

Analysis of Mandatory Recruitment Policy for Local People in Improving the Welfare of Local Communities in The Hotel Industry (Case Study at Santrian Hotel, Sanur Village, South Denpasar District, Denpasar City, Bali Province)

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ABSTRACT

Tourism growth in Bali continues to increase, but has not been matched by the maximum inclusion of the local workforce. In fact, positions for Balinese workers in the tourism industry, particularly hotels, remain limited. Professional workers, such as those at the general manager level in Bali, are largely dominated by outsiders. Balinese workers in the tourism sector have a low bargaining position in terms of placement or positions. In an effort to improve the welfare of the local community, various employment policies have been implemented, one of which is the mandatory recruitment of local people in the hotel industry. This policy aims to provide broader employment opportunities for local residents, increase workforce competitiveness, and support the regional economy. Hotel Puri Santrian, one of the star-rated hotels in Bali, has implemented this policy as a form of contribution to the local community. However, the effectiveness of this policy still requires further study to determine the extent of its impact on the welfare of the local community, both from an economic and social perspective, and on the professionalism of the workforce

INTRODUCTION

Background

Bali is a tourism area where Bali has been proven to be named the best tourist destination in the world by the world tourism agency, therefore the Balinese government is opening the tap for investors to invest, especially in the development of the tourism sector. According to the Bali Provincial Statistics Agency, the rapid development in the tourism sector in Bali is not comparable to the absorption of local workers in Bali, due to the presence of workers from outside Bali who come to Bali to find work, resulting in competition between local workers and workers from outside Bali, to find work in Bali.

Tourism growth in Bali continues to increase, but this has not been matched by the maximum inclusion of the local workforce. In fact, positions for Balinese workers in the tourism industry, particularly hotels, remain limited. Professional workers, such as those at the general manager level in Bali, are largely dominated by outsiders. Balinese workers in the tourism sector have a low bargaining position when it comes to placement and positions. One of the main reasons is that the dominant capital owners are non-Bali and/or foreign nationals. Non-Bali tourism business owners generally prioritize the workforce they have prepared in advance, which is predominantly non-local or non-Bali.

The workforce is an actor in development and economic activity, both individually and as a group, thus having a very significant role in national economic activities, namely increasing productivity and community welfare. In Indonesia, the workforce in Indonesia is one of the drivers of economic life and is a resource that is quite abundant. This indication can be seen in the still high number of unemployment in Indonesia and the low or minimal job opportunities provided. The workforce is the working age population. According to Law Number 13 of 2003 Chapter I Article 1 paragraph 2 states that the workforce is every person who can work to produce goods or services, both for the subsystem and for the community.

In an effort to improve the welfare of local communities, various employment policies have been implemented, one of which is the mandatory recruitment of local people in the hotel industry. This policy aims to provide broader employment opportunities for local residents, increase workforce competitiveness, and support the regional economy. Hotel Puri Santrian, one of the star-rated hotels in Bali, has implemented this policy as a form of contribution to the local community. However, the effectiveness of this policy still requires further study to determine its impact on the welfare of the local community, including economic, social, and professional aspects of the workforce.

Formulation of the Problem

Based on the background that has been explained, the problem formulation in this research is:

1. How is the implementation of the mandatory recruitment policy for local people at the Puri Santrian Hotel?
2. What are the factors that influence the mandatory recruitment policy for local people at the Puri Santrian Hotel?
3. How is the evaluation and impact of the mandatory recruitment policy for local people on the welfare of local communities?

Research Purposes

1. Analyzing the implementation of the mandatory recruitment policy for local people at the Puri Santrian Hotel.
2. To find out what factors influence the mandatory recruitment policy for local people at the Puri Santrian Hotel.
3. Analyzing the evaluation and impact of the mandatory recruitment policy for local people on the welfare of local communities.

Benefits of Research

The results of this research are expected to provide the following benefits:

1. Theoretical Uses

The results of this study are expected to be able to provide and add to the literature on employment policies, especially regarding the empowerment of local workers in Indonesia.

2. Practical Uses

- a. The government as policy makers and hotels as business actors can adopt more effective and efficient policies to improve the welfare of local communities.
- b. The right policies can increase the income and welfare of local communities, which ultimately contributes to regional economic development.

LITERATURE REVIEW

Welfare Theory

Welfare is the sum of satisfaction a person obtains from consuming the income they receive. However, the level of welfare itself is relative because it depends on the amount of satisfaction obtained from consuming that income. According to Sunarti (2012), welfare is a social, material, and spiritual way of life and livelihood that is encompassed by a sense of safety, morality, and inner and outer peace that enables every citizen to make efforts to fulfill the physical, spiritual, and social needs as best as possible for themselves, their household, and the community.

Welfare is the amount of satisfaction a person obtains from consuming the income received, but the level of welfare itself is something relative because it depends on the amount of satisfaction obtained from consuming the income. The relationship between the concept of welfare and the concept of needs is that with the fulfillment of these needs, a person is considered prosperous, because the level of these needs is indirectly in line with the indicators of welfare (Pramata, et al. 2012).

According to Imron (2012), the welfare of the community is understood as social welfare. Imron (2012) added in Article 1 paragraph 1 of Law No. 11 of 2009 concerning Social Welfare: "Social Welfare is a condition where the material, spiritual, and social needs of citizens are met so that they can live decently and are able to develop themselves, so that they can carry out their social functions." There are several indicators of increasing the welfare of the community, including (1) a quantitative increase in income; (2) better family health qualitatively; and (3) the existence of family economic investment in the form of savings (Imron 2012). In Indonesia, social welfare is often seen as a goal or condition of a prosperous life, namely the fulfillment of basic human needs (Suharto, 2007).

Public Policy

According to Tachjan (Herdiana, 2018), the substance of policy is essentially an agreement on a decision from a series of interrelated choices. Policy is essentially a government activity that regulates the lives of the community and the public. To create optimal development, the government creates several policies that will later be used to help meet primary needs and solve problems in society. The birth of a public policy is none other than the existence of a foundation used to solve problems that occur in society. The use of public policy is oriented towards fulfilling the needs and interests of society that are initially determined by the parties (stakeholders) (Ramdhani & Ramdhani, 2017).

Public policy (Anggara 2014) defines as a series of interrelated decisions issued by government agencies and officials. A policy is related to the decision-making process that aims to continue an action that will be taken. Public policy

is a decision made by a public authority holder whose existence is binding on many people. Public policy must be made by a mandate holder who has been given by the public or many people because they have representation over many people.

Furthermore, according to (Anggara, 2014), policy is a concept that includes the following things:

1. Provisions, provisions that have a binding effect on a policy.
2. The purpose of creating a policy is to achieve certain goals and overcome various problems that arise.
3. A decision that can be implemented or not implemented for a particular interest.
4. A process of implementing things that have been determined.

The fundamental goal of public policy is to establish order within a given jurisdiction or to maintain order in the operation of a public system. With policies, individuals have more boundaries and rules for their implementation.

Implementation of the Mandatory Recruitment Policy for Local People

The workforce is those who work to earn income and have worked for at least one hour continuously in the past week (including unpaid family workers). The workforce is the working age population, namely 15 years and above, who are working/have jobs, are temporarily unemployed and are looking for work (Priyono Tjiptoherijanto, 1997).

The government is focusing its efforts on the employment sector as part of its holistic development strategy, aiming to improve the overall quality of life for the community. This aims to create better conditions for the future. As a result of this focus, the government has the opportunity to create more jobs for Indonesians in need.

The regulations regarding local workers are seen in Article 1 paragraph (14) of Bali Provincial Regulation Number 10 of 2019 concerning the implementation of employment, which stipulates that: Local workers, often abbreviated as TKL, are workers who are located or live in the Bali Province area as evidenced by a Resident Identity Card (KTP) and/or Family Card (KK) in the legal area of Bali Province, and are bound by the overall regulations that apply in the territory of Indonesia.

Thus, the implementation of Article 14 of Regional Regulation Number 10 of 2019 concerning the Implementation of Employment in Bali Province is in accordance with labor law norms. Bali Provincial Regulation Number 10 of 2019 concerning the Implementation of Employment, Article 37 stipulates that:

1. The company gives priority to local residents who have work competencies in accordance with statutory regulations.

2. Priorities for local residents as referred to in paragraph 1 are coordinated with Village Officials, Provincial Services, and/or Regency/City Services in an open and transparent manner.

Law of the Republic of Indonesia Number 13 of 2003 concerning Manpower concerning Manpower applies restrictions on work carried out by workers in general, based on considerations of the rules in the Regional Regulation of Bali Province Number 10 of 2019 concerning the implementation of manpower which determines that every company is obliged to prioritize local workers where the company is established and operates and discuss with village officials about the percentage of manpower used.

Factors Influencing the Mandatory Recruitment Policy for Local People

The local workforce in Indonesia, particularly in the private sector, is very limited in its ability to bargain collectively. In Indonesia, although workers have the right to form and join foreign labor unions, their movements are carefully monitored and controlled under various labor laws. In addition to these laws and regulations, the growth and rights of the local workforce in Indonesia are also influenced by the composition of other workers known as foreign workers. In Indonesia, the membership level of the local workforce fluctuates over time. Understanding the factors influencing the growth of the local workforce is important because this has significant implications for the strength and representation of the local workforce.

A local workforce empowerment model can be developed by considering the complexity of existing economic, social, and cultural factors. This can help design balanced solutions to address the challenges of globalization and ensure the well-being of communities and employees. The definition of a local workforce should refer to the concepts of population and labor. Referring to the concept of population, a person is only considered a resident of an area if they have lived there for at least six months (Herwanti et al., 2021).

Ayu & Nurani (2023) found a strong positive relationship between job satisfaction and subjective well-being among daily and contract workers. Several factors can influence subjective well-being in human resource management, including leadership style, work design, personality, organizational culture, and the work environment (Kasmir in Ayu & Nurani, 2023). Furthermore, self-esteem can also contribute to job satisfaction, including equality in empowerment, such as equal treatment for local workforce development, career opportunities, and fair treatment of others. This positive self-esteem among local workers can encourage them to build positive relationships with each other and within the company organization, which indirectly impacts teamwork and company productivity (Fajriani & Suprihatin, 2017).

Evaluation and Impact of The Mandatory Recruitment Policy for Local People

Evaluation is essentially an examination of the implementation of a program that will be used to predict, calculate, and monitor future program implementation to improve it. Thus, evaluation looks forward rather than past mistakes and is aimed at increasing the program's chances of success. Evaluation is an effort to objectively measure and evaluate the achievement of planned results. Evaluation results are intended to provide feedback for future planning (Yusuf, 2000).

No public policy can be issued without evaluation. Policy evaluation is conducted to assess the effectiveness of public policies in meeting public accountability and achieving established goals. Evaluation is necessary to identify gaps between expectations and reality. Policy outcomes are considered valuable because they contribute to goals or objectives. In other words, the policy or program has achieved a meaningful level of performance, meaning that policy issues have been identified and resolved (Kridawati, 2013).

According to Nugroho (2004), the function of public policy evaluation has four functions: explanation, compliance, audit, and accounting. Evaluation can describe the reality of program implementation and generalize the patterns of relationships between different dimensions of the observed reality. Most local workers work in the informal sector, have low productivity, resulting in low incomes. This low income means that people have little purchasing power and cannot significantly increase economic growth in an effort to build regional prosperity. Furthermore, Articles 27-34 of the 1945 Constitution stipulate that every citizen has the right to work and a decent living.

In line with that, referring to the Regulation of the Minister of Manpower and Transmigration of the Republic of Indonesia Number PER.07/MEN/IV/2008 concerning Workforce Placement, the regional government has an important responsibility in handling employment issues, which includes regulations on the placement of local workers in every company investing in the area. This aims to maintain job opportunities for local workers and improve the welfare of local communities who become employees in the company.

METHODOLOGY

Research Approach

This research uses a qualitative approach to gain a deeper understanding of the object of study. Qualitative research methods are used to examine objects in their natural state, with the researcher acting as the key instrument, triangulation as the data collection technique, inductive data analysis, and the results emphasizing meaning over generalization.

Bogdan and Taylor (1982) state that qualitative research is a research procedure that produces descriptive data in the form of written or spoken words from people and observable behavior; the approach is directed at the setting and individuals holistically.

Data source

Source The data used in this study consists of:

- a. Primary data sources, namely in the form of observation data and direct interviews from first persons/sources such as hotel management, local workers, related stakeholders.
- b. Secondary data sources, namely from people or second sources such as; taken from library materials in the form of policy documents, workforce reports, articles, notes, academic publications and so on that are related to this research.

Data Collection Technique

Technique Which used to collect data in this study include:

1. Observation

Observation techniques were used to obtain information about local labor absorption. Through observation, the author learned about community behavior and conditions. In this study, the researcher used active participant observation to facilitate access to the data needed for the study. The researcher visited the location of the observed community activities, took notes, and documented information from hotel management, workers, and the surrounding community. This made it easier for the researcher to draw conclusions from the observation results.

2. Interview

The interview technique used is an open-ended interview. This interview is conducted to obtain supporting research data on matters related to the problem being studied. Using this interview technique, questions and answers will be conducted with hotel staff, hotel management, and community leaders in surrounding villages to obtain data or clarify matters empirically in the field.

3. Documentation Study

Documentation study is a data collection method that involves examining various documents to obtain information relevant to the research topic. The data

sought through this technique include data on the local workforce, hotel employee income, and the level of well-being of the surrounding community.

Data Analysis Techniques

Data analysis is an effort Data analysis is the process of systematically searching and arranging data obtained from interviews, field notes, and documentation, by organizing data into categories, describing them into units, synthesizing, arranging them into patterns, choosing what is important and what will be studied, and making conclusions so that they are easily understood by oneself and others. In this study, the author conducted data analysis using the Miles & Huberman (1992) method, namely:

- a) Conducting data reduction. Data reduction is defined as the process of selecting, focusing on simplifying, abstracting, and transforming raw data that emerges from written field notes. Data reduction continues throughout a qualitative research project.
- b) Data presentation. Miles & Huberman define a presentation as a collection of organized information that allows for drawing conclusions and taking action. They believe that better presentations are a key tool for valid qualitative analysis, including various types of matrices, graphs, networks, and charts.
- c) Drawing conclusions. Drawing conclusions, according to Miles & Huberman, is only one part of the overall configuration. Conclusions are also verified during the course of the research. This verification may be as brief as a second thought that crosses the analyst's (researcher's) mind while writing, a review of field notes, or it may be as thorough and laborious as peer review and exchange to develop intersubjective agreement, or extensive efforts to replicate a finding in another data set.

RESULTS AND DISCUSSION

Overview of Sanur Village

Sanur Village is located in the South Denpasar District, Denpasar City, Bali Province. Geographically, Sanur Village is located on the east coast of Bali, with a coastline stretching approximately 5.6 kilometers. This strategic location makes Sanur one of the oldest and most well-known beach destinations in Bali.

Sanur Village is known as a tourist village that maintains Balinese cultural values amidst the development of tourism. Traditions such as religious ceremonies, traditional activities, and traditional arts like Balinese dance, gamelan, and painting are still well-preserved.

The economy of Sanur Village is largely dependent on the tourism sector. Many residents work as hotel employees, tour guides, micro, small, and medium enterprises (MSMEs) (such as in handicrafts and culinary), and tourist transportation. Furthermore, the trade and services sectors are also growing rapidly in line with the increasing number of tourist visits. Several traditional markets and modern shops thrive side by side, contributing to increased community incomes.

Local Community Welfare

Community welfare is the condition where the community's basic needs, both material and non-material, are met, encompassing economic, health, education, security, and environmental aspects (Todaro & Smith, 2015). In the context of a tourist village like Sanur, welfare also includes participation in and access to the economic benefits of tourism, as well as the preservation of local culture.

The local community of Sanur Village earns income from various sources, particularly the tourism sector. Many residents work as hotel staff, tour guides, culinary and craft businesses, and home-based accommodation providers such as homestays. Field observations and interviews with residents indicate that most residents have experienced increased incomes since the development of tourism in the area. This aligns with the opinion of Wall & Mathieson (2006), who stated that tourism can be a driving force for local economic growth if managed inclusively and sustainably.

In social aspects, the Sanur community demonstrates strong social bonds and solidarity. Traditional activities, mutual cooperation, and religious practices remain active, demonstrating that social well-being is measured not only in material terms but also in social harmony. In terms of education, the majority of children in Sanur Village have received at least junior high school education, with access to fairly good schools. Some families have also been able to send their children to university, both in Bali and outside, demonstrating an increase in human capital at the local level.

Healthcare facilities in Sanur Village are available through community health centers (Puskesmas) and several private clinics that serve the local community. Awareness of healthy living is also increasing, along with access to basic healthcare services. However, environmental issues such as plastic waste and coastal pollution persist, which can impact residents' health and quality of life in the long term.

Although Sanur Village is known as a tourist village, not all residents have equal access to the benefits of tourism. Most economic benefits are still dominated by capital owners or investors from outside the region. This aligns with Cole's (2006) opinion, which states that without equitable distribution arrangements, tourism can trigger social inequality at the local level. Nevertheless, several empowerment programs have been implemented through Pokdarwis (tourism group groups), MSME training, and village cooperatives. These initiatives aim to increase community capacity so they can compete in the creative economy sector.

In general, the welfare of the local community in Sanur Village shows a positive trend, particularly in economic and educational aspects. However, challenges remain, including unequal economic access, vulnerability to global crises, and environmental sustainability. A more inclusive strategy is needed to ensure that the economic growth of tourism villages can be enjoyed equally by all levels of society.

Implementation of the Mandatory Recruitment Policy for Local People

The mandatory recruitment policy for local people is part of the regional government's strategy to improve the welfare of local communities through empowering the local workforce. This policy aims to prioritize local indigenous people in filling job opportunities, especially in strategic sectors such as tourism, hospitality, and other service businesses. In analyzing the implementation of this policy in Sanur Village, we used George C. Edward III's policy implementation model, which encompasses four main variables: communication, resources, disposition, and bureaucratic structure.

1. Communication

According to Edward III, communication is a crucial factor in policy implementation. In Sanur Village, the policy on recruiting local people has been socialized through village forums, meetings with hamlet heads, and cross-sectoral meetings between the village government, business owners, and the community. However, communication effectiveness still faces challenges. Some business owners, particularly those from outside the region, do not fully understand or comply with the provisions. This indicates that the policy message has not been clearly and consistently conveyed, as Edward III emphasized that

communication must be clear, consistent, and understandable to all policy implementers (Edward III, 1980).

2. Resource

The resource aspect also has a significant impact on the implementation of this policy. In Sanur Village, the potential for local human resources is quite large, especially among those of productive age. However, there remains a gap between the need for labor and the skills possessed by the local community. Several hotels and restaurants report that local workers lack technical competence and foreign language skills. This creates a dilemma between the obligation to recruit local people and the need for a qualified workforce. According to Edward III, effective policy implementation requires sufficient human and material resources.

3. Disposition or Attitude of the Executor

The disposition or attitude of policy implementers refers to the willingness and commitment of those implementing the policy to implement it properly. The Sanur village government, through the village head and his staff, has demonstrated support for this policy, even including a local recruitment clause in collaborations with local investors or entrepreneurs. However, not all parties demonstrate the same commitment. Some large businesses are more focused on profitability and efficiency, thus under-prioritizing the local workforce.

4. Bureaucratic Structure

The bureaucratic structure in Sanur Village is quite well-organized, with clear roles for the village government, the Community Empowerment Institute (LPM), and community groups such as Karang Taruna. However, weaknesses lie in the oversight mechanism and sanctions against businesses that fail to comply with local recruitment policies. The lack of legally binding regulations and weak oversight mean that these policies are merely moral imperatives, not legal obligations.

The implementation of the mandatory recruitment policy for local people in Sanur Village has significant potential to improve the welfare of the local community, but still faces structural and cultural challenges. A sustainable approach through strengthening cross-sector communication, increasing the capacity of local human resources, and formulating firm and fair regulations is necessary for this policy to be effective and sustainable.

Factors Influencing the Mandatory Recruitment Policy for Local People

The mandatory recruitment policy for local people is a form of village government intervention to ensure that local residents receive priority in the workforce, particularly in the tourism and service sectors. However, the implementation of this policy is influenced by various factors, both within the

village government structure and externally. This chapter will discuss the factors influencing the effectiveness of this policy in Sanur Village.

Internal Factors

1. Village Government Commitment

The commitment of the village government, including the village head and other village officials, significantly influences policy implementation. In Sanur Village, the village government has a strong initiative to empower local communities through a local recruitment clause included in agreements with investors and business actors.

2. Local Human Resource Capacity

Although local residents have a strong desire to work, limitations in job skills, foreign language skills, and work ethic present challenges. A lack of formal training or certification makes some locals less competitive than workers from outside the region.

3. Village Institutions and Supervisory Mechanisms

Institutional structures such as the LPM (Lembaga Masyarakat Pembinaan), BPD (Regional Development Bank), and Pokdarwis (Tourism Group) play a role in facilitating policy implementation. However, weak oversight systems and the absence of formal sanctions for policy violations mean that businesses lack sufficient pressure to comply with these regulations.

External Factors

1. Attitudes and Interests of Business Actors

Businesses in the tourism sector, such as hotels, restaurants, and travel agents, are crucial actors influencing the success of this policy. Some businesses have expressed support for the recruitment of local workers, particularly to align with Balinese cultural values. However, others prefer workers from outside the region, perceived as more experienced or professional. This demonstrates a conflict between economic interests and local social interests.

2. Labor Market Dynamics

Bali's high labor mobility has intensified competition for jobs. The influx of workers from outside the region, particularly from Java and Nusa Tenggara, has forced local residents to compete with immigrants with superior educational backgrounds and experience.

3. Regulations at the City and Provincial Level

The absence of formal regulations at the city or provincial level regarding mandatory recruitment of local workers means that village-level policies lack a strong legal basis. This weakens the bargaining power of village governments in pressuring businesses to comply. As Grindle (1980) noted, successful policy implementation is highly dependent on a supportive political and legal context. From the various factors identified, it can be concluded that the implementation of the mandatory recruitment policy for local people in Sanur Village is

influenced by the interaction between internal factors (village government commitment, human resource capacity, institutional arrangements) and external factors (business actors' attitudes, labor market dynamics, and regulations). Furthermore, sociocultural dimensions significantly influence community acceptance of this policy. To achieve effectiveness, an integrative approach is needed, including increasing community capacity, strengthening regulations, and establishing a participatory oversight system.

Evaluation and Impact of The Mandatory Recruitment Policy for Local People

The mandatory recruitment policy for local people in Sanur Village demonstrates the village government's support for local communities in accessing employment, particularly in the tourism sector. To determine the effectiveness of this policy, a comprehensive evaluation and analysis of its social, economic, and cultural impacts on the local community are required. The evaluation in this chapter utilizes a qualitative approach and Stufflebeam's CIPP (Context, Input, Process, Product) theory, along with impact mapping based on community well-being indicators.

1. Context

This policy arose from the contextual needs of the Sanur community, who experienced economic marginalization in the rapidly growing tourism sector. Many workers from outside the region dominate the hotel and service industries, while local residents are often spectators. This situation prompted the adoption of a mandatory recruitment policy as a solution to increase local community participation in the tourism economy.

2. Input

Resources to support policy implementation are limited. Village governments are highly motivated, but they lack legally binding city/provincial regulations. Furthermore, the quality of local human resources still does not fully meet tourism industry standards (Suartha, 2020). Efforts to train and empower human resources are still ongoing, gradual and sporadic.

3. Process

The implementation process involved outreach to businesses and collaboration with traditional villages and tourism groups (Pokdarwis). Some businesses welcomed the policy, but many have yet to implement it consistently. The lack of a sanction mechanism renders the policy a moral appeal without enforceable force.

4. Results

Overall, this policy is starting to show positive results. Observational data shows an increase in the number of local workers in several sectors, particularly MSMEs and local homestays. However, these results are uneven and remain

limited to small and medium-sized businesses. Large industrial sectors, such as star-rated hotels, are still not fully involved.

This policy has increased the self-confidence and social engagement of local communities, particularly the younger generation. They have begun to feel recognized and given the space to contribute to village development, particularly in the tourism sector. The role of indigenous communities has also strengthened in overseeing the implementation of policies based on local wisdom.

Economically, this policy has begun to boost local incomes, particularly those who have successfully worked in hotels, restaurants, or opened small businesses. The average income of local households in areas surrounding tourism has increased. This aligns with Cole's (2006) perspective, which emphasizes the importance of local control over the tourism economy to achieve community well-being.

This policy has had a positive impact on preserving local culture. With many local residents working in the tourism sector, cultural values such as hospitality, traditions, and Balinese arts are increasingly highlighted in tourist interactions. This strengthens the local cultural identity as a key attraction of Sanur Village.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

The implementation of the mandatory recruitment policy for local people in Sanur Village, particularly in the hotel sector, such as at the Puri Santrian Hotel, demonstrates a strong initial commitment from the village government to empowering the local workforce. Based on the Edward III policy implementation model, the four main variables—communication, resources, implementer disposition, and bureaucratic structure—have not all been optimally implemented. Policy dissemination has been uneven, local human resources remain limited in terms of competency and training, and weak oversight has led to this policy being more of a morality policy than a legally binding one.

Factors influencing this policy include internal factors such as village government commitment, local human resource capacity, and village institutional support. Meanwhile, external factors such as business interests, labor market dynamics, and the lack of strong regulations at the city and provincial levels also pose significant challenges to policy implementation. Furthermore, cultural and social factors, such as the role of traditional leaders and community acceptance of the policy, are also crucial elements in supporting sustainable implementation on the ground.

An evaluation of this policy shows that, despite challenges in its implementation, the mandatory recruitment of local people has begun to have a positive impact on improving the welfare of local communities, both

economically and socially. Based on the CIPP model analysis, this policy creates a sense of self-confidence, expands employment opportunities, and strengthens local cultural identity. However, the results are uneven and remain dominant in the small business sector, while large businesses have not yet been actively involved. Therefore, strengthening regulations, improving the competency of the local workforce, and cross-sectoral collaboration are needed for this policy to produce more significant and sustainable results.

Recommendations

First, to improve the effectiveness of the mandatory local recruitment policy, the village government, along with stakeholders, needs to strengthen a more systematic and structured communication mechanism with all business actors in Sanur Village. Policy dissemination must be conducted regularly and comprehensively, not only through village forums but also through digital information media, official circulars, and collaboration with local business associations. Furthermore, it is crucial to develop formal regulations in the form of Village Regulations (*Perdes*) to ensure that this policy has binding legal force and is not merely a moral imperative.

Second, improving the quality of local human resources must be a top priority to ensure the local workforce is equally competitive with workers from outside the region. Village governments can partner with training institutions such as Vocational Training Centers (*BLK*), universities, or professional organizations to provide job skills training, foreign language proficiency, and work ethics training in the tourism industry. Furthermore, involving community leaders and indigenous communities in the monitoring and strengthening of work ethics will increase social acceptance of the policy and strengthen local networks.

Third, a periodic evaluation system involving community participation, traditional leaders, business actors, and the village government needs to be established to assess the real impact of this policy. This evaluation should include data not only on the number of local workers absorbed but also aspects of improving welfare, reducing unemployment, and strengthening the local economy. The city and provincial governments are also expected to provide support in the form of aligned cross-regional policies, incentives for businesses that support local labor, and fair oversight. With a comprehensive and sustainable approach, this policy can become a strategic instrument in building economic independence for the Sanur Village community.

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