminate a short-term employment contract rather than needing to deal with the added expense of firing a long-term employee. In this manner the shift towards short-term employment contracts enhanced the flexibility of business. The second major shift was a move towards performance-based remuneration as opposed to seniority-based remuneration. Performance-based remuneration assisted employers with cultivating motivation as well as innovation within the workplace by rewarding those persons who contributed to the growth within the business. The shift towards performance-based remuneration is seen as a unique turning point in South Korean human resource practice and as a move by Korean firms towards the “global standards. One final change in the HRM style of the 1990s was a move towards specialist knowledge as opposed to generalized knowledge. Hiring persons that already have the specialist knowledge required by a company was seen as a cost-saving measure as well as a means for the company to increase its overall efficiency. Ultimately, these three company policy shifts saw a new employer-employee relationship emerge which in turn altered the way companies recruit new talent into their organisation.

The shift in human resource management style over the 1990s also saw a shift in the way companies undertook recruitment. Firstly, companies began to vary the criteria that needed to be met by new employees. While companies continued to do a considerable portion of their recruitment at

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Universities during spring and autumn, companies are increasingly expanding their recruitment timetable to all year round recruitment.\textsuperscript{103} South Korean businesses believe the more variable recruitment schedule allows them more flexibility to recruit talent when their need is most rather than waiting for the next available recruitment period. A second change in the recruitment practices of Korean businesses was a move towards recruiting individuals with specialized knowledge as oppose to those with generalist knowledge.\textsuperscript{104} This change saw Korean companies taking greater interest in applicants with an employment history and demonstrated experience in a specific task. In order to secure the talent required for vacant roles, businesses are also increasingly using third party companies.

Finally, it worth noting a cultural movement known as oemo jisang juui or “look-ism” which has been influencing how businesses are assessing the suitability of job applicants for a particular role. Oemo jisang juui refers to the requirement for job applicants to submit photographs with resumes when applying for a job.\textsuperscript{105} The purpose of an applicant submitting a photograph when applying for a job is to allow the employer the ability to see if the applicant has the aesthetic level required by the company to meet its corporate image. This practice is so widespread in South Korea that a recent survey involving over 900 companies in South Korea on the online job found an astonishing 60% of job postings required one.\textsuperscript{106} While this practice by western standards is blatantly discriminatory, it is a common practice used throughout South Korea and has even been recognised and encouraged by politicians. The Ministry of Employment and Labour in South Korea is one government body that has encouraged this practice and has used social media to encourage job applicants to “mind their looks” and to consider seeking plastic surgery if required.\textsuperscript{107} Other social media posts by the government has encouraged job applicants to “practice smiling in front of the mirror” when preparing for job interviews.\textsuperscript{108} The practice of oemo jisang juui has extended in recent years to also include placing requirements on job applicants to indicate their age, gender, birth region, marital status, religion and even if they have had been pregnant. While in recent years there has been an increase in public opposition to such discriminatory practices, the unique recruitment practice of “Look-ism” remains a prominent feature in recruitment in South Korea.\textsuperscript{109}

\textbf{Marginalised Groups}

Members of marginalised groups in South Korea receive support from the Government albeit with varying degrees of success. Businesses in South Korea are encouraged to recruit persons with disabilities into their organisations under the employment quota scheme. While the employment scheme requires all companies of a particular size are to recruit a certain percentage of persons with disabilities into their companies there is widespread non-compliance. Refugees on the other hand marginal support from the

\textsuperscript{103} Eun-Suk Lee and Seongsu Kim, “Best Practices and Performance-Based HR System in Korea” (June 2006) in Seoul Journal of Business (2006), accessible at: https://pdfs.semanticscholar.org/5548/cab03d637e0d07f5ddc0e0a3e3561d49c4f7.pdf
\textsuperscript{104} Eun-Suk Lee and Seongsu Kim, “Best Practices and Performance-Based HR System in Korea” (June 2006) in Seoul Journal of Business (2006), accessible at: https://pdfs.semanticscholar.org/5548/cab03d637e0d07f5ddc0e0a3e3561d49c4f7.pdf
\textsuperscript{105} Matt Stiles, “In South Korea’s hypercompetitive job market, it helps to be attractive” (13 June 2017) in Los Angeles Times, accessible at: http://www.latimes.com/world/asia/la-fg-south-korea-image-2017-story.html
\textsuperscript{106} Matt Stiles, “In South Korea’s hypercompetitive job market, it helps to be attractive” (13 June 2017) in Los Angeles Times, accessible at: http://www.latimes.com/world/asia/la-fg-south-korea-image-2017-story.html
\textsuperscript{107} Matt Stiles, “In South Korea’s hypercompetitive job market, it helps to be attractive” (13 June 2017) in Los Angeles Times, accessible at: http://www.latimes.com/world/asia/la-fg-south-korea-image-2017-story.html
\textsuperscript{108} Matt Stiles, “In South Korea’s hypercompetitive job market, it helps to be attractive” (13 June 2017) in Los Angeles Times, accessible at: http://www.latimes.com/world/asia/la-fg-south-korea-image-2017-story.html
\textsuperscript{109} Matt Stiles, “In South Korea’s hypercompetitive job market, it helps to be attractive” (13 June 2017) in Los Angeles Times, accessible at: http://www.latimes.com/world/asia/la-fg-south-korea-image-2017-story.html
government, and where support is given, it is often targeted towards a specific subpopulation of the refugee community (i.e. North Korean refugees).

I) Persons with Disabilities

Persons with disabilities face difficulties in searching for employment opportunities in South Korea when compared with the general population. Despite a number of government initiatives to promote the inclusion of persons with disabilities into the labour market, businesses in South Korea appear to be hesitant to recruit from this subgroup. According to statistics the employment rate for persons with disabilities is 35.5% that is comparatively lower than the employment rate of 60.4% for the general population. According to reports, households with a disabled person are 2.4x more likely to be living below the poverty line. Fortunately, in recent years the South Korean government has initiated a series of programs to try to combat this issue of stigmatizing in the labour market.

Since the late 1980s and early 1990s, South Korea initiated a series of programs to enhance the number of employment opportunities available to persons with disabilities. The first significant public policy that aimed to improve the employment situation of persons with disabilities was the ‘Promotion, etc. of Employment of Disabled Persons Act’. The aim of the act was to increase the number of available job opportunities in the market place for disabled persons. The Act in the most recent version establishes a mandatory employment quota scheme for all public and private companies operating in South Korea that had above 50 staff members. Under the scheme, public companies that met this threshold were required to employ at least 3% of their staff members from persons with disabilities. On the other hand, private companies who met the 50 employees threshold were required to maintain a 2.7% overall staff composition as being persons with disabilities. Companies who failed to meet the mandatory requirements faced significant fines of up to 590,000.00 won for each required persons below the threshold. Early results from the program indicate the employment quota in South Korea led to the creation of 197,000 new jobs within the market place. Despite these positive results, a 2014 report indicated the program has still faced widespread non-compliance by both public and private companies. The report found that approximately 48.5% of public companies fell short of meeting their obligation

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under the Act. Even the Government’s National Assembly was found to be well below the requirement with a mere 1.47% of their staff composition being persons with disabilities. Private companies also appear to be marginally with an average employment rate of persons with disabilities at 2.48%. When companies were surveyed as to why there was such a widespread non-compliance with the quota system the results were surprising. Firstly, despite the widespread promotion and awareness of the rights of disabled persons there appeared to be widespread antipathy towards the new obligations. The Disability Employment Survey noted that 41.1% of employers advised that there need to be a significant attitude change towards disabled employees. Other employers also noted that a number of the disabled applicants seeking job positions failed to have the appropriate job training as well as marketable skills (such as interview, cv writing, etc.) to be hired for the position. In response to calls for amending the situation, the Government has began to expand their focus on improving the employability prospects for persons with disabilities by the establishment of vocational training centers throughout South Korea. The aim of these training centers to enhance the skills required by applicants to secure a job (such as interview training) as well as the job specific expertise required by employers (such as computer literacy). Furthermore, the training centers upon completion of the training courses provide support to persons with disabilities in searching for suitable jobs. The employment training centers have been well received with South Korea, however, there is a call for further strengthening of the vocational training beyond simply generalist training of persons with disabilities. In particular there has been the call for specialized training services at the employment centers. “Specialized training provides systematic vocational education and training, considering individual’s characteristics and ability, intended to develop the trainee’s own strong points”. Ultimately, as the program expands it is hoped that this will not only reduce the level of antipathy by employers towards recruiting persons with disabilities but will also enhance ability of persons with disabilities to secure long-term employment in South Korea.

Depending on the degree of impairment, persons with disabilities generally seek employment through two main avenues. Firstly, persons with disabilities can apply directly to employers to secure employment in the same way the general population secures employment, namely through applying as recent graduates at the start of their career or through responding directly to job postings. As outlined in the preceding paragraph, the second way persons with disabilities apply for jobs in South Korea is through the usage of training centers to secure employment. For individuals who may have impairments that limit

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their ability to access job opportunities (such computer illiteracy, lack of cv writing or interview skills) these employment centers can act as the conduit for accessing employment opportunities in the marketplace. In the end, it is anticipated that as the success of employment/vocational training centers in South Korea continues the number of available job opportunities for persons with disabilities will continue to increase.

II) Refugee Populations

Despite South Korea agreeing in 2015 to become an UNHCR resettlement company, refugee populations in South Korea continue to face difficulties in securing employment. Persons who arrive in South Korea as asylum seekers will generally fall into two categories, namely, refugees and humanitarian status holders. While anyone is eligible to apply for refugee status in South Korea, the vast majority of those accepted are from North Korea. On the other hand, humanitarian Status holders are given to persons “for whom there are reasonable grounds to believe that his/her life or personal freedom may be egregiously violated”. As of April 2017, the collective total of refugees and humanitarian status visa holders in South Korea is 2,009 and equates to an average grant rate of 12.5%. When compared with the global refugee grant average, South Korea is approximately one-third of the worldwide average. The low rates of recognized refugees frustrate an analysis of the effectiveness of refugee recruitment programs, as there are limited resources available to examine this population. Reports that are available, such as those published by Human Rights Watch (HRW), indicate face issues when it comes to post-settlement. According HRW there are significant issues faced by refugees in South Korea when it comes to refugees trying to secure employment due to widespread stigmatization of ‘refugees’ as well as the fact a large number of refugees in South Korea lack the requisite skills (i.e. computer literacy, language proficiency in Korean and/or English, etc.) to secure employment in the country. Fortunately, the South Korean government has recognised this issue and has enacted legislation to assist refugees (and in particular North Korean refugees) with integration in the labour market.

The Ministry of Unification in South Korea in conjunction with other departments has enacted a series of legislation to enhance the prospect of employment for North Korean refugees. Firstly, there are a number of vocational training programs available for free to North Korean refugees to enhance their skill sets for seeking employment. The Ministry of Labour has developed a job placement program that can be accessed by North Korean refugees seeking new employment opportunities or for those requiring

general career advice.\textsuperscript{127} Next, the Ministry of Unification has developed an Employer subsidies program whereby 50\% of the wages for a North Korean refugee will be covered for up to four years.\textsuperscript{128} Finally, the Ministry of Unification has also created a resettlement incentives program to promote self-reliance among North Korean refugees.\textsuperscript{129} The results of these programs indicate there has been a significant reduction in the unemployment rate of North Korean refugees in recent years from 12.1\% in 2011 to 4.8\% in 2015.\textsuperscript{130} In the end, it is hoped the South Korean government will continue to expand its support programs that have proven a success to other marginalised members of this group who fall outside the North Korean parameters.

**Conclusion on South Korea**

In the end, the recruitment practices of persons in South Korea vary significantly depending on if you are a member of the general population, considered a person with a disability, or fall within the scope of a refugee. The recruitment practices of the general population has undergone a rapid change in recent years to encourage a more flexible and dynamic recruitment system that allows businesses to meet the ever-changing demands of the marketplace. In recent times, recruitment of the general population has been for companies to outsource their human resource operations and to offer short-term employment contracts with a performance remuneration policy. The South Korean Government has in recent years tried to encourage recruitment of persons with disabilities through the employment quota scheme and introduction of vocational/employment training centers with varying degrees of success. Despite the widespread leap forward in encouraging greater involvement of disabled persons in the workplace, refugee populations have a narrow and limited range of success. Those refugees of North Korean descent appear to be receiving the bulk of the support from the government that see a range of tactics being utilised to encourage private sector engagement with this population.

**Malaysia**

While Malaysia is the smallest of the economies being examined in this paper, it is the third largest economy in South East Asia with a strong growth potential.\textsuperscript{131} In this unique environment, businesses in


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Malaysia have adopted a unique and multifaceted approach to recruiting employees. Businesses in Malaysia engage in year round recruitment of new talent using a number of different techniques including social media as well as third party recruitment agencies. Marginalised groups in Malaysia face significant difficulties when compared with the general populations.

**Recruitment Practices in Malaysia**

Recruitment practices in Malaysia have been largely consistent over the past few decades while the country has undergone industrialization. An important feature of Malaysia is that the country is a truly ethnically diverse environment where persons of various backgrounds and skill levels are able to access employment opportunities. Unlike Japan as well as South Korea where there is a strong ethnocentric manner of conducting business, businesses in Malaysia appear to take a diverse approach to bringing in new talent. For the purpose of this discussion, we will first examine how individuals have traditionally engaged with prospective employers to obtain positions. Finally, we will examine in much more detail the number of diverse methods employers in Malaysia are using to bring in new talent.

**I) Traditional Recruitment Practices**

Traditionally, recruitment practices were conducted in a similar manner to most developing states, namely, through job postings in print resources. Prospective employers would advertise that they are seeking a new employee to fill a role that would in turn be responded by applicants. Employers would then review and consider the most suitable candidate that has applied, and subsequently offer that individual the position. One of the negatives of relying heavily on print resources is that it is often expensive for an employer to post a job posting in a newspaper or magazine, and the job advertisement is limited to those who read the print resource. As time has progressed and new technologies have emerged, there has been a shift in the recruitment practices in Malaysia to more cost-effective avenues.

**II) Modern Recruitment Practices**

Businesses in Malaysia engage in a diverse range of recruitment techniques depending on the type of position that a business is seeking to fill. One item that is important to note is that businesses in Malaysia engage in year round recruitment practices for positions at all levels of the business. New entries into the job market, namely recent graduates from domestic and international universities, will initially engage with prospective employers at job fairs as well as through social media. In the case of job fairs, employers seeking new recruits will provide an introduction and overview of their company as well as specifics relating to any vacant roles at their business. Individuals who are interested in those advertised roles would then proceed to submit an application and supporting curriculum vitae. Successful applicants would then be invited to attend an interview with a representative of the company. It is following the interview that an applicant would be notified whether or not they have received a job in the Company. The process for applying for a position via social media is fairly similar with minor differences to the preceding process. In Malaysia, social media posts offer applicants a perfect online job posting board. The most common social media sites used by applicants in Malaysia to identify a job are Facebook, Twitter, and LinkedIn. Through the usage of these sites, individuals are able to identify potential job opportunities as well as market oneself to prospective employers. In this scenario, the online community provides a unique opportunity for persons of the general population to both scout potential job opportunities and be recruited directly from employers.
Marginalised Groups

Marginalised groups in Malaysia face significantly more difficulties in accessing the labour market when compared with the general population. Persons with disabilities is one group where the employment situation has slowly been improving in Malaysia as government support has seen a push in favour of the private and public sector including this group in the labour market. Despite the increasingly positive labour market for persons with disabilities, refugees continue to face difficulties in obtaining lawful employment in Malaysia.

I) Persons with Disabilities

Persons with disabilities have traditionally faced discrimination within the labour market in Malaysia. A recent report in the International Referred Research Journal noted that persons with disabilities are often not fully accepted as being part of Malaysia’s official labour force. Rather “disabled persons are ‘often stereotyped into welfare cases’ and thus denied an opportunity to contribute to the country’s economy”.132 Since the early 2000s, the Malaysian Government has engaged began to try to address the stigma faced by persons with disabilities and to promote greater inclusion of this group within the labour market through enacting a series of legislation. In particular, two pieces of government policy are seen as improving the employment opportunities for disabled persons in Malaysia: (1) the ratification of the UN Convention on the Rights of Persons with Disabilities (known as the Convention), and (2) the introduction of the employment quota system. While there still remains a long way to go before persons with disabilities, the government policies are seen as an important step towards altering the perception of recruiting persons with disabilities in Malaysia.

Firstly, the ratification of the Convention saw the Malaysian Government acknowledging the need to promote the protection of disabled persons.133 The Convention promoted “rights to life, freedom from discrimination, equal recognition before the law, and access to justice, education, employment, and health.”134 Specifically relating to work and employment, the Convention required signatory states to recognize the rights of persons with disabilities to have the same opportunities to work as other members of the general population. Ultimately, the enactment of this legislation is seen as an important step by the Malaysian government to try to combat discrimination against this marginalised group within Malaysia.

Next, Malaysia has enacted an employment quota system similar to those enacted by other jurisdictions. Under the employment scheme, members of the public sector have made efforts to ensure 1% of their operations are composed with staff who are persons with disabilities. The difficulty with this employment scheme is that there lacks “a stringent levy system” to effectively encourage involvement in the scheme.135 In the end, while the government is trying to enact legislation to promote the inclusion of

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persons with disabilities it appears the government is still trying to navigate how draft legislation to produce the desire results.\textsuperscript{136}

In the end, while the Malaysian Government is enacted legislation to address employment issues faced by persons with disabilities it will take some time for businesses to change their own perceptions of persons with disabilities and the labour market.

\textit{II) Refugee Population}

Despite there being approximately 150,000 refugees and asylum seekers in Malaysia that are registered with the UNHCR, refugees in Malaysia face significant difficulty in securing lawful employment within the country.\textsuperscript{137} As a country that is not a signatory to the 1951 Refugee Convention, Malaysia does not offer full work rights to refugees.\textsuperscript{138} Due to lack of lawful employment avenues for refugees in Malaysia there is limit research available on the recruitment practices of businesses towards this marginalised groups. Research which has been collected by NGOs operating within the region note that many asylum seekers and refugees are often forces to take employment opportunities ‘unofficially’ which can lead to adverse consequences. According to Asasikini, a human rights blog that documents the refugee situation in Malaysia, many refugees and asylum seekers are forced to take “dirty, dangerous and difficult jobs that the local population do not wish to undertake, that is made worse by the fact that some employers exploit their dire situation by paying extremely low or no wages at all”.\textsuperscript{139} Ultimately, until the government sees a shift in their labour policy towards refugees residing within the country it is unlikely that businesses will engage in official recruitment of this marginalised population.

\textbf{Conclusion}

In the end, Malaysia represents a unique landscape for examining the recruitment practices of businesses. For the general population, businesses engage in a variety of recruitment practices that mirror the diversity of the population including but not limited to the use of social media, job fairs as well as third party recruitment practices. Unfortunately, marginalised groups in Malaysia face greater difficulties in accessing the labour market. Persons with disabilities in recent years have received greater support from the government leading to progressively more positive recruitment practices being undertaken by businesses. On the other hand, refugees face significant difficulties accessing lawful employment in Malaysia.

\textbf{Indonesia}

As one of the largest countries in the Asia-Pacific region, Indonesia is a dynamic landscape for examining the recruitment practices of businesses with its own unique cultural approaches used by


\textsuperscript{137} Asylum Access, “Malaysia” (2014) accessible at: http://asylumaccess.org/program/malaysia/

\textsuperscript{138} ASASikini, “The Status of Refugees in Malaysia” (22 March 2017) accessible at: https://asasikini.wordpress.com/2017/03/22/the-status-of-refugees-in-malaysia/

\textsuperscript{139} ASASikini, “The Status of Refugees in Malaysia” (22 March 2017) accessible at: https://asasikini.wordpress.com/2017/03/22/the-status-of-refugees-in-malaysia/
businesses to recruit talent. Members of the general population are recruited into businesses through a range of traditional and modern techniques. Despite the wide range of approaches used to recruit from the general population, business in Indonesia engage in little to no recruitment from marginalised groups such as persons with disabilities or refugee populations.

Recruitment Practices in Indonesia

1) Traditional Methods of Recruitment

A number of traditional methods of recruitment in Indonesia remain active today. The first traditional method that businesses recruit in Indonesia is through ‘word-of-mouth’ whereby employers tell about vacancies in their business to persons which in turn is passed on to a prospective employment. The usage of this kind of recruitment technique is often common in rural communities as well as in family businesses. In some limited scenarios, the passing on of an employment opportunity to another person who subsequently applies for the position may result in a ‘referral’ arrangement being offered to the intermediary persons from the business owner. In the modern day, this method continues to be used albeit less regularly due to the rise of other methods of recruitment in Indonesia. The second traditional method of recruitment that is worth noting is the usage of job postings in print and online resources. Print resources would be posted in signs or in print sources for other individuals to view. Due to the high expenses of submitting a job posting in a newspaper or other print source, this method is often expensive and can only be used by businesses with a certain operation level. As technology has changed though the usage of online job posting boards has increasingly become the preferred method for persons seeking employment. Besides being a more cost-effective way to promote jobs in print form, online job posting boards have the capacity to reach a greater audience than merely those who read the specific print source such as a newspaper, etc.

A discussion of traditional recruitment practices in Indonesia would not be complete without an examination of how businesses often use patronage as a means for recruiting employees into their companies. Patronage is used to describe the method of offering employment to persons on the basis of a relationship to the applicant. In this scenario, the employer may offer the position because of a degree of familiarity or loyalty felt towards and by the applicant. Generally the usage of patronage as a means of recruitment by a business is seen at the managerial level of private and public companies in Indonesia.

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There are some reports that the usage of patronage is decreasing in Indonesia, however, the recruitment practice appears to continue in operation in public sector positions.\textsuperscript{144}

II) Modern Recruitment Practices

In recent times, businesses have slowly begun to expand the techniques used to recruit new employees into companies. Two modern recruitment practices that are increasingly being used by businesses operating within Indonesia are the tendency for many multinational companies to hire workers within Indonesia from other third countries, and also, the tendency to use third party recruitment agencies to outsource a company's recruitment practices. Firstly, large multinational firms in recent years have increasingly hired employees from third party jurisdictions to work in their factories. Controversies have arisen since the late-1990s when it was discovered that a number of businesses operating in Indonesia with this recruitment practice had extremely low working conditions. “In one instance, women in a rural Nike factory (which is a Taiwanese joint venture) were said to be considerably worse off than those who work in other factories – members of the local community referred to the women from Nike as “walking ghosts who work in Satan’s factory”.\textsuperscript{145} As stories such as this have arisen, multinational firms have increasingly shied away from this recruitment practice so as to avoid controversies.

Finally, as common in other jurisdictions, businesses in Indonesia are increasingly using third party recruitment companies to meet their human resources needs. One of the main reasons many believe there has been a rise in third party recruitment agencies is due to the dramatic development of the country creating a new demand for highly skilled and specialized talent in the nation. Specifically, “there is a challenge for growing organisations as Indonesia does not produce enough local professionals to meet demand, but at the same time it is not legally easy to hire foreign professional”.\textsuperscript{146} These competing principles are seen by many as to why there is a highly competitive labour market for skilled professionals in Indonesia. Many businesses feel that using recruiters will allow them to be better equipped to source top talent in this competitive job environment.\textsuperscript{147} In the end, it is likely the usage of third party recruiters will continue to rise in certain sectors of the economy.\textsuperscript{148}

Marginalised Groups


Members of marginalised groups in Indonesia face significant difficulties in securing employment. Persons with disabilities have received a low degree of support from the Indonesian Government over the past three decades, with the most notable support being the incorporate of an employment quota system. On the other hand, refugees in Indonesia continue face significant hardship when it comes to securing lawful employment due to Indonesian government’s stance towards this marginalised group.

I) Persons with Disabilities

Businesses in Indonesia have increasingly turned towards hiring persons with disabilities in recent years as the Indonesian Government has placed mandatory requirements on businesses to recruit disabled persons. In particular, the establishment of an employment quota scheme in 1997 has seen the businesses taking on persons with disabilities. Under the employment scheme, companies that have above 100 employees must provide a minimum of 1% of the jobs at their company to persons with disabilities. Despite the mandatory requirement under the scheme, the employment quota scheme is generally regarding as being a limited success in Indonesian society. A government study conducted in 1999 noted that while a number of factories throughout the country had made “special efforts” to hire disabled persons the vast majority of disabled persons in Indonesia continue to be dependent on family and/or are forced to the street due to a lack of employment.

II) Refugee Populations

Refugees in Indonesia face significant challenges in securing employment despite recent changes in government policy towards asylum seekers and refugees within their regions. While Indonesia is not a signatory to the 1951 Refugee Convention, there has been a slow shift in the governance stance towards refugee populations. In December 2016, the President of Indonesia made a Presidential decree to protect refugees and not to arbitrarily expel from their territory. While this regulation is seen as a step in the right direction, refugees in Indonesia continue are unable to work legally under Indonesian law. Due to the lack of legal avenues for refugees to work in Indonesia, businesses are unable to offer them lawful employment.

Conclusion

Indonesia is a country with a diverse range of recruitment practices used by businesses. Members of the general population can be recruited from an array of means including by ‘word-of-mouth’, job postings, patronage and other techniques. In recent times there has been a rise in businesses using third party recruitment companies to meet their needs. Marginalised groups, such as persons with disabilities

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and refugees, unfortunately face significant challenges when looking for employment despite a number of government initiatives.
Concluding Remarks

In the end, businesses throughout the Asia-Pacific region use a variety of recruitment practices to meet their human resource needs. A unique interplay of cultural, socio-political, and economic factors influenced the types of recruitment strategies that are employed by companies. Often times a shift in one or all of these three factors can cause corporates to adopt new techniques to meet emerging challenges. One factor in particular, namely a decline in the available labour pool, has shaken a corporates in the Asia-Pacific region to quickly adapt to new techniques. As strains on the available labour force continues to increase across the Asia-Pacific region, businesses will need not only need to vary their recruitment practices but they will also need to expand their recruitment of marginalised groups. Persons with disabilities appear to be the best positioned in the five regions to fill vacant positions in businesses due to a number government policies such as employment quotas, etc. Refugees on the other hand are less well positioned to fill the vacant positions due to challenges faced by government policies in the region. Despite a lack of government support towards refugee groups, there are NGOs and private partners who are eager to use this largely untapped labour force to meet their business needs.
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