

## Human Resource Management and Competency Issues in Bali's Rural-Urban Migration

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### ABSTRACT

Rural-to-urban migration has become a dominant trend in developing regions, including Indonesia, where labor mobility is driven by disparities in economic opportunity and access to formal employment. In the context of Bali, rural populations increasingly migrate to urban centers in search of improved livelihoods. However, this movement often exposes migrants to significant competency challenges, including technical skill shortages and inadequate soft skills, which hinder their integration into formal labor markets. This study investigates how human resource management (HRM) practices respond to these challenges and facilitate the professional development and labor inclusion of rural migrants in Bali's urban settings. This study adopted a qualitative phenomenological research design to deeply explore the lived experiences of rural migrants and human resource professionals. Semi structured interviews were conducted with participants comprising rural-to-urban labor migrants currently employed in urban settings, as well as HR managers from diverse organizational contexts. A purposive sampling strategy was employed to ensure the inclusion of information-rich cases and to capture a wide range of perspectives. Data were analyzed following phenomenological procedures, beginning with the transcription of interview recordings and horizontalization to identify significant statements. The findings reveal clear patterns of competency gaps among rural migrants, with most lacking both domain-specific technical skills and essential soft skills such as communication, adaptability, and workplace discipline. These deficiencies frequently resulted in initial employment within the informal sector. Nevertheless, human resource management practices especially onboarding programs, in-house training, and mentoring initiatives were identified as key enablers of professional integration. Additionally, the role of informal learning environments, including peer networks and community-based knowledge exchange, was significant in enhancing migrants' workplace adaptation and identity formation. The study underscores the need for HRM frameworks that are inclusive and responsive to the unique needs of rural migrants, particularly in the context of urban labor market demands. This study concludes that

competency challenges among rural-to-urban migrants in Bali represent a critical barrier to full labor market integration. Human resource management plays a pivotal role in addressing these barriers through strategic onboarding, reskilling, and continuous professional development. The proposed conceptual model offers practical insights for policymakers and HR practitioners to better align workforce strategies with the realities of labor migration. Broader institutional support is required to scale these interventions and ensure sustainable, inclusive labor development in urban Bali.



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## 1. INTRODUCTION

Rural-to-urban migration continues to shape labor market dynamics in developing countries, particularly in Southeast Asia, where rapid urbanization contrasts with rural underdevelopment. In Indonesia, internal migration is driven by persistent disparities in economic opportunities, education access, and public infrastructure between rural and urban regions. Bali, while often viewed through the lens of tourism and urban growth, is experiencing a steady influx of rural labor migrants seeking employment in urban centers. These migrants are often met with barriers related to skills, organizational culture, and limited formal employment prospects. Recent studies have highlighted how competency gaps both technical and soft skills pose significant challenges to the effective absorption of rural migrants into the formal sector (Marta et al., 2020). In many cases, migrants find themselves employed in informal or precarious jobs, lacking access to structured professional development. While some literature has examined migration from economic and social perspectives, limited attention has been paid to how human resource management (HRM) systems and practices can respond to this issue. Specifically, little is known about how HR strategies such as onboarding, skills training, mentoring, and inclusive recruitment can mediate the impact of these competency gaps and support migrants' professional identity formation in urban contexts.

This research is situated within ongoing discussions on inclusive labor markets and workforce development, which have gained urgency in the post pandemic period. The COVID-19 crisis has exacerbated inequalities in access to employment and accelerated the shift toward digitalization and

competency-based hiring practices. Nationally, Indonesian government initiatives such as the Prakerja Program aim to reskill job seekers, including internal migrants. However, the effectiveness of these programs in rural-urban transitions remains under explored. At the international level, discourse on sustainable development emphasizes decent work (SDG 8) and reduced inequalities (SDG 10), placing human resource policies at the center of equitable labor migration. This study utilizes qualitative, phenomenological data drawn from the lived experiences of labor migrants and HR professionals in urban Bali. It aims to explore how HRM strategies are implemented to address skill mismatches and foster integration of rural migrants into formal urban employment. The research is guided by the following question: How does human resource management address competency challenges faced by rural-to-urban labor migrants in Bali ?

The originality of this study lies in its interdisciplinary positioning combining migration studies with HRM scholarship and its empirical focus on internal migration within Indonesia. Unlike prior research that treats labor migration as a demographic or economic issue, this article frames it as a human resource development challenge. The scientific novelty is found in the conceptual model proposed, which illustrates how HR interventions contribute to bridging competency gaps, shaping professional identity, and promoting long-term inclusion of rural migrants in urban labor systems.

## **2. LITERATURE REVIEW**

### **Migration Theories and Human Resource Implications**

Migration, by its very nature, is a multifaceted phenomenon that has been examined through diverse theoretical lenses. As noted in Malamassam (2023), citing Brettell and Hollifield, the complexity of migration processes resists reduction into a single unified theory. Rather than relying on a singular explanatory model, understanding migration particularly internal rural-to-urban labor flows requires an integrated analysis encompassing spatial, economic, institutional, and behavioral dimensions. One of the earliest and most enduring contributions in this domain is Ravenstein's laws of migration (1885, 1889, as cited in Malamassam, 2023), which emphasize economic development as a primary driver of interregional mobility. Among the propositions still relevant today is the tendency of migrants to move over short distances toward centers of commerce and industry a pattern reflected in Bali's internal labor flows, where rural populations from Tabanan, Buleleng, and Karangasem migrate to urban centers such as Denpasar and Badung in search of employment and improved living standards. Tilikina et al. (2025) emphasize that in the context of increasing migratory pressures

and socio economic insecurity, human resource development must be restructured to support both the vulnerabilities of migrant labor and the dynamic workforce needs of urban economies. This includes proactive HR interventions such as upskilling, psychological support programs, and competency based integration mechanisms. This dynamic is particularly relevant to the Balinese context, where internal migration not only affects labor distribution but also reshapes rural community structures. As Yunus et al. (2025) observe, the breakdown of traditional rural networks underscores the need for responsive HRM practices that address not only skill gaps but also the social reintegration of migrants into formal urban work environments.

These demographic transitions intersect with internal labor migration trends, particularly rural-to-urban flows. As Suhermin and Sumasto (2024) suggest, HR strategies must be designed not only to address competency deficits but also to proactively respond to Indonesia's changing dependency ratio over the 2025-2035 period, which will impact workforce composition and productivity across regions. From a governance standpoint, Adeusi et al. (2025) argue that circular migration models when supported by innovative policy interventions can balance labor demands, economic growth, and migrant welfare. Their perspective highlights the importance of strategic HR planning and institutional coordination to ensure skills development and long-term reintegration of migrant workers into both origin and destination economies. In line with this, Łukaniszyn-Domaszewska and Mazur-Włodarczyk (2025) advocate for HRM strategies that are aligned with regional development goals, particularly in migration sensitive regions. This is especially pertinent for Bali, where labor inflows fuel urban growth but require coordinated rural-urban policy frameworks to support sustainable and inclusive development.

The importance of integrated migration governance is further emphasized by Mudungwe (2025), who notes that fragmented institutional frameworks often result in suboptimal skill utilization and marginalization of migrant labor. This underscores the need for HRM systems that are not only organizational but also regionally embedded to maximize the developmental impact of labor mobility. Beyond formal employment, Banerjee (2025) brings attention to strategic HR decisions within migrant-led entrepreneurship. She argues that how migrant workers source, cultivate, and apply human capital directly influences their success in navigating both informal and formal labor sectors. This insight is particularly relevant to understanding the informal sector engagement of rural migrants in Bali's service and tourism industries.

### 3. METHODS

This study employed a qualitative phenomenological research design to investigate the lived experiences of rural-to-urban labor migrants and human resource professionals in the province of Bali, Indonesia. The phenomenological approach was chosen to capture the essence of participants' subjective realities, particularly their experiences with skill acquisition, labor market integration, and organizational support mechanisms in urban employment settings. Primary data were collected through in depth, semi structured interviews, allowing for both guided inquiry and emergent themes. Participants were selected through purposive sampling to ensure the inclusion of information rich cases, representing diverse rural origins, employment sectors, and career stages.

The sample included rural migrants currently employed in urban areas such as Denpasar and Badung, as well as HR managers and training coordinators from companies in the tourism, retail, education, and service sectors industries that absorb a significant share of the migrant workforce in Bali. These migrants originated from rural districts such as Tabanan, Buleleng, and Karangasem, and had relocated to urban centers in search of employment opportunities and improved living conditions. Denpasar and Badung, which serve as Bali's primary tourism and commercial hubs, represent the most common destinations for internal migrants seeking economic mobility and formal labor integration. Each interview lasted approximately 25 to 45 minutes and was conducted in either Indonesian or Balinese, depending on the participant's preference.

The analysis followed a phenomenological approach to capture the lived experiences of participants. It began with the verbatim transcription of interview recordings, followed by horizontalization to identify and treat all relevant statements equally. Significant statements were grouped into meaning units and further clustered into themes through an inductive, iterative coding process. These themes reflected common patterns related to competency gaps, professional adjustment, and organizational support mechanisms. Both textural descriptions (what was experienced) and structural descriptions (how it was experienced) were developed and synthesized into a composite narrative that illustrated the core essence of rural-to-urban labor migration and the role of HRM in facilitating skill development and workforce integration. To ensure validity and trustworthiness, the study employed triangulation by comparing migrant and HR perspectives, as well as member checking to validate the interpretation of key themes. This process enabled a comprehensive and credible account of the participants' experiences within the urban labor context of Bali.

#### 4. RESULTS AND DISCUSSION

The findings of this study reveal consistent patterns of competency challenges among rural migrants entering urban labor markets in Bali. Most participants reported arriving in cities such as Denpasar and Badung with limited domain specific technical expertise and a marked deficiency in essential soft skills, including communication, adaptability, problem solving, and workplace discipline. These skill gaps, often rooted in unequal access to quality education and vocational exposure in rural areas, corroborate migration theories that emphasize structural disparities between origin and destination regions (Ravenstein, as cited in Malamassam, 2023; Tilikina et al., 2025). The sample included rural migrants currently employed in urban areas such as Denpasar and Badung, as well as HR managers and training coordinators from companies in the tourism, retail, education, and service sectors industries that absorb a significant share of the migrant workforce in Bali. These migrants originated from rural districts such as Tabanan, Buleleng, and Karangasem, and had relocated to urban centers in search of employment opportunities and improved living conditions. Denpasar and Badung, which serve as Bali's primary tourism and commercial hubs, represent the most common destinations for internal migrants seeking economic mobility and formal labor integration.

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Beyond formal institutional mechanisms, informal learning environments such as peer to peer knowledge exchange, social networks among co workers, and community based support structures emerged as vital in supporting workplace adaptation and identity reconstruction. These informal processes echo the concept of “information grounds” and reinforce theoretical arguments about the behavioral and relational dimensions of migration (Mudungwe, 2025; Yunus et al., 2025). Migrants who engaged in such informal networks reported increased confidence, social belonging, and gradual acquisition of soft competencies, which are rarely addressed through conventional HR models. The data suggest that rural migrants’ trajectories toward professional integration are shaped not only by individual motivation but also by the structure and inclusiveness of organizational and regional HR systems. The ability of HR departments to recognize and address non traditional skill pathways such as experiential learning, community mentorship, and self driven adaptation emerges as a key factor in bridging the rural-urban competency divide.

In light of the above, this study reinforces the argument that HRM must be reconceptualized as a strategic and inclusive function that aligns with migration dynamics and regional development goals (Łukaniszyn-Domaszewska & Mazur-Włodarczyk, 2025). In the Balinese context, where labor mobility is both culturally embedded and economically driven, HRM frameworks should be responsive to the socio-spatial specificities of rural migrants, providing not only training but also psychosocial and identity building support. This integrative approach is essential to realizing sustainable labor integration and mitigating the risks of exclusion, underemployment, and stagnation among a growing segment of the urban workforce.

## 5. CONCLUSION

This study explored the lived experiences of rural migrants and HR professionals in Bali, revealing that technical and soft skill gaps remain significant barriers to formal labor integration, particularly for migrants from Tabanan, Buleleng, and Karangasem. These challenges are linked to disparities in education and vocational access, highlighting the need for responsive human resource interventions. Formal mechanisms such as onboarding and internal training, alongside informal strategies like peer mentorship and social learning, play a crucial role in supporting migrants’ professional adaptation. The findings emphasize that HRM should be reframed as a strategic instrument in managing internal labor mobility, especially in regions marked by rural-urban inequality. By aligning HR practices with the socio cultural contexts of migrants, organizations can

foster more inclusive labor markets. Future research should investigate long-term HR outcomes and comparative regional dynamics, while policy efforts should integrate HR development with local economic planning to support sustainable labor migration.

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