### **GCBME 2018**

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1	ABS-1	Financial Management and Accounting

## Bank Specific & Macroeconomic Determinants of Islamic Bank Profitability in Indonesia

Dedi Supiyadi & Meta Arief

Sekolah Pascasarjana - Universitas Pendidikan Indonesia Pendidikan Akuntansi - Universitas Pendidikan Indonesia

#### Abstract

Purpose, This paper aims to examine the effect of factors that contribute to the profitability of Islamic banks in Indonesia over the period 2008-2017. Methodology, This research employs the explanatory method. We use secondary data obtained from the OJK to examine the Determinants of Islamic Bank Profitability and then we analyse the data using the GMM technique. Findings, The study found that only Bank Size had a positive effect both ROA and ROE while capital, credit risk and liquidity had a negative effect on Islamic bank profitability in Indonesia. Finally, the macroeconomic determinant showed that only inflation had positive effect while GDP had no significant effect on Islamic bank profitability. Practical implications, The result indicates that Islamic banks in Indonesia need to be developed and well supported by the government through an independent regulation out of the Bank of Indonesia. This means Islamic bank need to develop supporting regulations and products based on Islamic law and Sunnah. Originality, this paper provide new Islamic Bank information and applies the GMM technique which previous studies never used to examine the Islamic bank profitability in Indonesia

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=1

2	ABS-260	Financial Management and Accounting
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Effect of Market Value Ratio, Profitability Ratio And Solvability Ratio to Market Value Added Companies Listed in Jakarta Islamic Index (JII) from 2012 to 2016

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### **Abstract**

This study aims to determine the effect of Market Value Ratio, Profitability Ratio, and Solvability Ratio to Market Value Added Companies Listed in Jakarta Islamic Index partially

or simultaneously. The sample used in this study as many as 14 companies registered in the Jakarta Islamic Index. The observation period of the study starts from 2012 to 2016. The results of the best estimation model based on Random Effect Model shows that the variables of Earning Per Share, Return on Equity and Debt to Equity Ratio affect simultaneously and significantly to Market Value Added companies listed in Jakarta Islamic Index period 2012-2016. And partially variable of Earning Per Share have negative effect is not significant, the variable of Return On Equity have positive and significant influence, and Debt to Equity Ratio variable has significant negative effect to market value added listed in Jakarta Islamic Index period 2012-2016.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=260

3	ABS-264	Financial Management and Accounting

## Financial Literacy and Retirement Savings Ownership A.M. Adiandari, N.D.A. Amrita, H. Winata

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#### Abstract

This study aims to determine the relationship of financial literacy and retirement savings ownership. This study also tests whether social economic characteristics, such as marital status, number of children, length of work and monthly income can affect a person decision to own retirement savings for future prosperity. The research method is quantitative, using spearman correlation test with the sample number of 170 employees from a state owned bank in Payakumbuh, West Sumatera, Indonesia. Results showed that only the number of children and length of work of the social economic characteristics has a relationship with retirement savings ownership, whereas marital status and monthly income has no relationship with retirement savings ownership. Moreover, findings showed that financial literacy has a relationship with retirement savings ownership. Hence, improving financial knowledge, especially directly related to retirement savings is necessary to increase penetration and density of retirement savings in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=264

4 ABS-9 Financial Management and Ad
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## INTENDED USE OF IPO PROCEEDS, UNDERPRICING AND LONG-TERM MARKET PERFORMANCE OF STOCKS IN INDONESIA

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  - (c) Faculty of Economics, Kartini University.

#### Abstract

The aims of this study is to examine the effect of intended use of IPO proceeds on the market performance of stocks in the Indonesia Stock Exchange (IDX). The test is conducted by multiple linear regression to find out whether the information in the prospectus of stock offerings related to IPO proceeds utilization for: acquisition, group financing, long-term investment, debt repayment and working capital, affect both the initial and the long-term stock returns. The sample consist of 115 companies that made an initial public offerings in the Indonesia Stock Exchange during the period 2006-2013. The test results show that the disclosure of specific information about the use of funds for acquisitions negatively affects initial returns and long-term market performance. We also find that firm size is the main determinant of IPOs intended use of proceeds.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=9

5 ABS-13 Financial Management and Accounting

## WHICH MODEL IS BETTER TO PREDICT FINANCIAL DISTRESS? TEST ON STATE OWNED ENTREPRISE LISTED IN IDX

Riko Hendrawan , Betty Indah Tristanti

Telkom Unversity

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=13

6 ABS-14 Financial Management and Accounting

# TEST OF FCFE MODEL AND DIVIDEND DISCOUNT MODEL IN BANKING COMPANIES LISTED IN INDONESIA STOCK EXCHANGE

Riko Hendrawan, Tami Ziarani Rahayu

Telkom University

#### **Abstract**

The banking industry is one of the industries whose shares are in great demand by the people who will invest in the capital market. Not only interested by local investors and even banking industry stocks are also in great demand from foreign investors. The purpose of this research is to know the fair price of shares in banking companies in 2017 by using the method of Free Cash Flow to Equity on the growth scenario in pessimistic, moderate and optimistic conditions and To know the fair price of shares in banking companies, in 2017 by using Dividend Discount Model method. The sampling technique used purposive sampling and chose 4 Banking Companies which entered into book 4 category as research sample. Finding from this research shows that, using FCFE Model BBNI, BMRI and BBCA show undervalued that stock market price is lower than fair value of company stock, while BBRI show overvalued and by using DDM calculation method all emiten show undervalued. If it is known whether the stock is undervalued, fairvalued, or overvalued, then the investor can be more confident to determine his investment decision. Whether the stock wants to be bought, retained or sold

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=14

7 ABS-270 Financial Management and Accounting

### CEO Gender and Firm Debt Policy: An Empirical Study in Indonesia

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#### **Abstract**

This research that contained in the paper aims to investigate the influence of female director and female commissioner on the firm structure capital of non-financial companies listed on Indonesia Stock Exchange (IDX) since the 2010 to 2014 with 372 observations. A structure capital of the firms is measured by the leverage ratio that implicate to debt policy. The leverage ratio shows the level of usage in the company as variable dependent. Dividend payout ratio, return on asset, size of director, and size of commissioner as control variables. Modeling the leverage of firm using multiple regression. Here, the result of this study indicate that firms with a larger fraction of female director have negative effect on debt policy significantly. Otherwise, female commissioner is not significant effect on debt policy. As control variables that is significantly effect on debt policy is dividend payout ratio and size of director.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=270

8 ABS-272 Financial Management and Accounting

### **Executive Compensation and Risk: An Empirical Study in Indonesia**

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#### Abstract

We investigate the relationship between executive compensation and risk for banks in Indonesia over the 2010 until 2013 periods with 412 observations. Risk of banks measured by non-performing loan that implicated in loan risk. Non-performing loan as dependent variable. The executive compensation as independent variable. Firm size, firm age, and capital asset ratio as control variable. Here, the result of the study indicates that executive compensation, firm size, firm age, and capital asset ratio have negative effect on risk significantly

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=272

9 ABS-18 Financial Management and Accounting

The Comparation of Credit Risk and Likuidity Risk Between Commercial Banking Sharia (CBS) and Sharia Bussines Unit (SBU) in Sharia Banking Portofolio

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#### Abstract

The development of Sharia Banks industry in Indonesia is growing rapidly and becoming one part of the financial market competition. In Indonesia, sharia banks are divided into three namely, Sharia Commercial Bank (BUS), Sharia Business Unit (UUS) and Sharia Rural Bank (BPRS). Until the period of December 2017 there were 13 BUS, 21 UUS and 92 Shariah BPRs that have been operating with a total of 714 Headquarters and Branches and 1,315 Sub Branch Offices throughout Indonesia. This study aims to identify and compare how the risk profile of credit and liquidity risk between Sharia Commercial Bank and Sharia

Business Unit. NPF (Non Performing Financing) is an indicator of credit risk profile and FDR (Financing to Debt Ratio) is used as an indicator of liquidity risk measurement. This study is a descriptive study with secondary data derived from the annual financial statements of OJK period 2014-2017 with a sample of 12 banks of Sharia and 21 units of Sharia Business Unit. The result shows that NPF in sharia bank is higher than NPF of Sharia Business Unit. The average NPF of Commercial Banking Sharia was 4.74% and FDR was 85.08% while in Sharia Business Unit the average of NPF was 2.80% and FDR was 102.5%. Sharia business unit is considered more able to control the credit risk given while Sharia Commercial Bank is considered more able to control liquidity risk. Therefore Comercial Bank Sharia need to mitigate to minimize credit risk and Sharia Business Unit needs to mitigate to minimize liquidity risk. There needs to be a comparative study on both types of sharia banking to share the risk mitigation way.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=18

10	ABS-283	Financial Management and Accounting
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# THE IMPACT OF MICRO CREDIT AND BUSINESS MANAGEMENT TRAINING TO MICRO AND SMALL BUSINESS PERFORMANC IN WEST JAWA INDONESIA

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#### Abstract

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the national economy. However, there are still many problems faced by SMEs such as the availability of capital and the difficulties of accessing capital to the banks financial institution as a lender and also other problems such as low understanding in business management, limited market access, and lack of mastery of science and technology. This study aims to analyze the extent of the effect of micro credit financing provided by banks and business management training on MSMEs performance. The method used in this research is mix method by using Sequential Explanatory Analysis, where quantitative data analysis using Partial Least Square (PLS) with research subject are debitur Bank bjb located in area Kanwil 1 which is taking micro credit (no more than Rp 50 million). The results showed that micro credit financing and business management training partially have a positive and significant impact on the performance of MSMEs.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=283

11	ABS-284	Financial Management and Accounting
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# Corporate Social Responsibility, Size And Tax Aggressiveness: An Empirical Analysis

Radhi Abdul Halim Rachmat, Memen Kustiawan

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### **Abstract**

Corporate social responsibility (CSR) and taxes have the same roles and functions for social welfare, but companies often use csr to reduce taxes especially large scale companies. This study examines the relationship be-tween corporate social responsibility (CSR), firm size and corporate tax aggressiveness. Samples taken from 11 public companies that listed in LQ45 Indonesia for financial year 2013-2015. The results of multiple regression analysis

show that there is no relationship between corporate CSR activities and corporate tax aggres-siveness, while the other finding show that corporate activities is affected by size of the company in conducting corporate tax aggressiveness.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=284

12	ABS-29	Financial Management and Accounting
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Profitability, Dividend Policy and Stock Price Volatility: Indonesia Stock Exchange
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#### **Abstract**

The purpose of this study is to analyze profitability and dividend policy in predicting stock price volatility of property manufacturing companies with real estate and property subsector and building construction which listed in the Indonesia Stock Exchange period 2009-2015. The data taken in the form of corporate financial statements, while the company used as research samples taken using a purposive random sampling technique. This research found that return on asset and dividend payout ratio have positive and significant effect to the company stock price. Thus, both management and investors are very concerned about changes in stock prices, then research can provide a way to find the dominant factor in volatility of stock prices and which should be considered by investors before making investment decisions, and the management in formulating the dividend policy for the company.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=29

13	ABS-287	Financial Management and Accounting
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# Benefit Value and Investment Evaluation Calculation of Street Lighting Using Real Option Analysis (ROA)

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### Abstract

The use of Light-Emitting Diode (LED) technology as street lighting is widely applied in various countries. The replacement of existing lighting to LED technology requires a high investment cost. This paper proposes two approaches to calculate the value of benefits and the cost of street lighting investment using LED illuminates. Real Option Analysis (ROA) methods are used to evaluate the value of street lighting investment in Bandung, Indonesia. The results prove that, the factor that greatly affects the change in the value of street lighting investment using LED technology is the change in the basic price of electricity, and the depreciations of LED prices are difficult to predict. This method is expected to provide new knowledge in the evaluation of investment value and the benefits of street lighting.

14 A	ABS-288	Financial Management and Accounting
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### The Effect of Macro Economic Indicators And The addition of Tax payers Against Tax Receipts in Indonesia

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Widyatama University(a)(b), Indonesia University of Education(a),(c)

#### **Abstract**

The national economy during a period of ups and downs as a result of changes in the economic environment that is changing dynamically. Rise and fall of economic growth in the aggregate at least describe how much output can be achieved within a certain period of development. The role of taxes as well as can be seen by its contribution to fund government spending. As a component of the largest state income Tax Receipts is the main source to finance state spending, the researchers interested in studying with the title "The Effect of Macro Economic Indicators And The addition of Taxpayers Against Tax Receipts in Indonesia" The method used in this research is multiple linear regression using descriptive and verificatif methods, population in this research is data of Economic Growth (GDP), Exchange, SBI, Inflation, Oil Prices, Tax Payers of the Tax Receipts in Indonesia the period 2005-2014. While the sample used is as much as the study population using census method. This study was processed with SPSS so can result in that GDP Economic Growth, Exchange, SBI, Inflation, Oil Prices and Tax Payers significant influence simultaneously and partially on Tax Receipts Indonesia Year 2005-2014.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=288

15 ABS-35 Financial Management and Accounting

Effect Of Profitability, IOS, FCF And Collateralizable Assets To Dividend Agnes Juliarti, Sumani

Universitas Katolik Indonesia Atma Jaya

#### **Abstract**

In the middle of the development and progress of the business world, the competition between companies encourages companies to have a competitive advantage, one of which is reflected in the companys dividend policy. This study will examine the effect of profitability, investment opportunity set (IOS), free cash flows (FCF), and collateralizable assets (CA) on dividend policy. Research population are companies listed on BEI in manufacturing industry sector of consumer goods industry in the period 2013-2015. The number of samples used in the study were 19 companies. The results show that profitability and IOS variables have a significant negative effect on corporate dividend policy while FCF and CA have no significant effect on company dividend policy.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=35

16 ABS-294 Financial Management and Accounting

Why Did Baitul Maal wa Tamwil (BMT) Discontinue The Linkage Program with Islamic Bank? A Case Study in Indonesia

Muhammad Nafik Hadi Ryandono, Denizar Abdurrahman Miraj

Universitas Airlangga

#### **Abstract**

Linkage program between BMT and Islamic bank was held by Ministry of Cooperatives in Indonesia since 2009. Bank Indonesia (BI) stated that this linkage program was a relevant strategy to achieve more inclusive financial system through optimizing the role of Islamic banks and potential of BMT who handled Small and Micro Enterprises (SMEs). But in the implementation, this program could only absorb around 58,5% of BMT institutions (BI, 2012). It caused by the consequences of linkage: even though BMT got funding from Islamic banks, but the rate of return they should pay is more expensive then they borrow to BMT member. So that, BMT products become more expensive also then it will push the SME doers as the end user. This study aims to determine the reason why did BMT decide to discontinue the linkage program with Islamic Bank. This study used a qualitative approach and single-case studies as the strategy. Primary data collected by in-depth interview, while secondary data obtained from the annual financial statements of BMT. The explanation building was used as the technique of analysis by explaining the results of in-depth interviews, in order to know the reason of BMT to stop linkage program. The results showed that the BMT option to stop the linkage program is not just because of expensive rate of return and other operational aspects only. The biggest point of decision is because of there is a difference of agad applied in linkage program which is it was not accordance with mudaraba system contract.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=294

17	ABS-296	Financial Management and Accounting
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### INFORMATION ASYMMETRY in CAPITAL MARKET: WHAT, WHY and HOW

Puput Tri Komalasari, Moh. Nasih

Universitas Airlangga

#### **Abstract**

Information is a valuable commodity and resource to maximize the utility of economic agents. Information asymmetry occurs when there is an information gap among economic actors. Information asymmetry has received considerable attention in both accounting and finance literature. Basically, information asymmetry is not directly observable and therefore researchers use proxy variables. However, in so far there are no studies that have classified the proxies of information asymmetry based on its characteristics. Furthermore, market characteristics are often overlooked in choosing a proxy of information asymmetry. This paper attempts to partially address this gap in literature by classifying proxies of information asymmetry and reviewing proxies that more appropriate to be used in emerging market. This paper also discusses how information asymmetry takes place in capital market and why it is important in emerging capital market research. We pay more attention to emerging markets because information asymmetry is presumed resulting capital market collapse.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=296

18 ABS-42 Financial Management and Accounting

#### Tax expense and bonus mechanism on transfer pricing

G.S. Manda, H.M. Zakaria & A. Rakhman

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#### **Abstract**

The aim of this research is to examine the influence of tax expense and bonus mechanism on transfer pricing with using sample manufacturing company at LQ 45 period 2012-2016. The variables of this research consisted of two independent variables and one dependent variable. The first independent variable is tax expense, the second independent variable is bonus plan, and transfer pricing is dependent variable. The research is quantitative methods and analysis techniques of this research is using logistic regression analysis. This is because the dependent variable in this reasearch is dummy variable, the companies which is using transfer pricing is coded by 1 and the companies which is not using transfer pricing is coded by 0. This reasearch uses financial statements as a data source. The results of the research showed tax expense and bonus plan do not have influence on transfer pricing on manufacturing company at LQ 45 period 2012-2016

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=42

19 ABS-298 Financial Management and Accounting

The Role Of Leadership And Competence Of The Managers Budget Against The Implementation Of Performance-Based Budget Management At The Department Of Revenue, Asset And Financial Management Areas (DPPKAD).

Rina Maria Hendriyani (1), Tika Sartika(2), Dian Hakip Nurdiansyah(3)

Singaperbangsa Karawang University

#### Abstract

In budget performance-based organization or organizational unit is not only required to compile the functions, programs, activities, and types of shopping but also planning activities to be achieved, in the form of the output or especially the results of the program or activities that will be carried out this research aims to know the implemnentasi and correlation between performance-based Budget Management at the Department of revenue, Asset and financial management Areas (DPPKAD) of Karawang. This research using the method of deksripif verifikatif to get an idea of leadership, competence Manager budget and implementation of performance-based budgets on District Government Karachi. The results of this research are the leadership roles of variables are at high scale. The competence of the Manager of the budget are on a scale of good. This means that the budget Manager has the perception that the budget Manager competency in Karawang DPPKAD is good. Leadership roles (X 1) of competence and budget Manager (X 2) effect significantly to performance-based budget implementation (Y), obtained a value of Sig. 0.000 < &#945; (0.05). This means that simultaneously there is a significant influence of the variable variable against free is not free. This means that the role of leadership and competence of the budget Manager has significance and helpful towards achievement of performance-based budget implementation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=298

20 ABS-47 Financial Management and Accounting

Forecasting Volatility Stock Price using ARCH/GARCH Method: Evidence from the Indonesia Stock Exchanges.

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UPI

### Abstract

This study aims to predict stock price volatility using ARCH / GARCH model in Indonesia. The research method used is quantitative method on Indonesia stock price index for period 2011-2017. The analysis technique used ARCH / GARCH model with data processing using

Eviews 9 software. The results show the best volatility model in predicting stock price is EGARCH model and this model is more accurate in the modeling of volatility model in Indonesia since 1998 until now.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=47

21 ABS-304 Financial Management and Accounting

# THE IMPORTANCE OF MICRO WAKAF BANK (BANK WAKAF MIKRO) IN ACCELERATING FINANCING FOR MICRO-SMALL-MEDIUM ENTERPRISES

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STIE EKUITAS (a), Indonesia University of Education (a), (b)

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#### **Abstract**

So far, peoples understanding of wakaf is conservative, such as wakaf of immovable matter in the form of slowly productive land. The idea of the Association of Indonesian Muslim Scholars on the establishment of Wakaf Bank since 2014 has recently received a positive response from the government in the form of a plan to inaugurate the establishment of Wakaf Venture Indonesia Bank (BWVI) in mid 2017. However, the Government in this case the Financial Fercives Authority (OJK), preferring to launch a government program in the form of a Micro Wakaf Bank (BWM) with a Micro Sharia Financial Institution Platform and incorporated as a legal service cooperative, while BWVI is not available. The existence of Micro Wakaf Bank as the implementation of the Infak implementation of the donors is expected to serve as an alternative financing channel, especially for Micro-Small-Middle Enterprises (MSMEs) are generally minimal access to formal financial institutions, especially those in Pondok Pesantren. The purpose of this study is to analyze the urgency of the existence of the BWM towards the acceleration of financing through the characteristics embedded in the dimension of community empowerment. The review process is carried out through literature study with normative characteristics in infag and in community empowerment and the result of the study indicates that the characteristic of BWM in the conceptual financing process does not prioritize the quarantee, but prioritizes the approach in facilitation so that the customers business and the installment can be controlled. Relating to The BWM, in essence there is an incubator process to prepare customers who previously non-bankable to be bankable. This will ultimately provide convenience to the MSMEs in obtaining financing facilities that have been considered difficult to obtain through commercial banks. The visionary goal of the establishment of BWM will be more optimal if both the managerial and operational processes are in synergy involving government institutions such as Indonesian Wakaf Board (BWI) and National Amil Zakat Agency (BAZNAS) as well as private institutions such as Lembaga Amil Zakat (LAZ).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=304

22 ABS-307 Financial Management and Accounting

# DEVELOPING MODEL TO PREDICT FINANCIAL DISTRESS ON BULLISH AND BEARISH MARKET CONDITION AS EARLY WARNING TOOLS BANKRUPTCY IN INDONESIA

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#### **Abstract**

This study aims to develop a model can be early warning system of financial distress occurs. Suspected factors affecting financial distress in terms of financial decision made, preference investors against profits and economic macro conditions that exert influence over the company performance. Based on these indicators, this research followed by design formulation and financial distress models.

Objects research chosen were manufacturing companies listed on Indonesian Stock Exchange in 2001 to 2014. Research started by observing market condition in bullish or bearish using regression analysis time series. Then analysis the data used was factor analysis and logistic regression.

The research results show that model prediction financial distress on condition bearish market has a accuracy higher than bullish market. This supports the pecking order theory in capital structure that shows when the companies need funding, so early funding alternative consideration is retained earnings.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=307

23 ABS-53 Financial Management and Accounting	
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### PEER GROUP MODEL AS A REFERENCE OF BANKS PERFORMANCE ASSESSMENT

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#### Abstract

Banks operating in Indonesia condition rate are the result of the Banks assessment for their risk and performance. The assessment of a bank condition is measured by considering the peer group of the bank. Banks Peer group is a group of banks that have common conditions. The plotting of a bank peer group is based on the homogeneity of the banks condition concerning to the other banks. Besides that, by choosing banks that are classified as peer group it should be noted the suitability of banks business. Consider the important role of bank peer group, to be a benchmark of objective performance monitoring, the determination of banks peer group should be done objectively. The bank peer group model works by assessing the relative performance of bank variables which become a concern to a bank for the others through equalization of the bank core capital. This research was conducted to test the bank peer group model formulated by Sugiarto using cross section data per December 2016. To simulate the performance of the bank peer group model, Bank Jasa Jakarta which is operating in Indonesia will be used as an anchor bank. For the purpose for testing the performance of peer group model, the analysis performance of Bank Jasa Jakarta is compared to classified banks as peer group, especially to the variables that significantly affect the performance of bank such as Non-Performing Loan, Return on Assets and Return on Equity that have important role in bank sustainability. Determination of performance of the peer group model will use the data from bank publication report taken from website of Indonesia Financial Services Authority. The test results using cross section data indicate that the model of bank peer group formed is a reliable model consider that the results obtained from the model are able to represent the actual conditions. The test results show that it is possible to establish an objective bank peer group determination model using a statistical point of view.

24	ABS-58	Financial Management and Accounting
Mandatory SAK based IFRS Adoption and Audit Delay		SAK based IFRS Adoption and Audit Delay

### Rizal Maward; Hamidah

### Airlangga University

#### **Abstract**

Institute of Indonesia Chartered Accountants (IAI) in 2012 issued a policy decision for mandatory IFRS adoption applied by companies in Indonesia Stock Exchange (IDX). This paper to exam whether mandatory IFRS adoption has impact increasing or decreasing audit delay that caused by increasing complexity of accounting practices. This research was designed by multiple regression model. The result of descriptive analysis shows that the average of audit delay between the period of voluntary and mandatory IFRS adoption are 76 days. The result of determination coefficient of R2 = 0,194 in voluntary IFRS adoption and R2 = 0,264 IFRS adoption mandatory. The result give empirical evidence that audit delay increase caused company characteristics and market forces become more influence on audit delay in era of IFRS adoption.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=58

25	ABS-59	Financial Management and Accounting

# Analysis of Constant Correlation Optimal Portfolio Model (Case Study in Jakarta Islamic Index)

Irni Yunita

Telkom University Padjadjaran University

### Abstract

The purpose of this study is to performed and analyze the optimal portfolio by using Constant Correlation Model. The sample of this research is all securities in Jakarta Islamic Index Period 2018. This research is using time series data from 2013 to 2018. The results shows that the optimal portfolio selection is consist of 2 securities: TPIA (52.93%) and BPRT (46.07%). The monthly return of Portfolio is 5.7 %, above the individual return and the risk of portfolio is 0.106%, below the individual risk. The portfolio performance index is positive and above the market. The value of Sharpe Index is 0.0435, Treynor Index is 1.5819 and Jensen Index is 0.0529.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=59

26	ABS-60	Financial Management and Accounting

## Testing Theory of Dividend Policy: Evidence in the Realestate Sector in Indonesia Imas Purnamasari, Nugraha

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### **Abstract**

The aim of this research is to test the irrelevant theory and relevant theories of the dividend policy. This research is conducted on real estate sector from period 2012-2015 to get 168 observation data. Variable of research include 1) Independent variable that is financial performance of company which proxy by Profitability, 2) Dependent variable that is Dividend Policy which proxy Dividend Payout Ratio, 3) Moderation variable that is firm

size proxy by total assets. The results of the study found that in Indonesia the real estate sector of dividend policy based on irrelevancy theory

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=60

27 ABS-61 Financial Management and Accounting

## RISK PROFILE, GOOD CORPORATE GOVERNANCE, PROFITABILITY CAPITAL AND THIRD-PARTY FUNDS INTEREST RATE OF INDONESIAN BANKING

I Made Sudana dan Kadek Yuvita N.S.

Universitas Airlangga

#### **Abstract**

This research aims to determine the effect of risk profile, good corporate governance, profitability, and capital to third-party fund interest rate of Indonesian banking. This research using multiple linear regression analysis to determine the effect of independent variables consisting of risk profile, Good Corporate Governance (GCG), profitability (ROA), and capital (CAR) towards dependent variable which is third-party fund interest rate. Based on the results of analysis, it could conclude that risk profile and GCG significantly applies a positive influence to third-party fund interest rate, ROA significantly applies a negative influence to third-party fund interest rate, while CAR applies a negative effect but not significant to third-party fund interest rate.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=61

28	ABS-64	Financial Management and Accounting
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# **GRPB Implementation in Indonesia: Historical Review and Lessons Learned** *Fithriyah*

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### Abstract

This paper is a historical review and lessons learned from Indonesia experience in implementing Gender Responsive Planning and Budgeting (GRPB). National Development Planning Agency/ Bappenas has initiated the implementation of gender mainstreaming into Indonesia national development planning policies in 1999. This is very important for Indonesia, since it addresses the strategy towards reducing the inequality between men and women in development, at national and regional levels. It was started by developing Gender Analysis Pathway, the tool for conducting gender analysis in development planning and policies through four aspects: access, participation, control of resources and benefit of development; for men and women, including the special needs groups. In 2008, Bappenas has initiated the GRPB Steering Committee and Technical Teams, followed by National Strategy to Accelerate Gender Mainstreaming through GRPB, which is signed by four ministries in 2012. These attempts have successfully narrowing the gender gap in Indonesia development, nationally and regionally.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=64

29 ABS-320	Financial Management and Accounting
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EFFECT OF THE RETURN ON INVESTMENT TOWARDS FIXED ASSETS INVESTMENT

### AT PT RAPIH METALINDO

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#### Abstract

The purpose of this research is to know what the effect of the return on investment towards fixed assets investment at PT Rapih Metalindo Bandung Period 2008-2012.

This research used a method of descriptive with the approach of quantitative. The technique of collecting data done with the observation and study of literature. Sampel to be taken derived from balance sheet and report income statement period 2008-2012. The technique of using a test of normality data analysis of data, analysis of a correlation coefficient of Pearson product moment, a coefficient of determination, regression and the testing of hypotheses by using SPSS.

By virtue of analysis the data indicate return on invetment having the close correlation with the fixed assets investment as much 0,915 in the prologue and very strong and return on investment funds influential positive and significantly to the fixed assets investment as much 83,7% and the rest by 16,3% influenced by another factor that is not studied here, such as cash ratio, return on equity, total assets turn over, debt to assets ratio. The equation of regression is IAT = -0.142 + 6.102.ROI. Companies should increase the volume of sales in order to boots profits and as decision-making tool in investing, especially in fixed assets investment.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=320

30 ABS-65 Financial Management and Accounting
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### **CORPORATE GOVERNANCE MECHANISMS AND ITS PERFORMANCE**

Wisnu P. Setiyono

Universitas Muhammadiyah Sidoarjo

#### Abstract

The purpose of this paper is to investigate the impact of internal governance structures in relation to managerial performance in Indonesian companies. In addition, we employed three proxy variables to measure internal governance structures including board, ownership, and compensation structure as independent variables. This study also used Tobinsq as a proxy of managerial performance.

The study also used a sample of companies whose stocks are actively traded on the Indonesia Stock Exchange. The data used were panel data, namely, the data of cross section and time series from the period of 2006 to 2011. The sampling was simple random sampling, and the analytical techniques were logistics regression analysis.

The finding generally suggest a strong effect of internal governance structure measures in this data set. First, it is found that independent commissioners are effective in monitoring managerial performance, but the impact is negative. Secondly, the small proportion of managerial ownership is also found to be important result in this analysis. A higher proportion of insider ownership leads to an decrease in managerial performance. Finally, there is strong support for the view that the provision of executive bonuses has a positive impact of managerial performance. The results suggest that granting incentive compensation to managers is an appropriate way to increase their performance.

31 ABS-68 Financial Management and Accounting

# EFFECT OF CORPORATE GOVERNANCE AND BARRIERS TO ENTRY ON FINANCIAL PERFORMANCE WITH INTELLECTUAL CAPITAL AS MEDIATING VARIABLE

Noorlailie Soewarno , Bambang Tjahjadi and Rara Dzikrina Istiqomah

Universitas Airlangga

#### Abstract

The objective of this research is to test empirically the mediating effect on the relationship of corporate governance and barriers to entry towards financial performance with the presence of intellectual capital as mediating variable. This study was conducted with secondary data which is the financial statements of mining sector companies in the period of 2013-2015 and obtained total of 93 sample. The hypotheses of this study were analyzed using partial least square with WarpPLS 5.0 software. The results showed that corporate governance has direct significant negative influence toward financial performance. Barriers to entry also showed direct significant negative effect on financial performance. Researcher prove the role of intellectual capital as a partial mediator on the relationship of corporate governance and barriers to entry towards financial performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=68

32	ABS-69	Financial Management and Accounting
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## Implementation of Cooperative Principles as an Organization Culture and Effect on Financial Performance

Sugiyanto

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#### **Abstract**

Cooperative as business entity have several objectives, that are member promotion and business efficiency, which is measured by financial performance, in average showed that financial performance is lower than the standards set by the Ministry of Cooperatives and SMEs, allegedly cooperative managers have not imple-mented yet cooperative principles in their managerial activities consistently as an organization culture. The purpose of this study is to examine the implementation of cooperative principles and the effect on cooperative financial performance. This research was conducted on 60 cooperatives sample size in West Java using quanti-tative descriptive method, and using multiple regression analysis. The results showed that cooperative principles are not yet implement consistently and implementation of 7 cooperative principles partially does not ef-fect on the cooperatives financial performance, but simultaneously implementation of cooperative principles effects on the cooperative financial performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=69

33 ABS-70 Financial Management and Accounting

Strategic Alternative: Family Business Sustainability Based on Ownership and Management Distribution between Generations

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#### **Abstract**

SMEs are expected to develop into large-scale enterprises, to achieve the scale required long-term period through cross-generation, Indonesia SMEs are owned and controlled by the family especially for small sole proprietorships that will never grow up be passed down from generation to generation, but many of them to be largest and most successful business. Growth of business is very dependent on the owner of as well as founder. This study is directed to formulate strategic alternative for sustainability of family business based on distribution of ownership, management and control between generation, using quantitative research method through direct observation to approximately 60 SMEs whose age is above 10 years, the analysis tool used is descriptive quantitative analysis. The results of the study indicate to maintain SMEs sustainability, needs distribution of ownership or share and distribution of share represent of business management and control among their children and close relatives.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=70

34	ABS-73	Financial Management and Accounting

# The Impact of Political Risk, Financial Risk and Economic Risk on Trading Volume of Islamic Stocks Exchange in Indonesia

Muhammad Ubaidillah Al Mustofa, Imron Mawardi, and Tika Widiastuti

Universitas Airlangga

### **Abstract**

Risk is an important factor that would be considered in every investment decision. Higher risk tends to decrease the motivation of investors to put in their wealth in a stock market and vice versa. The purpose of this study is to examine the influence of political risk, financial risk and economic risk on investment decision to trade on Islamic stocks in Indonesia. Associative research methods using regression analysis and data processing on EViews will assist us to reach the goal. Islamic Sharia Stock Index, ISSI, listed in Indonesia Stock Exchange would be used to best represent the transaction of Islamic Stocks in Indonesia. Empirical results showed, partially political and economic risks negatively and significantly influenced on trade volume of ISSI. In other hand, the financial risk positively and insignificantly influenced on trade volume. While the composite risk, the compilation of three risks above, shows a significant and negative influence on the dependent variable. Few papers discussed how risks explicitly influenced the decision to invest in Islamic Stocks, especially in Indonesia. Suggestion for investors is to have the risks under control to minimize the potential loss.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=73

35	ABS-333	Financial Management and Accounting

# Long-run Relationship and Short-run Dynamics between Composite and Islamic Index in the Capital Market of Indonesia

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Faculty of Economics and Business, Universitas Airlangga, Surabaya(1,3,4) and Faculty of Economics and Business, Universitas Padjadjaran Bandung(2)

#### **Abstract**

This paper tries analysis the relationship between the Islamic and composite index. Using the VECM method, it shows that there is a co-integration among the variables JKSE and JII. Furthermore, the results show that only JII that have a significant a long-run relationship with the JKSE. In case of short-run relationship, JII do not significantly affect JKSE, while JII was significantly influenced by JKSE in lag 2 and JII in lag 1. The error correction parameters also indicate that there is an adjustment from short to long term for all variables. Otherwise, Impulse Response Function shows that the shock on JII will negatively affect JKSE; the impact will be felt for almost a year. In addition, the Variance Decomposition analysis shows that contributions from JII to JKSE tend to increase over time. The influence of JKSE to JII in the long run indicates that within a certain time the risk of Islamic and conventional shares tends to be the same. This means, that there is no significant difference between Islamic stock portfolio and conventional. This can happen because in Indonesia, between Islamic and conventional still in the same market, and similar product. Therefore, hopefully there will be a more significant difference so that investors can choose between Islamic and conventional portfolio.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=333

36	ABS-334	Financial Management and Accounting
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# Empirical Analysis of Non Performing Financing In The Case of Indonesian Islamic Bank

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Islamic Economics Department, Faculty of Economics and Business, Universitas Airlangga

#### Abstract

Non Performing Financing is the main problem facing Syariah bank in running its operations. This study examines the specific factors of bank that affect the Non Performing Financing of Islamic banki in Indonesia period 2008-2016. The analysis technique used in this study is multiple regression (OLS) to measure the effect of variables Efficiency, Financing, Capital Adequacy Ratio and Bank Size to Non Performing Financing. The results showed that the variable Financing and Capital Adequacy Ratio is significantly affect Non Performing Financing Islamic bank. In relation to the analysis technique is panel regression, from the Haussman test results recommend that regression testing using REM (Random Effect Model).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=334

37	ABS-335	Financial Management and Accounting

## Understanding Taxpayers Attitudes towards Tax Amnesty Policy Ida Farida Adi Prawira

universitas pendidikan indonesia

#### Abstract

This paper reports on a project which is designed to increase the participation of individual taxpayers on tax amnesty policy. The focus of the paper is on an Indonesian-based project which overcomes the identified barriers to offering tax amnesty policy. This research project carried out due to lack of response of taxpayers to take advantage of tax amnesty policy in Indonesia. The paper draws on the social psychology, taxpayers experience, and tax accounting education literatures to design a connective model of taxpayers attitude towards tax amnesty policy for individual taxpayers. The project adopts an action research methodology which engages professional tax consultant, tax officers, and the university sector to deliver a how tax amnesty policy gives many benefits for taxpayers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=335

38 ABS-336 Financial Management and Accounting

# Analysis of Capital Adequacy Ratio of Sharia Financial Institute in Overcome Non Performing Financing

Dewi Dwi Novianti, Novi Putri Diani

Indonesia university of education

#### **Abstract**

Financial institutions are basically as intermediary institutions, namely as collectors and distributors of funds. The distribution of funds in the form of financing by Islamic financial institutions has the risk of not being repaid (non-current payment) by the recipients of funds or commonly referred to Non Performing Financing (NPF) in Islamic banks or referred to bad debts in conventional banks. The purpose of this study is to analyze the capital adequacy owned by Islamic banks to cover the risk of non-refundable financing that has been distributed. The capital adequacy is measured by the Capital Adequacy Ratio (CAR). The data used are the capital adequacy ratio (CAR) and the nonperforming financing (NPF) for four years. Data were analyzed by simple regression analysis using SPSS application program. Research shows that capital adequacy ratio (CAR) has a significant effect on the level of nonperforming financing (NPF).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=336

39	ABS-82	Financial Management and Accounting
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# Demographic Analysis In Selection Of Investment Type Amateur Golfers In Karawang

Hari Sulistiyo, Endang Mahpudin,

Universitas Pendidikan Indonesia

#### **Abstract**

Karawang district has a rapid economic growth, this is not apart from efforts to attract investors to invest in Karawang. To know the factors that influence the decision of choosing the investment especially demography factor, hence for this research is done. The subject of this study was conducted on amateur golfers due to the golf player, performed by a group of people who are considered as a set of established people. The data in this study was obtained by distributing questionnaires to amateur golfers who played in Karawang. Sampling in this research using purposive sampling method. Data analysis technique used is by using analysis of cross tabulation and chi-square analysis. The results of this study indicate that there is an influence of demographic factors on the selection of investment types in amateur golfers in Karawang. Of the six demographic factors studied there are five factors that significantly influence the type of investment selection. These factors are gender, occupation, education, number of family members and income. But there is one factor that does not affect the selection of investment type is age

4	0	ABS-338	Financial Management and Accounting

### **Determinants of Bank Business Risk According to Risk Based Approach**

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#### Abstract

Banks have important role on economy of Indonesia, with a fully regulated principle, Banking Sectors in Indonesia concern to keep in a good performance according to Indonesia Bank Rules No. 13/1/PBI/2011, which emphasize on risk-based approach. Therefore, this paper purposes to examine the factors that affect commercial banks business risk that listed on Indonesia Stock Exchange. Those factors consist of risk profile (credit risk, liquidity risk, and interest rate risk), good corporate governance, earnings, and capital. The sample used in this research are 26 commercial banks that listed on Indonesia Stock Exchange during research period since 2011 to 2013. This research uses multiple linear regression analysis. The result of the findings are credit risk has effect against business risk. While, liquidity risk does not have effect against business risk. Interest rate risk has effect against business risk. Good corporate governance does not have effect against business risk. Earnings has significant effect against business risk. Capital does not have effect against business risk is affected by three factors from risk-based bank rating (credit risk, interest rate risk, and earnings).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=338

41 ABS-339 Financial Management and Accounting

# FAMILY OWNERSHIP AND CONTROL IN DIVIDEND AND LEVERAGE DECISION MAKING

Made Gitanadya, S.E., MSM.; Prof. Dr. Sri Maemunah Soeharto; Isti Ariyani, S.M.

Universitas Airlangga

#### **Abstract**

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=339

42 ABS-348 Financial Management and Accounting

# MICROFINANCE INSTITUTIONS AND MSMEs PERFORMANCE IN THE FRAMEWORK OF POVERTY ALLEVIATION (Case Study On Impacted People Around Jatigede Reservoir, Sumedang, West Java)

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Departement of Management and Business Faculty of Economics and Business Universitas Padjadjaran, Bandung, Indonesia

#### Abstract

Abstract

Microcredit is one of the microfinance services of Microfinance Institutions, which is

believed to be an effective tool to alleviate poverty through the use of loans by establishing micro, small and medium enterprises. With the existing effort, people are expected to earn income so that they can meet their daily needs and improve their welfare. This study aims to determine the effect of microcredit and the performance of MSMEs on poverty alleviation in affected people around Jatigede Reservoir, Sumedang, West Java. Samples from this research are people affected by Jatigede dam that spread in five Sumedang sub-districts namely Jatigede, Jatinunggal, Wado, Darmaraja and Cisitu which amounts to 100 people. Data collection is done by filling out a questionnaire directly to the community. To see the effect of micro credit and MSMEs performance on poverty alleviation, this study uses PLS SEM analyst with SmartPLS version 3.0 for windows. The results of this study indicate that microcredit and the performance of MSMEs simultaneously affect the level of poverty. Partially, micro credit and MSMEs performance also have a negative and significant impact on poverty level.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=348

43	ABS-349	Financial Management and Accounting

# The Effect of Life Cycle Stage on Leverage in Indonesian Listed Company Sulaeman Rahman Nidar \*) Iis Sugianti \*\*)

Department Business and Management , Faculty of Economic and Business, Padjadjaran University

#### Abstract

#### **ABSTRACT**

Capital structure policy becomes one of the important decisions for Indonesian listed company. Two main approaches used in the capital structure policy are the pecking order theory and the trade-off theory. The life cycle stage experienced by a company requires it to adjust its capital structure policy. The purpose of this study is to analyze the effect of the life cycle of the company and other factors, such as profitability, growth opportunities, liquidity, non-debt tax shield, as well as the tangibility on the companys capital structure level. This study uses secondary data and panel data regression analysis, as well as a fixed effect estimation model. The results of this study indicated that the life cycle stage has a negative effect on leverage. Profitability has a positive effect on leverage, growth opportunities have a positive effect on leverage, liquidity has a negative effect on leverage, non-debt tax shield has a negative effect on leverage and tangibility has a positive effect on leverage.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=349

44	ABS-94	Financial Management and Accounting
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# Influences of Financial Literacy and Financial Attitude on Individual Investment Decisions.

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UNIVERSITAS PENDIDIKAN INDONESIA (UPI)

#### **Abstract**

The purpose of this research was to examine the influences of Financial Literacy and Financial Attitudes on Individual Investment Decisions. The samples in this study were Street Vendors in the Rengasdengklok Traditional Market Karawang. This study using questionnaires distributed to 96 people as respondents. This study used Multiple Reggression Analysis, using SPSS IBM 22 to analyze the data. The analysis results showed that the Financial Literacy influenced on Individual Investment Decisions, while Financial

Attitude did not influence on Individual Investment Decisions. The Empirical study indicated the Financial Literacy significantly influenced on the Individual Investment Decisions with a significance 0.045. Financial Attitude significantly did not influence on the Individual Investment Decisions with a significance 0.327. Simultaneously Financial Literacy and Financial Attitude did not influence on Individual Investment Decisions with a significance of 0.084 greater than 0.05.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=94

45 ABS-101 Financial Management and Accounting

# EARNINGS MANAGEMENT AND VALUE RELEVANCE BEFORE AND AFTER IFRS CONVERGENCY

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#### Abstract

The IASB issued International Financial Reporting Standards (IFRS) to bridge the differences the existing standards in various countries. The application of IFRS is expected to impact the decreased earnings management and increased relevance value of information in the financial statements to improve the quality of financial statements. This research is aimed to analyze the differences between earnings management and value relevance before and after IFRS convergence in Indonesia. This research used data of all manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period of observation before IFRS (2008-2010) and after IFRS (2012-2014). Tests of this research using wilcoxon signed rank test and multiple linear regression. The result of this research shows that the application of IFRS in Indonesia can reduce earnings management but can not increase the value relevance of information.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=101

46 ABS-102 Financial Management and Accounting

# GOOD CORPORATE GOVERNANCE MECHANISMS AS A MODERATING VARIABLE OF IFRS ADOPTION TO EARNING MANAGEMENT: CASE IN BANKING LISTED IN INDONESIA STOCK EXCHANGE

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#### Abstract

Corporate governance is a system that directs and controls the company (FCGI, 2001). By implementing corporate governance, it is expected to reduce the manipulation of financial statements by managers. The purpose of this study is to provide empirical evidence of the influence of the adoption of the International Financial Reporting Standard (IFRS) on earnings management and the Good Corporate Governance (GCG) mechanism in moderating the relationship between IFRS adoption and earnings management. This research used data of Banking companies listed on the Indonesia Stock Exchange (IDX) during 2007 to 2014 with a total of 120 companies. Hypothesis testing in this research using moderated regression analysis test. The results show that there is a decrease in the level of earnings management at the time of the adoption of IFRS in Banking companies in Indonesia. However, GCG mechanisms can not moderate the influence of IFRS adoption on earnings management.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=102

47 ABS-103 Financial Management and Accounting

# STRENGTHENING BRAND EQUITY OF SUKABUMI TRADITIONAL CULINARY TO BECOME A NATIONAL CLASS BRAND: STUDY CASE OF MOCI PRODUCT AS SUKABUMI UNIQUE CULINARY

Joko, Ratih Hurriyati

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#### Abstract

STRENGTHENING BRAND EQUITY OF SUKABUMI TRADITIONAL CULINARY TO BECOME A NATIONAL CLASS BRAND: STUDY CASE OF MOCI PRODUCT AS SUKABUMI UNIQUE CULINARY

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#### **Abstract**

Strategic Plan of Tourism Ministry period 2015-2019 set the traditional culinary development as one element of tourist attraction (ODTW). The policy encourage all regions in Indonesia competing to explore the attractiveness, advantages, and selling value of their region unique traditional culinary either as a reception menu or as gift by the tourists who come to visit. These developments have resulted in traditional trademarks transforming from the originally only one common name such as Mochi, Peuyeum, Sale of Banana, Bika Ambon, and so on, becoming branded and more distinguished from other producers (branding) in form of unique or different flavors, colors and packaging (differentiation). These branding and differentiation efforts for traditional entrepreneurs are not planned on the basis of marketing principles to reinforce brand identity, brand image and brand positioning through market research, in order to obtain an appropriate marketing mix strategy. Actually, the application of marketing principles is important for traditional culinary entrepreneurs to build brand equity, which in turn forms loyalty of their customers. Particularly in the Sukabumi region, one of the typical culinary is Moci, which is a round shaped rice-based flour and glutinous rice flour, generally contains green beans. Moci cake production is still produced traditionally so that its free from preservatives, causing the snack can only last at most 3 days since made. The development of the accessibility of the Sukabumi area (Bogor Sukabumi toll road), delivery services and information technology that enable online sales, those become market opportunities for traditional culinary producers, especially Moci to seriously build their brand equity, in order to access wider market share in national level. Certainly by considering the freshness and expiration of the Moci product

Keywords: Traditional culinary, brand, differentiation, brand equity, market opportunity

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=103

48 ABS-106 Financial Management and Accounting

The Impact of Asset, Mudharabah Time Deposit and Non Performing Financing (NPF) to Profitability Islamic Banking in Indonesia

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#### **Abstract**

The purpose of the research is to analyze the impact of banking internal factor, such as Size, Mudharabah Time Deposit and Non Performing Financing (NPF) to Return On Asset (ROA) and Return On Equity (ROE) of Islamic Bank in Indonesia. This research adopts quantitative approach such as data stasionarity test and cointegration test. The data are obtained from Bank Indonesia which cover span from September 2003 to September 2014. The result shows Mudharabah Time Deposit and NPF affects ROA negatively. This suggest that, the banks have been successfully maintained the credit risk so as to able to get the optimum Islamic bank profitability.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=106

49	ABS-365	Financial Management and Accounting

# Spillover of Panel Causality Granger for Monetary Variables in Some Countries Emerging Market

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#### **Abstract**

This paper aims to propose the modeling of the panel data analytic framework, in which the analytical framework can be used as a simple analysis tool in panel data modeling. With the advent of modeling proposals using this panel data, it will be able to contribute to the debate issues, especially those related to monetary economic analysis in developing countries. This paper uses data analysis over the period 2012 to 2017, for monthly data in six developing countries. With the integrated proposal model contained in this paper shows that inter-variables together are significantly related, but in one one, only Inflation variables that do not show significant numbers, the rest of the other significant variables. With the advanced test of causality, visible among the variables in the emerging market country has no causality relationship. This shows that the monetary economic situation in developing countries is not influenced by the monetary variables of developing countries as well.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=365

50	ABS-110	Financial Management and Accounting
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The Influence of Capital Structure, Firm Size, Firm Growth, and Profitability on Firm Value (A Emprical Study on the Primary Sector Companies Listed in Indonesian Stock Exchange)

Zahra Ramdhonah, Ikin Solikin

Indonesia University of Education

#### **Abstract**

This study aimed to examine the influence of capital structure, firm size, firm growth, and profitability on firm value. The object of the research is primary sector companies in Indonesia Stock Exchange for 7 years from 2011 until 2017. Research method used is descriptive and verificative. Population in this research is primary sector companies listed in

Indonesia Stock Exchange about 62 companies. Sampling technique collection determined based on purposive sampling to obtain 43 companies. The data collection technique used is documentation study using data presented on the financial report of primary sector companies in Indonesia Stock Exchange. Data analysis technique performed by normality test, multicolinearity test, heteroscesdastisty test and autocorrelation test. The statistical analysis used is multiple linier regression analysis of panel data using Eviews 9. Based on the test result shows that there is no deviation variables from classical assumption test. The result of research shows that capital structure has a positive influence on firm value, firm size has a positive influence on firm value, and profitability has a positive influence on firm value.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=110

51 ABS-366 Financial Management and Accounting

# THE INFLUENCE OF CURRENT RATIO, DEBT-TO-EQUITY RATIO, INVENTORY TURNOVER, AND RETURN ON INVESTMENT ON PRICE-EARNINGS RATIO OF CEMENT INDUSTRY COMPANIES LISTED AT INDONESIA STOCK EXCHANGE

Nizar Alam Hamdani; Asri Solihat; Galih Abdul Fatah Maulani

Universitas Garut

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=366

52 ABS-111 Financial Management and Accounting

### PENGARUH KEBIJAKAN PEMERINTAH MEMBANGUN SATU JUTA RUMAH PADA KINERJA KPR DAN KPA BANK-BANK YANG TERDAFTAR DI BURSA EFEK INDONESIA SELAMA PERIODE 2015-2017

Laely Purnamasari, Nugraha

Universitas Pendidikan Indonesia

### Abstract

EFFECT OF GOVERNMENTS POLICY TO BUILD ONE MILLION HOUSES ON PERFORMANCE OF HOUSING AND APERTMENT CREDITS OF BANKS LISTED IN INDONESIA STOCK EXCHANGE DURING PERIOD 2015-2017

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#### Abstract

The Ministry of Public Works and Peoples Housing through the Directorate General of Housing Financing estimates that by 2025 the number of home needs in Indonesia will reach 30 million units based on the calculation of housing needs (backlog) on population growth. In 2015, the number of One Million House Development Program achievements is 700 thousand units, in 2016 reaches 805,169 units of houses and by 2017 onwards it is hoped can reach the target figure of 1 million homes per year. The main problem in the development of housing or the property sector is the availability of land and the purchasing

power of various communities. Government policies related to the development of 1 million homes accompanied by ease of licensing of the land sector and subsidies such as liquidity facilities for housing finance (FLPP) that stimulate the banking sector and other financial institutions to finance the property sector. Residential segment, which is apartment and housing become the biggest contributor of national property capitalization value reaching 55,8%. The growth rate of capitalization value of residential sector reached 16.5%, from Rp 152.7 trillion in 2016 to Rp 177.9 trillion in 2017. This paper focusing on the performance of KPR and KPA during the period 2015-2017 of the Banks listed in the Indonesia Stock Exchange.

Keywords: Housing backlog, 1 million houses program, housing loan liquidity facility, credit performance, property

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=111

53	ABS-112	Financial Management and Accounting

### **Corporate Governance dan Finance Pattern**

Windijarto & Lila Gestanti

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#### Abstract

Purpose: This research aims to analyze the effect of corporate governance on the finance pattern for non financial go public firms that listed in Indonesia Stock Exchange for 2010-2014. Methods: Linear Multiple Regression was used in this study. The dependent variable is finance pattern retained earnings and finance pattern debt. There are 21 firms used finance pattern retained earning and there are 32 firms used finance pattern debt. The independent variables are board of director share ownership, independent commissioner, board size, and blockholder. The control variable is firm characteristics that consists of firm size, tangibility, profitability, and profitability in the previous period. Result: The results of this study are board of director ownership and profitability significant positive effect on finance pattern retained earnings; blockholder and the size of the company significant negative effect on finance pattern retained earnings; independent commissioner, board size, and tangibility no significant effect on finance pattern retained earnings; firm size and tangibility significant positive effect on finance pattern debt; board size and profitability in the previous period significant negative effect on the finance pattern debt; board of director ownership, also independent commissioner, and blockholder no significant effect on the finance pattern debt.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=112

54	ABS-116	Financial Management and Accounting
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The Impact of Macroeconomic Variables Consisting of Inflation, Foreign Exchange Rate, Interest Rate, Foreign Direct Investment and Composite Risk on Islamic Mutual Fund in Indonesia

Mauizhotul Hasanah, Muhammad Ubaidillah Al Mustofa, Sulistya Rusgianto, Tika Widiastuti

Airlangga University

### Abstract

The purpose of this study is to analyze the influence of macroeconomic variables consisting of Inflation, Exchange Rate, Interest Rate, Foreign Direct Investment and Risk on investment in Indonesian Islamic Mutual Fund. This study used a quantitative approach

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with regression analysis in E-views. The sample used for the study is the annual data of net asset value of Islamic Mutual Funds from 2005-2015. Empirical results showed that partially, Inflation, Exchange Rate, and Foreign Direct Investment have positive and significant influences on the performance of sharia mutual funds. While the Interest Rate and Risk show negative and significant influences on net asset value of sharia mutual funds. On other hand, simultaneously, all independent variables affect significant the dependent variable.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=116

55 ABS-117 Financial Management and Accounting

### ANALISIS PENGARUH ANGGARAN KESEHATAN PEMERINTAH DAN BELANJA BPJS PADA KINERJA EMITEN SEKTOR FARMASI DI BURSA SAHAM INDONESIA PERIODE 2015-2017

Iwan Sugianto1, Memen Kustiawan2

Universitas Pendidikan Indonesia

#### **Abstract**

ANALYSIS OF THE GOVERNMENT HEALTH BUDGET AND BPJS EXPENDITURE INFLUENCE ON THE PERFORMANCE OF PHARMACY SECTOR ISSUERS IN INDONESIA STOCK EXCHANGE DURING 2015-2017

Iwan Sugianto1, Memen Kustiawan2

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#### Abstract

Since January 1, 2014, Indonesia has implemented the National Health Insurance Program Healthy Indonesia Card (JKN KIS), which enables every Indonesian citizen to gain access and guarantee when receiving health services. The government should provide health facilities, health workers, and drugs needed by the service users. The availability and affordability of medicines is one of the important factors that should become governments attention since the national drug consumption reaches 40 (forty) percent of overall health expenditures. Hence, in the last two years (2015-2017), government regulation related BPJS (Social Security Administration Body) for health is considered purposefully affect the current landscape of the pharmaceutical industry. Generic drugs are on the rise, while demands for ethical and branded drugs are stagnant or even declined. However, it does not mean that the OTC and ethical markets are eroded. The big echoes of the JKN program initially gave hope to the pharmaceutical industry to increase sales. The program is believed to increase drug demand. Drug demand is actually increasing and types of drugs needed are also more varied. By 2015, there are 796 items of drugs listed in the e-catalog auction. In 2016 the type of drug auctioned almost doubled up to 1,240 items. Nevertheless, based on the financial statements of pharmaceutical companies listed on the Indonesia Stock Exchange, during the period 2015-2017, the increase in drug sales actually eroded its profit margin. For example, as the largest player in the pharmaceutical sector, Kimia Farmas profit only grew 2.2 percent in 2016. In fact, in 2015 it grew 13.15 percent and in 2014 grew 9.36 percent. So, while still profitable, the growth of the profits seems to be slowing down. This phenomenon is interesting to be studied further, by analyzing the influence of government health expenditure and BPJS on pharmaceutical sector performance in Indonesia Stock Exchange period 2015-2017.

Keywords: Health expenditures, BPJS, generic drugs, performance, pharmaceutical issuers.

56 ABS-120 Financial Management and Accounting

# The role of financial constraint on the relationship between working capital management and firms performance

Rahmat Heru Setianto and Rinangling Hayuningdyah

Universitas Airlangga

#### Abstract

This study aims to determine the relationship of inverted u-shape and the role of financial constraints on the influence of working capital management on corporate performance. The sample of this study is a manufacturing company listed on the Indonesian stock exchange period 2011-2015. The number of companies are 98 companies base on purposive sampling method. The dependent variable used is corporate performance measured using Tobins Q, the independent variable is the working capital management measured using Net Trade Cycle, and the financial constraints moderation variable is measured using dummy financial constraints classification based on cash flow, interest coverage, dividend payout, dividend payout ratio, cost of external financing, and size. In addition, the control variables used in this study are size, leverage, growth, and Return on Assets. The analysis technique used is multiple regression analysis. The result of regression analysis shows that there is an inverted u-shaped relationship and the role of financial constraints on the influence of working capital management on corporate performance. Furthermore, size, leverage, and Return on Asset have a significant positive effect on corporate performance, while growth has a negative effect on corporate performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=120

57 ABS-122 Financial Management and Accounting

### The Impact of Government Risk, Inflation, and Exchange Rate on Foreign Investment of Indonesia

Imron Mawardi, Muhammad Ubaidillah Al Mustofa, Tika Widiastuti, Masrizal

Universitas Airlangga

#### **Abstract**

Every investment decision would require consideration on macroeconomic variables. The purpose of this study is to analyze the influences of government risk, inflation, and exchange rate on foreign direct investment, FDI, in Indonesia. Associative research method using regression analysis and data processing on EViews will assist us to reach the goal. Annual data from 1988 until 2016 of inflation, USD/IDR exchange rate and risk would be the samples for the study. Empirical results showed, jointly, independent variables affect FDI significantly. On the other hand, as partial, government risk and exchange rate influenced FDI positively with significant rates. While inflation insignificantly and negatively affect the dependent variable. Rational investor would pay attention to every macroeconomic variable while undergoing the process of return capitalization. They cannot be underestimated.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=122

58 ABS-123 Financial Management and Accounting

Formulation of Regional Tax Intensification Strategies with Game Theory to

### **Increase Financial Strength**

Khaira Amalia Fachrudin, Elisabeth Siahaan, Imam Faisal Pane

Universitas Sumatera Utara

#### **Abstract**

Regional taxes levied with self assessment system may cause moral hazard problems. The people of Medan City are multi ethnic and have a slightly different behaviour comparing to people in other cities. Regional Tax and Retribution Management Agency (RTRMA) in Medan should create a new strategy for tax intensification, one of which is to reduce this problems. This study aims to make modeling of tax intensification in Medan City area by using game theory. This study uses secondary data which comprise main strategies of RTRMA in provincial capital cities in Indonesia. From the data, a model that optimizes the expected value for RTRMA and taxpayers in Medan is created. This model helps to formulate policy and strategy to increase hotel, restaurant, parking and leisure tax revenue in Medan.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=123

59	ABS-136	Financial Management and Accounting
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# Determinants of Factor that Affect Liquidity Risk of Islamic Banks in Indonesia and Malaysia

Yessi Sasmita Anggun (1); Dr. Amir Machmud, S.E., M.Si (2)

Universitas Pendidikan Indonesia

### Abstract

This study aims to analyze the factors that affect liquidity risk in Islamic banks in Indonesia and Malaysia. The research used descriptive method and quantitative method. The indicators used in the measurement are Size of Banks, Return On Asset, Return On Equity, and Capital Asset Ratio. The data is the time series from 2010-2017. The data source used is secondary data from statistical reports of Sharia Banking statistics taken from the Financial Fervices Authority (OJK) and Bank Negara Malaysia (BNM). The data were then analyzed using multiple regression analysis. Size is Company Size, ROE, and CAR have significant result to liquidity risk, while ROA is not significant impact on liquidity risk.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=136

60 ABS	5-138 Financial M	lanagement and Accounting
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### Risk Management in Zakat Institution

Atina Shofawati

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### **Abstract**

Non profit institution, like zakat institution is one of instrument of Islamic economy instrument. Zakat is one of pillars of Islam. Zakat also one of source of Islamic public finance in Islam. Islam also can reduce the gap between the poor and the rich people. Recently zakat is categoryzed as one of Islamic social finance which is developed by IRTI-IDB. The role of zakat is very important to increase the welfare of society, so the management of zakat institution is very important to increase the accountability management of zakat. One of zakat management is risk management. This research

investigates and describes the process of risk management in zakat institution. This research uses qualitatitive method based on literature review. This research describes the implementation of risk management in zakat institution in Indonesia. This result of this research will give the description about the risk management of zakat institution to increase the zakat management properly.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=138

61 ABS-144 Financial Management and Accounting

# Is overconfidance and hearding in Ponzi scheme investors influenced by demographic factors?

Maya Sari, Nugraha

Universitas Pendidikan Indonesia

#### Abstract

This study aims to investigate the impact of demographic factors on investment biases by analyzing the relationship between gender, age marital status, education, employment, length of employment and income levels with herding and overconfidence. Analysis of data gathered from 187 Ponzi Scheme Investors who collected by questionnaire led to the identification demographic characteristic that influences investment biases. By using multiple regressions with dummy variable, we find the significant demographics factors influencing the investment biases. The lengths of employment and income level are positively related to herding and overconfidence, while gender, age, marital status and employment are negatively related. In addition, The Education is positively related to herding, but it is negatively related to overconfidence. These results are important for improve the financial education program for society according to their demographic profile.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=144

62 ABS-147 Financial Management and Accounting

# CORPORATE GOVERNANCE, CASH HOLDINGS AND FIRM VALUE in Emerging markets: Evidence from Indonesia

Indri Ayu Lestari, Nugraha

Indonesia University of Education

#### **Abstract**

This study aims to analyzing the influence of corporate governance on cash holdings and firm value in emerging market. This study was a test of three models hypothesis of agency problem, which are flexibility hypothesis, spending hyphothesis and shareholder hypothesis. The research was conducted to 365 non-financial companies listed in Indonesia Stock Exchange 2010-2017. The research variables included (1) independent variables are the size of the board of directors, independent commissioners and managerial commissioners; (2) there are two kinds of dependent variables. The first dependent variable is cash holding proxyed with the natural logarithm of the total cash at year-end closing. The second dependent variable is firm value proxied with Tobins Q calculation. And (3) the Family Pyramid as a moderation variables and control variables are leverage, net working capital, sales growth and capital spending.

63	ABS-151	Financial Management and Accounting
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## THE EFFECT OF RISK, GROWTH, FIRM SIZE, CAPITAL STRUCTURE, AND EARNING PERSISTENCE ON EARNINGS RESPONSE COEFFICIENT

Zahroh Naimah; Arsiduiyana Talitha Rahma

Faculty of Economic and Bussines, Universitas Airlangga, Surabaya, Indonesia

#### **Abstract**

This study aims to obtain empirical evidence of the relationship of risk, growth, firm size, capital structure, and earnings persistence to earnings response coefficient. This research used datas of all manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2014 and 2015. Hypothesis testing in this research using multiple linear regression model. The results of this study found that the risk associated negatively and significant on earnings response coefficient, growth is associated negatively but not significant to earnings response coefficient, capital structure associated positive but not significant to earnings response coefficient, and earnings persistence associated positively and significant to earnings response coefficient.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=151

64	ABS-152	Financial Management and Accounting
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## SHARIA MICRO FINANCIAL INSTITUTION AS AN OPTION TO SOCIETY INVESTMENT DECISION IN DISRUPTIVE ERA

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### Abstract

Islamic or Sharia Microfinance Institutions had have been popping up In Indonesia. Since its registered and overseen financial activities at the Financial Services Authority (OJK), the community felt secure and comfortable to conduct financial transactions, especially for Muslim communities, in disruptive era, due to the impact of globalization in response to rapidly changing business and economic environment (dynamic).

The purpose of this study was to measure the factors that influence the investment decisions of the community in Islamic microfinance institutions in Indonesia, with funding placement activities, financing and receipt of funds that affect the financial performance of Islamic MFIs. The methodology used in this research was using quantitative method, analyzing secondary data on fund placement, financing and receiving fund by measuring its influence to financial performance of Islamic MFI, and in making decision to invest in accordance with sharia principles, giving an idea to investor that would make a financial investment.

The expected results of this study would answer the factors that influence significantly in making investment decisions on the Sharia MFI in accordance with Islamic financial principles. The limitations of this study were conducted only on a registered list group of Islamic MFIs investors and investors who were willing to make investment decisions on Islamic MFIs, whose implications were expected to develop the potential emergence of Islamic MFIs in Indonesia as one of the financial institutions that could provide benefits for social welfare.

Keywords: Islamic Financial, Sharia Investment Decision, Sharia Investor Behavioral, Islamic Micro Financial Institution

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=152

65 ABS-153 Financial Management and Accounting

# Accounting Information and Environmental Information on Investor Decision: An Experimental Study

Ardianto, Farhanah

Faculty of Economic and Business, Airlangga University Jalan Airlangga no 4-6, Surabaya 60286, Indonesia

#### **Abstract**

This study aimed to examine the effect of accounting information, environmental information and the interaction between accounting information and environmental information to investor decisions. The method of this research is experimental research method with 2x3 factorial designs (between-subject). This study used analysis of variants of two-way (ANOVA Two-Way) with analysis of covariance (ANCOVA) as an additional analysis to estimate the value of confounding variables that could potentially affect investor decision. This study used undergraduate students of Accounting Faculty of Economics and Business, Airlangga University, for research subject with amount 86 students. The results of this research showed that accounting information and environmental information have an effect on investor decision. While interaction between accounting information and environmental information does not have effect on investor decision.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=153

66 ABS-154 Financial Management and Accounting

# **Determinants of Capital Structure of Sharia Banks In Indonesia**Dodi (a\*), Meta Arief (b)

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#### **Abstract**

This study aims to analyze the factors that influence the capital structure sharia banking in Indonesia during the period 2011-2017. The research method used in this study is the explanatory method. We use secondary data obtained from the Indonesian Central Bank and Sharia Bank annual reports and then analyze the data using multiple linear regressions. The results showed that company size, earning volatility have a positive effect on capital structure while Profitability, tangibility and growth opportunity has a negative effect on capital structure.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=154

67 ABS-155 Financial Management and Accounting

THE EFFECT RETURN ON INVESTMENT ON NET INCOME IN PT JAMKRIDA JABAR PERIOD 2012-2016

### Sugiyanto & Dr. H. Memen Kustiawan, SE, M.Si

#### Universitas Pendidikan Indonesia

#### Abstract

THE EFFECT RETURN ON INVESTMENT ON NET INCOME IN PT JAMKRIDA JABAR PERIOD 2012-2016

Sugiyanto

&

Dr. H. Memen Kustiawan, SE, M.Si DIM A MANAJEMEN KEUANGAN UNIVERSITAS PENDIDIDAK INDONESIA

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#### Abstract

This research aimed to determine how much of the influence ROI (return on investment) to net income at PT Jamkrida Jabar. The research method used is descriptive method with quantitative approach. The data collection technique used is observations, interviews, and literature study. The analysis technique used is data normality test, correlation coefficient analysis pearson product moment, coefficient of determination, simple linier regression analysis, and hypothesis test using spss 20.0. With result correlation pearson product moment of 0,890 with significance level of 0,043 which means very strong and positive influence, the value of determination coefficient of 0,793 which means the influence of ROI (Return On Investment) to net income of 79,3% while 21,7% influenced by other factors not examined. The problem which were found from research conducted such as: the use of investment funds that are still not maximally that is deposits, deposit interest in 2017 has decreased from the previous year, and the development of a relatively low of ROI (Return On Investment). The suggestions from the writer are :more investment activity in reextension apart from deposits, the selections of deposit investment is done in futures, and more considering investment in real sector that is fixed asset.

Keywords: Return On Investment, Net Income

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=155

68 ABS-157 Financial Management and Accounting

# Quality Between Net Income and Total Comprehensive Income in The Application of IFRS: An Empirical Study

Amalia Rizki and Octarina Dwi Megayanti

Universitas Airlangga

#### **Abstract**

This study aims to investigate the quality of total comprehensive income relative to net income, prepared in accordance with International Financial Reporting Standards (IFRS) for listed companies in Indonesia Stock Exchange during 2011-2014. In order to compare the quality of the net income and the total comprehensive income, this study focus on two earnings attributes including value relevance and predictive value. This research used the combination of time series and cross sectional data. While test of this research used Ordinary Least Squares (OLS) and multiple linear regression. The findings indicated that net income is more value relevant than total comprehensive income in explains the market value and stock return of the entity. Also, net income is more predictive than total comprehensive income in predicting the future operating cash flow and future income.

69 ABS-158 Financial Management and Accounting

# Analysis The Impact of Tax Amnesty Policy 2016 To The Abnormal Return and Trading Volume Activity in Banking Companies Listed in Indonesia Stock Exchange

Yani Permatasari; Novita Ardiyanti

Universitas Airlangga

#### **Abstract**

Purpose: This research aims to demonstrate the empirical evidence of the effect of the tax amnesty policy applied in Indonesia to abnormal return and trading volume activity in the banking companies listed in Indonesia Stock Exchange during 2016-2017 divided into three different periods. Methods: Event Study of Tax Amnesty Policy method was used in this study begins from July 1st 2016 until December 31st 2017. The samples used in this research consists of 35 banking companies listed in Indonesia Stock Exchange. The first hypothesis test using wilcoxon signed rank test. The dependent variables are abnormal return and trading volume activity of the stock. The independent variable is the Tax Amnesty Policy information published. Result: The result of this study showed that variable of tax amnesty policy gives trading volume activity significant effect in the first period rather than in the latter period. Meanwhile, tax amnesty policy applied has no significant effect to the abnormal return.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=158

70 ABS-160 Financial Management and Accounting

### Tick Size Change and Market Liquidation in Indonesia Stock Exchange

Wisudanto Mas Soeroto, Tika Widiastuti, Lily Cania

Universitas Airlangga

#### **Abstract**

ABSTRACT: One thing that Indonesia Stock Exchange (IDX) do in other to compete between a member of World Federation of Exchange (WFE) is changing the tick size. Become a five tick size in price group hopes to increase the liquidity. This research using bid-ask spread, and depth estimated using stock volume in closing price before and after new tick size policy applied in each price group. We use the non parametric-test to examine the mean difference in two related samples. Increase in the tick size leads to increases in the spread. Bid depth and ask depth also increased, however, ask depth did not show any difference. Therefore, to eliminate the ambiguity this study using depth to relative spread ratio that resulted in the more broad spread. IDX need to consider a tick size that can increase liquidity in each stock price group, becomes more attractive for investors.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=160

71 ABS-171 Financial Management and Accounting

Comparison Model Business, Stabilization, And Finance Performance Of Sharia Commercial Bank And Conventional Commercial Bank In Indonesia In 2012-2016

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- b) College Student of Islamic Economics Program-Faculty of Economics and Business-Airlangga University, Jl. Airlangga No. 4 6, Surabaya 60115, Indonesia

#### **Abstract**

The aim of study was determine the difference in business model, banking stability, and financial performance of Islamic banks and conventional banks around period 2012-2016. This study used quantitative research method. This research used three Islamic banks and six conventional banks which have commercial banking business model type as a sample, the analyzed by comparative analysis test using Independent Sample t-test and Mann Whitney test.

The comparative analysis result in business model showed that there are differences in secondary banking, that is fee based income, while there showed no differences in primary banking, that are third-party fund ratio and financing to deposit ratio. There was showed no difference in banking stability measured using z-score. There was no difference in financial performance measured using net profit margin.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=171

72	ABS-173	Financial Management and Accounting
12	ABS-1/3	Financial Management and Accounting

# THE IMPACT OF OWNERSHIP STRUCTURE ON THE FINANCIAL PERFORMANCE AND RISK TAKING OF BANKS (Some Evidence from Indonesia)

Dewi Asri Rosalina, Nugraha

Universitas Pendidikan Indonesia

#### **Abstract**

This study aims to examine the effect of ownership structure on financial performance and risk taking of banks in Indonesia. The structure of bank ownership is divided into three categories, namely state-owned banks, foreign-owned banks, and private-owned domestic banks. Bank performance is measured by Return On Assets (ROA) and Return on Equity (ROE). Bank risk taking is measured by the Z-Score value. This research uses five control variables, namely loan to deposit ratio, equity to total asset ratio, bank size, inflation, and GDP. The study was conducted on 84 commercial banks in Indonesia. Data analysis techniques used are descriptive statistics, panel regression testing with common effect modeling, classical assumption test and hypothesis test

The results show that: first, government ownership negatively affects the profitability of banks and negatively affects bank risk-taking. Second, foreign ownership positively affects bank profitability and also positively affects risk-taking. The results also found that government banks and foreign banks have a better level of profitability compared to domestic private banks.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=173

73	ABS-182	Financial Management and Accounting

Industry growth, ownership structure, and capital structure in Indonesia
Iman Harymawan, Avelina Arianto, Yuanita Intan Paramitasari

Universitas Airlangga

#### **Abstract**

The purpose of this study is to analyze whether industry classification has an effect on capital structure and whether foreign ownership structure has more influence on capital structure than domestic ownership structure. This study uses 524 companies listed on the

Indonesia Stock Exchange for three periods from 2014 to 2016 and using the Ordinary Least Square (OLS) regression method to test the hypotheses. This study found that industry classification has an effect on capital structure. Companies that are classified as high (low) growth industry have a positive (negative) and significant association on capital structure. Furthermore, firm with foreign ownership structure has significantly higher capital structure than domestic ownership. The findings from this study indicates that firms with foreign ownership and firms in high growth industries are more attractive to debt holder in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=182

74 ABS-190 Financial Management and Accounting

#### CAPITAL STRUCTURE, INVESTMENT OPPORTUNITY AND FIRM VALUE

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#### Abstract

This research aims to examine the impact of capital structure and investment opportunity set on firm value of 25 consumer goods companies listed in Indonesian Stock Exchange during 2009-2012. Capital structure proxies in this research were debt to equity ratio, debt to assets ratio and long term debt to assets ratio. Investment opportunity set proxies in this research were market to book value of assets, market to book value of equity, capital expenditure to book value of assets and firm value proxies in this research were price to book value and price earning ratio. The empirical result of Partial Least Square showed that both capital structure and investment opportunity set had positive significantly impact on firm value. All indicators on capital structure variables proved to be valid for measuring capital structure while capital expenditure to book value of assets and price earning ratio were not valid used in measuring each variables. This findings showed that funding policies and investment opportunity set of firm profoundly influenced the way the firm was viewed by investors and creditors.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=190

75 ABS-194 Financial Management and Accounting

## Factors Affecting the Financial Performance of Commercial Banks in Indonesia Rini Kurniawati, Ikaputera Waspada

Universitas Pendidikan Indonesia

#### Abstract

#### **ABSTRACT**

Banking plays an important role to drive the wheels of the economy and national development, so it can be said that banking is the artery of the financial system. As a business entity engaged in financial services, trust of all parties, especially customers is very important because with good performance banks will easily gain the trust of the customers. The purpose of this research is to know the influence of Capital Adequacy Ratio (CAR) factor, Operating Efficiency Ratio (OER) or BOPO (Operational Cost and Operating Income), Net Interest Margin (NIM), Loan to Deposit Ratio (LDR) and Non Performing Loan (NPL) on the financial performance of banks as measured by Return On Assets (ROA). The object of this study are commercial banks listed on the Indonesia Stock Exchange (IDX) period 2013-2017. Data collection techniques used by purposive sampling, then a decent sample used as many as 35 banks in accordance with the criteria that have been

selected. The results showed that Capital Adequacy Ratio (CAR), Net Interest Margin (NIM), Loan to Deposit Ratio (LDR) have positive influence on Return On Assets (ROA) while Operating Efficiency Ratio (OER) or BOPO (Operating Cost and Operating Income) and Non Performing Loan (NPL) has a negative effect on Return On Assets (ROA).

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=194

76 ABS-197 Financial Management and Accounting

ANALYSIS THE EFFECT OF ECONOMIC VALUE ADDED (EVA), MARKET VALUE ADDED (MVA) TO THE STOCK RETURN ON CIGARETTE INDUSTRY COMPANY LISTED IN LQ 45 OF INDONESIA STOCK EXCHANGE

Achmad Nawawi

Universitas Pendidikan Bandung

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=197

77 ABS-202 Financial Management and Accounting

# INVESTMENT EXPERIENCE TO EXPECTED RETURN: A RISK BEHAVIOUR CONSEQUENCES

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#### Abstract

Decision-making for financial products requires scientific justification because it involves uncertainty in returns and financial risks. This study aims to examine the effect of investment experience on risk propensity, risk propensity to risk perception, risk perception to return expectation and investment experience to return expectation. Past investment experience acts as an anchor of benchmarks and the basis of individual decision making in investment. Risk propensity and risk perception are risk behaviours that show a persons attitude and behaviour based on previous investment experience. While the return expectation of the financial products reflects the decision of individual investors on the chosen investment opportunities. This study expects to discover how the influence of past investment experience on variable risk propensity; risk propensity to risk perception; and the effect of investment experience on return expectation. Participants are investors and traders of financial instruments in the capital market. This study uses Structural Equation Modelling (AMOS) to test the hypothesis. The result showed that investment experience has positive effect on risk propensity of investors. Higher investment experience will increase the awareness of investors toward risk. Risk propensity has negative effect on risk perception, therefore will support the investors perception toward reducing risk mechanism. Risk perception has positive effect on return expectation, while investment perception has insignificant effect on return expectation. The result showed that investment perception has indirect effect to return expectation through risk perception.

78 ABS-209 Financial Management and Accounting
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# NEW PUBLIC MANAGEMENT (NPM) MODELAS RULE APPLICATION OF PERFORMANCE-BASED BUDGET (ABK) (EMPIRICAL STUDY AT SKPD OF SIGI REGENCY)

Sudirman, Sugianto, and Rahmi Syafitri

Accounting Department Tadulako of University

#### **Abstract**

This study aims to develop a model of New Public Management (NPM) Against Performance-Based Budgeting Performance (ABK). Specific target of this research, is formed a model of New Public Management which can improve performance of local government apparatus especially in Sigi Regency. In the long run, the target of this research is to improve service to the community by applying performance budgeting so that transparent and accountable governance (Good and Clean Governance) can be realized.

The results of this study indicate that the coefficient value of all the dependent variable (X) to the independent variable (Y) has a positive effect on Performance Accountability. This provides an empirical evidence that the variables of performance evaluation, budget implementation, budget planning and budget accountability lead to performance accountability.

Conversion of Performance Accountability by can be interpreted that variants on Performance Accountability can be explained by the Budget Planning, Budget Implementation, Budget Accountability, and Performance Evaluations.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=209

79	ABS-210	Financial Management and Accounting
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### EFFECT OF INFORMATION ASYMMETRY AND BUDGET TARGETS CLARITY BETWEEN BUDGET PARTICIPATION AND BUDGETARY SLACK

Nurhayati Haris, Sudirman, and Ernawaty Usman

Accounting Departement Tadulako of University

#### **Abstract**

This study aims to examine (1) the effect of budgetary participation on budgetary slack, (2) Influence of Information Asymmetry on Budgetary Slack. (3) The Influence of Clarity of Budget Objective on Budgetary Slack., (4) Information Asymmetry as an independent variable, moderation variable or quasi moderation variable to the Budgetary Slack.. and (5) Clarity of Budget Objectives as independent variables, moderation variables or quasi moderation variables to Budgetary Slack.

The specific and long-term targets of this research are to find the rules of budgetary participation in budgeting in the form of policies for public sector organizations and serve as basic concepts for public sector organizations, especially the Regional Device Work Unit (SKPD) in Palu City in a participatory budget-based budgeting policy organizational goals as well as enrich the treasury of science in the field of Management Accounting and behavioural Accounting

80	ABS-226	Financial Management and Accounting	
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# Effect of profitability, liquidity and solvability on Islamic Stock Prices Jakarta Islamic Index

Masrizal, Tika Widiastuti, Imron Mawardi, Wisudanto

Universitas Airlangga

#### **Abstract**

This study aims to analyze effect of profitability, liquidity and solvability ratios on Islamic Stock Prices listed in Jakarta Islamic Index. The research uses quantitative approach with regression analysis using panel data in eviews to help us reach the goal. As for sampling, purposive sampling method give us the sample of 8 companies listed as consistent issuers recorded in JII from 2009-2016. The empirical results show that, independent variables consisting of return on equity, current ratio, debt to equity ratio simultaneously influence the stock prices with a significance rate and determination coefficient of 87.8607%. Current ratio shows no significant influence on stock prices, while return on equity and debt to equity ratio influence the dependent variable significantly.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=226

81	ABS-227	Financial Management and Accounting
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#### **EVALUATION OF FORENSIC AUDITOR ROLE AS CORRUPTION ERADICATOR**

Agus Widodo Mardijuwono (a), Farah Daniyah (b\*)

Airlangga University

#### Abstract

This study contains the evaluation of the role of forensic auditors in implementing their roles, namely to eradicate corruption by using forensic audit procedures. Seeing the growing corruption crime rate, this research examines the effectiveness of the role of forensic auditors, especially at BPK & BPKP Representative of East Java region. This research uses a qualitative research method of case study by using primary data. The results show that the role of forensic auditors is to find evidence for cases in court, as well as to prevent corruption, but prevention is limited to internal agencies only. Forensic auditors still cannot cause deterrent effects for corruptors because they are beyond the control of the forensic auditor. Forensic auditors cannot impose criminal penalties on corruptors. The effectiveness indicator of the presence of forensic auditors in combating fraud is the realization that exceeds the planned target.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=227

82 ABS-232 Financial Management and Accounting

#### Measuring Efficiency of Islamic Banks: Evidence from Indonesia

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#### **Abstract**

The present study investigates the efficiency of Islamic banks in Indonesia particularly for the period of 2014-2015. To meet that objective, the data envelopment analysis (DEA)

particularly input-oriented, variable return to scale (VRS) has been employed. Additionally, twelve full-fledge Islamic commercial banks are included as the sample of the study. Having analysed using the DEA model, we find the average technical efficiency score of Islamic banks in 2014 is 0.843. In this regard, the inefficiency of Islamic banks is attributed equally to pure technical efficiency and scale efficiency. Moreover the average technical efficiency score of Islamic banks for the year of 2015 is 0.832 which is lower than the previous year. The inefficiency of Islamic banks in 2015 is mainly contributed by the scale inefficiency. Moreover, the results suggest a declining of Islamic banks productivity during the period of study.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=232

83	ABS-233	Financial Management and Accounting

### Finance Accountability Looking at it Concept of Good Corporate Governance Point of View with Organization Performance

Dini Nur Fakhriani

Universitas Pendidikan Indonesia

#### **Abstract**

Good Corporate Governance (GCG) is a system used to direct and control the companys business activities. To reach Good Corporate Governance, one thing that should fulfill is transparency and accountability in a whole activities. A tertiary educational institution as non profit organization, should have otonomy and bigger responsibility in educational management, to get mission and organization goal, and to reach Good Corporate Governance, one of the efforts is through the finance accountability. In finance accountability application, we will have a justification report about trustworthy and reliable finance managing of the organization.

The purpose of this research is to find the correlation between a finance accountability looking at it concept of Good Corporate Governance point of view with organization performance. The method used in the research is quantitative and data analysis using nonparametric statistic. The study found that there is positive correlation between variables which being observed. It mean that correlation between a finance accountability looking at it concept of Good Corporate Governance point of view has a positive correlation with organization performance. If a finance accountability looking at it concept of Good Corporate Governance point of view is implemented correctly, will increase organization performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=233

84	ABS-243	Financial Management and Accounting

#### RELATION OF THE POWER OF INCOME TAX INCOME SYSTEM WITHSELF-ASSESSMENT IN DISTRICT BADUNG BALI

Ni Luh Putu Suastini1, Gede Wirata2, I Wayan Astawa3

Faculty of Social and Political Sciences Ngurah Rai University

#### **Abstract**

This article aims to analyze and describe the practice on income tax collection system with self-assessment in Badung regency, Bali. Badung regency is a tourism area and one of the highest earning districts. Self-assessment System is a taxation system that gives trust to Taxpayers to fulfill and carry out their own obligations and taxation rights know as 5M. The question of power is not a matter of ownership, in the context of who controls, who or who is strong while others are weak. The power is scattered, everywhere, immanent in every

social relationship. Often the state becomes a very autonomous institution and ignores the various needs of society. State relations with society are not always harmonious and complementary, between state and society standing in opposite positions. The relationship created is the desire to subdue each other. Discourse theory of knowledge and qualitative methods will be used in solving problems.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=243

85 ABS-249 Financial Management and Accounting

#### Greed, Parental Influence and Adolescent Financial Behaviour

Lazhora Wenatri, Sari Surya, Maruf

**Andalas University** 

#### Abstract

This study aims to investigate the relationship between personal attitude which is reflected by level of greed, and the individual background based on parental influence on adolescent financial behaviour with financial knowledge and financial attitude as mediation variables. This study used quantitative approach and data was obtained by distributing questionnaires to 240 high school students in Padang City. Hypothesis were tested with Structural Equation Modelling using AMOS 22.0. The results shows that (1) greed has no significant effects on financial behaviour but has significant effects on adolescents financial attitude, (2) parental influence has significant effects financial behaviour, but no significant effect on financial knowledge and financial attitude, (3) financial knowledge has no significant effect on financial attitude, and (4) financial attitude has no significant effect on high school adolescent financial behaviour in Padang City. Based on the context of this study, financial behaviour of adolescent is mainly influence by parental influence. In addition, it can be concluded that parents have weak role in development of financial awareness and attitude. Adolescent in Padang city are strongly depended on parents in financial decision and greedy is not reflected in their behaviour. Implication of this research should be the concerned of stakeholders such as financial institutions, because financial personality traits and behaviour during adolescence will last until they were adults and will also affect a persons financial decisions in the rest of his life.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=249

86 ABS-256 Green Business

### Stakeholder Salience and adoption of environmental strategy in the hotel industry in Indonesia

Maruf

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#### Abstract

Environmental strategies as organization actions to minimize negative effects of business activities toward natural environment have been discussed as one of important factors for business sustainability. It is also mentioned as social responsibility of the firm and important factor in managing relationship with stakeholders. However, to what extent environmental strategy has been adapted in relation to business sustainability, social responsibility and stakeholders management in hotel industry in Indonesia is still open for further investigation. Based on stakeholders salience theory, this study aims at measuring the predicted relationships in the stakeholder management model between stakeholders salience, strategic response and adoption of an environmental strategy. Quantitative data collected from seventy one hotel managers all across Indonesia with self-administered

questionnaire. The relationship model were analysed with partial least square. The results show that among three stakeholders salience attributes, stakeholder power and legitimacy does not influence stakeholder salience. Only stakeholder urgency that positively influence stakeholder salience. Stakeholder salience positively influence strategic response. Furthermore, stakeholder salience is positively related to hotels strategic response and then influence environmental issue integration and environmental strategy responsiveness. These results imply that this model can be used to explain relationship between stakeholder salience with adoption of environmental strategy. study the finding suggests that the connection between stakeholders attributes, stakeholder salience, strategic response and adoption of environmental strategy is low to medium strong. This means, when hotels have a minimum environmental performance it might be to fulfill government regulations. While if hotels have highly integrated and proactive adoption of environmental strategy this might be come from company own awareness about the important of being environmental friendly

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=256

87	ABS-12	Green Business
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# AN ANALYSIS ON TENANTS SATISFACTION BASED ON THE PERCEPTION ON THE APPLICATION OF GREEN BUILDING CRITERIA AT OFFICE BUILDING GRAHA MERAH PUTIH JALAN PUTRI HIJAU MEDAN

Windu Terkelin Ginting, Khaira Amalia Fachrudin, Dwira Nirfalini Aulia

University Of North Sumatera

#### Abstract

Green building is a plan and design through the process which is concerned with environment and the use of human resources efficiently in all building life cycle, starting from base, design, construction, occupation, maintenance, renovation, and building changes. There are many factors which influence the satisfaction of tenants who rent office buildings with green building concept, some of them are land appropriateness, conservation and energy efficiency, water conservation, material cycle and sources, health and comfort in rooms, and building environment management.

The research used quantitative method which was aimed to analyze the perception on the satisfaction of tenants who rented buildings, viewed from the aspects of land appropriateness, conservation and energy efficiency, water conservation, material cycle and sources, health and comfort in rooms, and building environment management.

The data were gathered by using questionnaires and interviews and analyzed by using multiple linear regression analysis. The population was 50 tenants who rented office building, Graha Merah Putih at Jalan Putri Hijau No.1, Medan Barat which consisted Of Bank BNI, Bank HSBC, Coffee Bean, Ericsson, Telkomsel, Indomaret, and Mitratel.

The Result of the research showed that the perception on the factors of land appropriateness, conservation and energy efficiency, water conservation, material cycle and sources, health and comfort in rooms, and building environment management simultaneously had the influence on the satisfaction of the tenants who rented office building, Graha Merah Putih at Jalan Putri Hijau No.1 Medan.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=12

88 ABS-275 Green Business

# INFLUENCE ANALYSIS OF VALUE, KNOWLEDGE, & CONSUMER ATTITUDE OF CONSUMER WILLINGNESS TO PAY MORE FOR GREEN CONSUMERISM PRODUCTS (CASE STUDY OF THE BODY SHOP, BALI)

Luh Putu Virra Indah Perdanawati, Ade Maharini Adiandari, Ni Nyoman Sudiyani

Faculty of Economy Ngurah Rai University

#### **Abstract**

At this time, the rate of natural damage has reached an alarming rate. Many consumers are beginning to change their shopping patterns toward more green consumerism, such as by buying environmentally green products, even though their prices are relatively higher. This study uses multiple linear regression analysis, to see the affect of independent variable, such as value, knowledge, and attitude to dependent variable willingness to pay more. The result of research stated that simultaneously there is a significant influence between value, knowledge, attitude a consumer to willingness to pay more a consumer for environmentally green products.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=275

89	ABS-22	Green Business
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The Impact of Good Corporate Governance on Firm Value with Corporate Social Responsibility as Mediating Variable: Empirical Study in Publicly Listed Mining Companies in the Indonesia Stock Exchange (IDX)

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universitas airlangga

#### **Abstract**

Despite numerous studies on the influence of good corporate governance on firm value, reports have not yet shown consistent results. This reason justifies that studies on other factors involved in the relationship between corporate governance and firm value are still needed, especially studies on a specific industry having unique characteristics. This study examines whether corporate social responsibility mediates the influence of good corporate governance on firm value. The mining industry is selected with the consideration that the industry has a major impact on sustainable development and is experiencing a declining trend in performance within the last five years. Using purposive sampling technique, 35 mining companies were selected from the Indonesia Stock Exchange (IDX) for the period of 2013-2015 and resulted 105 observed data. The results indicate the following. Firstly, good corporate governance has a significant effect on firn value. Secondly, good corporate governance has a significant effect on corporate social responsibility. Thirdly, corporate social responsibility does not affect firm value. Lastly, corporate social responsibility does not mediate the influence of corporate governance on firm value. This study contributes to the agency theory and the signaling theory in term of providing empirical evidence on the mining industry in Indonesia.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=22

90 ABS-301 Green Business	90
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### The Roles of Village Unit Cooperative on Improving Economy of Rural

Donald Samuel Slamet Santosa

Satya Wacana Christian University

#### **Abstract**

The aim of this research is finding the roles of village unit cooperative (Indonesia: Koperasi Unit Desa) on improving economy of rural communities. The data of this is qualitative research collected by in-depth interview, participative observation and Focus Group Discussion. Data analyzed by componential analysis model (developed by Spradley). This research finding consist of two main roles: direct roles and indirect roles. Direct roles consist of roles in: advising business capital (funding function); advising and distributing raw material and other needed; helping communities to marketing the production; developing business capacity; improving human resources quality; and developing social engagement among communities. Then the indirect roles consist of: reducing unemployment and poverty; and reducing urbanization. Based on research finding, it is recommended to developing village unit cooperative in every small regional community (or village) to improve economy of rural communities.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=301

91	ABS-316	Green Business

# Cooperate or Compete (?): Implementing Porters Framework on an Integrated Farming System in Rural Bandung, Indonesia

Kurniawan Saefullah, Rachmat Sudarsono, Yunizar, Layyinaturrabbaniyah & Arie Widyastuti

Universitas Padjadjaran

#### Abstract

Competitive Advantage Theory (CAT), which was introduced in the late 1980s, has been used in various business analyses and practices. Business performance through this theory can be achieved either through lowering cost in doing business or creating different value for customer. In agriculture sector, the implementation of this strategy is rather complex. The business nature, the agents, the channels as well as the regulation have been challenging business players in the area. Integrated Farming System has been used to create business value for all agents in the agriculture sectors. In this system, cooperative strategy has been accommodated to support the value creation.

This paper attempts to investigate whether a competitive or cooperative strategy is more preferable in the creating value in Agriculture sector, where the Integrated Farming Systems is applied. By using a non-participative observation and interview with some key informants in the Rural Bandung of West Java Indonesia, the study suggests that the ability of farmers to compete is subject to their ability to cooperate among existing agents and local institutions at the community level.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=316

92	ABS-62	Green Business

#### **Ecotourism for City Marketing**

Eli Jamilah Mihardja, Ph. D; Dr. BP Kusumo Bintoro; Dianingtyas M.P., M. Si

Universitas Bakrie

#### **Abstract**

South Sulawesi has amazing natural potential, so do Pinrang district. This natural potential is a valuable material in city marketing. Generally, however, the areas in South Sulawesi do not work on these potentials seriously.

This paper is a preliminary study to identify the potential of ecotourism in Pinrang District and its possibility to be established as a city branding. The research method used is descriptive qualitative and data collected by observation, interview, and literature study.

The results showed that ecotourism locations in Pinrang District were well known outside

the region but received low attention from the government and local communities. This condition is caused by several things such as management issues and focus of attention to other sectors such as agriculture. Therefore, it is necessary to examine the role of industry and community in realizing the development of ecotourism as a material of city marketing that can improve the welfare of the community and also ensure the quality of a healthy and sustainable environment.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=62

93 ABS-78 Green Business

### Influence of R & D intensity, firm size, and family ownership on Green Product Innovation

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#### **Abstract**

The purpose of this research is to examine the influence of R & D intensity, firm size, and family ownership on Green Product Innovation (GPI). Former research has shown mixed results. This study utilize data of 145 manufacturing companies listed on the Indonesia Stock Exchange for year of 2012-2016. The R & D intensity is measured by dividing the R & D expense by sales, firm size is measured by the natural logarithm of total asset, family ownership is measured by percentage of share proportion, and GPI is measured by GPI disclosure index. The results of this study show that R & D intensity and firm size positively and significantly influenced GPI while family ownership negatively and significantly influenced GPI. Research model in this study has been adjusted according to the conditions of Indonesian company in order to obtain more relevant research results.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=78

94 ABS-90 Green Business

# Conserving Environment Through Local Wisdom of Organic Vegetable Crops in West Java Indonesia

Oda. I. B. Hariyanto

AKPAR BSI Bandung

#### Abstract

Until today, vegetable farmers still use inorganic fertilizer to fertilize the soil and chemical pesticide to eradicate pests. It is assumed to be quite practical and effective use inorganic fertilizer and chemical pesticide, is the most powerful to increase vegetables quantity. Without calculating negative impact towards environment and human health, also its impact towards green house gasses cumulatively cause global warming. A wise solution is back in the era before 1970, in that time farmers are very depends on local wisdom. Now, vegetable cultivation based on local wisdom has been four decades old abandoned by farmers, it is assumed to be ineffective and inefficiency towards development era. The aim of study is to explore and con-serve vegetables cultivation based on local wisdom to minimize the impact towards human and natural environment. Qualitative research method and ethnography approach used to analyze with this study reason and discuss about the latest actual and factual problems. Data produced is descriptive data that relates to local wisdom of Sundanese Culture in West Bandung. Agriculture based on local wisdom is not about something new, but after four decades are abandoned for farmer generation now is something new

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=90

95 ABS-179 Green Business

# Developing green operations to minimize energy consumption by PDCA cycle of ISO 50001. A Case study with Delphi Method approach

Indrianawati Usman and Ezra Caesar Wijaya Sopacus

Airlangga University

#### Abstract

Purpose: The purpose of this research is to explore the green operations activities, especially in energy consumption, and to develop a PDCA cycle framework that can be used to minimize energy consumption, by using Delphi Method approach.

Research design and methodology: The PDCA cycle ISO 50001 framework is developed through (1) Identifying risks using Delphi method and mean score ranking from the activities found in existing empirical case study in beauty clinic. (2) Analyse the most crucial risks founded in the field. (3) Developing the the PDCA cycle to minimize the energy consumption

Finding: The research found eleven (11) risks, and find the crucial risk. PDCA cycle ISO 50001 developed, and found that the most crucial risk is in the act of PDCA cycle, which indicate that there was no follow through in order to solve the problem of energy usage in the business process.

Practical implication: This research provide a simple practical guideline PDCA cycle ISO 50001 template as a critical thinking to make a continuous improvement process.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=179

96 ABS-33 Innovation, IT, Operations and Supply Chain Management

Shipping Competitiveness by Traditional Shipping that Extinct Threatened  $YAKUTTINAH\ MARJAN$ 

Airlangga University

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=33

97	ABS-34	Innovation, IT, Operations and Supply Chain Management
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The Achievement Of Competitive Advantage Through Costing Methods Of Production Journal of literature on the use of costing mechanism of production through the approach of Full Costing, Variable Costing and Activity Based Costing bangkit adi setyo p

post graduate school Universitas pendidikan indonesia

Jl. Dr. Setiabudhi No. 229 Bandung 40154 Jawa Barat - Indonesia Telp. +62-22-2013161-2013162-2013163-2013164 Fax. +62-22-2013651

#### Abstract

Abstract: a problem that will be examined in this study is the analysis of the application of production cost in manufacturing company. Principal production costing is the most important part in determining the selling price of a product. Based on the literary review taken from various national and international journals, obtained some of the common methods that are commonly used as a method of costing the staple production. This research aims to find out which method is most often used as a reference in calculating cost of goods production in national and international research journals in connection in an effort to increase competitive advantage. This research is a type of research study of literature and meta data analysis where this journal deals with methods which are commonly used as a costing instrument production in national and international journals. The data used is data management journals of national and international operations associated with staple production costing methods during the last 5 years. The results showed that in the research journals, both national and international approaches to the most widely used method of activity Based Costing (ABC), where this method is considered more of a focus on activities that take place in the making product on a processing in lieu of the imposition of the overhead costs based on products such as accounting units. General results of the study showed that the results of the ABC method of impacting significantly to increase competitive advantage of a companys products. This article is expected to provide feedback to companies in formulating production rates in an effort to achieve competitive advantage.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=34

98	ABS-290	Innovation, IT, Operations and Supply Chain Management
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# Determinants of innovation among manufacturing firms in a developing country: Insights from Indonesia

Yovita Isnasari, Puguh Prasetyoputra

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#### **Abstract**

Many studies have examined the drivers of innovation among firms in developed settings. However, such studies in the context of Indonesia is limited. This study is aimed at investigating the determinants of innovation among firms in Indonesia. We use data from the World Bank Enterprise Survey (WBES), particularly the Indonesia dataset. We focus on the manufacturing firms which accounted for 1045 firms. We set product and process innovation as the dependent variables and fitted multivariable probit regression models. The results suggest that firms which are part of a larger group, have purchased patent, managed by female, and located in a large city have higher likelihood of product innovation. Moreover, firms which are part of a larger group, have purchased patent, conduct training, and have access to the internet are more likely to introduce process innovation. These information enrich the body of knowledge on innovation among firms. They are also useful for the Government of Indonesia for policy making purposes.

99	ABS-293	Innovation, IT, Operations and Supply Chain Management
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## QFD AS A TOOL FOR IMPROVEMENT OF TRANSPORTATION SERVICES IN BANDUNG CITY

Mokhamad Adib Sultan, Rofi Rofaida Ahmad; Annisa Ciptagustia

Faculty of economics and business educations

#### **Abstract**

This study aims to measure the voice of customers in the mode of transportation in the city of Bandung by using the method of Quality Function Deployment (QFD) to improve the performance of service quality in conventional transportation modes in the city of Bandung. The research method used is survey method by using questionnaire as data collection tool. The subject of research is a conventional taxi company in Bandung. Observations use "one shoot" / cross sectional time coverage. Data analysis was done by resource based view, SWOT analysis, and visual mapping then analyzed descriptively. The research method used is survey method. Observations use "one shoot" / cross sectional time coverage. Triangulation is used as a data collection technique. Data were analyzed by the method of quality function deployment, pareto diagram, fishbone analysis, and resource-based view, with reference to data analysis model from Miles & Huberman.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=293

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An Integrated Framework to Support Process Supply Chain in Tourism Sector

Lenny C Nawangsari, Achmad H Sutawidjaya

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#### **Abstract**

Tourism nowadays has evolved into a sector that has the potential to be developed and can move the economy of a country. One of the tourism industry strategies in improving competitiveness is the effective tourism supply chain management. The purpose of this research is to analyze the supply chain model in tourism sector.

The research methodology used in this research is the qualitative approaches with case study research in West Java. The data collection will be gathered through deep interviews and detail observations on key informants and to analyze the data and draw conclusions by reduction.

The study highlights mainly on the framework model of Supply Chain in Tourism Sector has three levels: strategical, tactical and operational. Some other factors that are affecting the effectiveness of the supply chain are shareholders, tourism destinations, agents, tour operators, accessibility, attractiveness and facilities. These components are suggested to be well managed by the stakeholders and as the result it will increase the strategic values for the sustainability of business.

101	ABS-310	Innovation, IT, Operations and Supply Chain Management

# Colaboration System and Digital Business Efficiency, In the Accounting Information System Perspective (Case Study: banyuwangimall.com)

yashinta setyowati, Anak Agung Gde Satia Utama

Airlangga University

#### **Abstract**

This study aims to design a new digital commerce system by involving UMKM through e-commerce platform banyuwangimall.com in perspective of accounting information system. The point of view of accounting information systems through e-commerce is growing rapidly and provides many new challenges. One of the challenges is the presence of web 2.0 generation that involves social media. These challenges lead to the emergence of the term social commerce which means that trading can be done through social media. On the other hand, electronic commerce or e-commerce presents a shorter trading system but less improves the relationship between sellers and buyers. The presence of s-commerce in value will be a good trading method for producers and consumers, so it can be a threat to the sustainability of e-commerce. Turning the threat into an opportunity then this research intends to design a collaboration system between e-commerce and s-commerce, which can be applied to the site banyuwangimall.com. it is expected that the results of this study will contribute to expedite transactions and increase sales on the site banyuwangimall.com in which is the perpetrators of SMEs in all Banyuwangi district.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=310

102 A	ABS-313	Innovation, IT, Operations and Supply Chain Management
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# THE QUALITY ANALYSIS OF OUTPATIENT DEPARTMENT AT DR. MOHAMMAD SOEWANDHIE PUBLIC HOSPITAL IN SURABAYA USING SERVQUAL METHOD AND ITS IMPROVEMENT SUGGESTIONS USING FISHBONE CHART

Tuwanku Aria Auliandri, Rizka Mutia Wardani

Universitas Airlangga

#### **Abstract**

The objective of this research is to observe the gap level of service quality in The Outpatient Department (Instalasi Rawat Jalan) at Dr. Mohammad Soewandhi Public Hospital in Surabaya according to the customers expectation and perception. Evaluation and recommendation to improve the quality of the service will be formulated by using Fishbone Diagram. Data will be analyzed by using Servqual method. Respondent in this research are patients who was ongoing treatment in The Outpatient Department at Dr. Mohammad Soewandhi Public Hospital in Surabaya during the research. Observed variables are tangibel, reliability, responsiveness, assurance and emphaty. The research found that gap value between expectation and reality from variable tangibel -0,35, reliability -0.35, responsiveness -0.29, assurance -0.28 dan emphaty -0.23 which indicates that services provided by The Outpatient Department at Dr. Mohammad Soewandhi Public Hospital have not met the customers expectation yet. Therefore some improvements need to be implemented on prioritized variables which are tangible and reliability. Academic and managerial implications will be explained further in the final part of this paper.

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#### The Design Thinking Concept within Product Development Process in Pharmaceutical Company

Evo Sampetua Hariandja

Business School-Department of Management Universitas Pelita Harapan

#### Abstract

This study aim to apply the design thinking concept into the new product development process in Indonesia pharmaceutical company. The design thinking framework consist of two phases: identify and solve. The identify phase consist of discover and define, and solve phase consist of create and evaluate. Through the two phases of this, the new product development process in pharmaceutical company will be modified using the design thinking. This method in this study using the combination between survey and interview from the key persons in the company. The respondents are deputy director in business development, R&D, product development and product planning. The managerial implication and discussion will be discussed in this study.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=71

104	ABS-327	Innovation, IT, Operations and Supply Chain Management
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### The Design Of Work Facilities At The Work Station Of Pressing T-Shirt In CV Royaltrack Bandung

Rifki Fauzi Ansharullah, Feby Anugrah Saputra, Eri Achiraeniwati, Nurahman Asad, Chairul Furqon

Universitas Pendidikan Indonesia

#### **Abstract**

In a manufacturing industry, the quality of product is a main priority to get the best quality products, therefore properly the right selection of materials and a highly skilled workforce must be done. In the process, a highly skilled workforce must be accompanied by an ergonomic work facilities, so the workers will feel comfortable. This condition will lead the maximized productivity of the workers and the product made will have the best quality. This research was done in CV Royaltrack, a company which is specialized in the fashion industry in Indonesia and Malaysia with the products such as t-shirts, polo shirts, shirts, pants, slippers, bags, shoes and belts. The problem in this company is having a not ergonomic work facility at the work station of pressing, which is proven by the results of the Nordic Body Map questionnaire. The questionnaire showing 14,29% of workers limbs who really do not have complaint of pain, while 85,71% of the workers limb had complaint of pain to the level of complaints reached on level two (mildly ill) amounted 25% of the limb, level three (ill) amounted 53,57% of the limbs and level four (very ill) amounted to 7,14% of the limb. From the result of the risk level of work identification that used Rapid Entire Body Assessment (REBA) method there are four out of ten work activities that have a risk on high level by reaching the action on level three, so the work facilities must be improved at the work station of pressing. The result of this research suggest a layout of the new ergonomic work desk facility with emphasis on anthropometry workers aspects so that workers feel safe and comfortable.

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# ADOPTION E-COMMERCE IN DISRUPTION ERA: STUDY ON SME IN THE BANDUNG CITY-INDONESIA

Samun Jaja Raharja, Rivani, Ria Arifianti

Department of Business Administration Faculty of Social and Political Sciences Universitas Padjadjaran

#### Abstract

The business world is entering the Industrial Revolution 4.0, in line with changes in information technology such as the Internet of Things and e-commerce. This change affects all industries, including SMEs in the system of production, distribution and management of the company. This condition encourages the utilization of e-commerce by SME businesspeople, including in Bandung becomes important in the marketing of products, trade and management of the company. The adoption of e-commerce provides many benefits in terms of time savings, quality improvement, labor efficiency and cost, ease of access and information dissemination.

This research describes environmental and business characteristics, using of ICT and internet utilization and e-commerce adoption by SMEs in Bandung City. The method used is descriptive method. Data collected from samples of SME businessman in Bandung Data is processed and analyzed using descriptive statistics. The results describe the general features of environmental and business characteristics and the specific features include frequency, average, median, quantity, quartile, and standard deviation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=83

106	ABS-341	Innovation, IT, Operations and Supply Chain Management
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An Integrated Framework to Support Process Supply Chain in Tourism Sector lenny c nawangsari, ahmad hidayat sutawijaya

universitas mercu buana

#### **Abstract**

Tourism nowadays has evolved into a sector that has the potential to be developed and can move the economy of a country. One of the tourism industry strategies in improving competitiveness is the effective tourism supply chain management. The purpose of this research is to analyze the supply chain model in tourism sector.

The research methodology used in this research is the qualitative approaches with case study research in West Java. The data collection will be gathered through deep interviews and detail observations on key informants and to analyze the data and draw conclusions by reduction.

The study highlights mainly on the framework model of Supply Chain in Tourism Sector has three levels: strategical, tactical and operational. Some other factors that are affecting the effectiveness of the supply chain are shareholders, tourism destinations, agents, tour operators, accessibility, attractiveness and facilities. These components are suggested to be well managed by the stakeholders and as the result it will increase the strategic values for the sustainability of business.

	107	ABS-86	Innovation, IT, Operations and Supply Chain Management
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# The Linkage of Co-Creation and Soft Innovation towards Firm Performance (a survey at Indonesian hijab fashion creative industry)

Eriana Astuty (a\*), Agus Rahayu (b), Disman (b), Lili Adi Wibowo (b)

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  - (b) Doctoral Program of Management, UPI, Jalan Setiabudhi 229, Bandung

#### **Abstract**

The performance of creative industries can be triggered by soft innovation with putting forward the aesthetic in the form of sense appeal or intellectual. Co-creation as new paradigm of product development could improve the firm performance at last two decades. This gap was underlying to examine more deeply about the interrelation between them at the creative industry in Indonesia. This research uses survey method. Questionnaire is disseminated on 30 creative business of hijab fashion in Bandung. Research confirms that co-creation has not shown significant influencing to creative industry performance, because the business actors are still not familiar with this new paradigm. Nevertheless, co-creation could improve soft innovation directly. This confirms that soft innovation could be a good mediator for co-creation raising the firm performance. Furthermore, obtained that partnerships with the private sector related to the successful new products, which later can boost sales growth as an indicator of firm performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=86

108 ABS-343	Innovation, IT, Operations and Supply Chain Management
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# Evaluation of Hospital Management Information Systems (HMIS); A success model through quality, user satisfaction and benefit factors

Vera Pujani, Hardisman, Rima Semiarty, Refdinal Nazir, Rebi Fara Handika

Andalas University, Padang Indonesia

#### Abstract

ABSTRACT: The use information system to improve the variety of the hospital activity has been identified as the main issues in health organizations. The paper aims to evaluate the use of Hospital Management Information System (HMIS) in supporting medical staff to get benefits from its system. The study investigates influencing factors using systems including quality of system, information and human, user satisfaction and net benefit from medical staff perspective in hospitals. Medical staff selected in accidental sampling are who have operated the system related to support hospital activities. The data obtained using drop-collect survey was analyzed by structural equation modeling and PLS program. The constructed tested are system quality, information quality, human quality, user satisfaction and net benefit as the achievement of systems usages. Finally, the conclusion and discussion are present this paper involving contributions limitations and further research.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=343

109	ABS-109	Innovation, IT, Operations and Supply Chain Management
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Attaining Open Innovation Within The Scope of Technology Transfer Office

V Susirani Kusumaputri, Maidina, Yovita Isnasari

Center for Innovation LIPI

#### **Abstract**

The economic state of a country can survive only if innovation continues so that it can contribute to global competitiveness. Technology Transfer Offices (TTO) in research center has the task of acting as an intermediary between technology developers and technology diffusers and transfer innovations from research centers to users or markets, thereby allowing companies and/or start up to innovate and giving value added in open systems. To date, there is little chance that a company can afford to produce everything necessary for a successful innovation using only its internal resources. However, it is still a matter of how to offer research results at TTO to the company in an open innovation approach. In addition, there is also a gap how to open companies that are companies that operate in TTO which has tended to keep their innovation system remains closed. In this context, this study aims to explore factors related to the use of open innovation based on data collected from TTO, in particular the Center for Innovation, LIPI.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=109

110 ABS-369	Innovation, IT, Operations and Supply Chain Management
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# INFORMATION TECHNOLOGY, KNOWLEDGE SHARING, ENTREPRENEURSHIP ORIENTATION TO COMPETITIVENESS AND ITS IMPACT ON BUSINESS PERFORMANCE OF SMES

Nizar Alam Hamdani ; Sukma Nugraha

Universitas Garut

#### **Abstract**

Rapid technological developments require SMEs to be sensitive to existing changes, such changes. Such changes can be anticipated with an understanding of the concept of market based theory and reseource based theory. The existence of various kinds of changes, especially in the field of information technology can not be implemented properly without the existence of knowledge sharing and entrepreneurial orientation, the competitiveness and performance of SMEs will not increase. This study aims to assess changes in information technology, knowledge sharing and entrepreneurship orientation can improve the competitiveness of SMEs. The research method used is explanatory research, with 115 samples of UKM Dodol, taken at random, while processing using SEM-PLS. Based on the results of research can be concluded that information technology, knowledge sharing and entrepreneurship orientation have an influence on competitiveness and implicate the business performance. In this study there are also some findings in the information technology will not be optimal without the knowledge sharing, and knowledge sharing will not be optimal without adanaya orientation of entrepreneurship of SMEs. The existence of competitiveness of SMEs is certainly able to improve business performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=369

111 ABS-119 Innovation, IT, Operations and Supply Chain Management

**Efficiency Convergence on Indonesian Manufacturing Industry** 

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#### **Abstract**

Evidence of efficiency levels and convergence are considered of importance in assessing the competitiveness of manufacturing industries. This paper evaluates the technical efficiency and convergence of Indonesian manufacturing industries using stochastic frontier analysis (SFA) by observing 24 subsectors of manufacturing industries. Results seem to provide supporting evidence of convergence of efficiency levels on 54% of Indonesian manufacturing industries.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=119

112 ABS-135	Innovation, IT, Operations and Supply Chain Management
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#### AGILE LOGISTICS SYSTEM: ATRIBUTE IDENTIFICATION

Risris Nurjaman, Lili Adi Wibowo

Indonesia University of Education

#### **Abstract**

Competitive advantage and understanding of the environment greatly affect competitiveness in an environment that demands to compete. Competence essentially aims to give effect to the development of the company. Achieving competitive advantage is based on the ability to innovate, integrity of work culture, and operational performance. This competitive advantage will change if the competitive environment changes as well. Environmental monitoring is assessed on the importance of success on the six forces of threats of newcomers, competition between existing companies, product threats or replacement services, buyer bargaining power, supplier bargaining power, and relative strengths of other stakeholders.

One of the activities that can affect the performance of competing companies in meeting the demands of customers is the supply chain system (Supply chain). The supply chain is all about everything that is directly or indirectly related to customer demand fulfilment. The supply chain is dynamic and involves a constant stream of information, products, and funds at different stages. The adaptation of one structure causes changes in the other related structures. The changing conditions of competition and increasing levels of environmental turbulence and requirement for organisations to become more responsive to the needs of customers, is driving interest in the concept of supply chain agility.

Agility in a supply chain is the ability of the supply chain as a whole and its members to rapidly align the network and its operations to dynamic and turbulent requirements of the customers. Agile supply chain attributes are customer sensitivity, virtual integration, process integration, Network based, supplier, market, product, facilities, products, services, delivery time, cost and information.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=135

113	ABS-143	Innovation, IT, Operations and Supply Chain Management
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#### **Development of Creativity and Innovation Ability SMEs in Indonesia**

Rd.Much.Jusup Nurgraha (ab), Hari Mulyadi (a)

a) Universitas Pendidikan Indonesiab) Universitas Widyatama Bandung Indonesia

#### Abstract

This study aims to analyze the factors that affect the level of creativity and innovation of UMKM artisan umbrellas painting in Indonesia. This study is based on the phenomenon of the worsening UMKM craft umbrella painting in Indonesia, Factor factors that allegedly affect the ability to creative thinking, work to find creativity with others, implement creativity with innovation, create novelty of a product through innovation, methods used with interview techniques to artisans of painting umbrellas in Tasikmalaya, Bayumas and Klaten cities in Indonesia as many as 50 artisans of painted data umbrella that have been collected then analyzed by using SEM, The result of the study showed three independent variables partially influence the development of creativity and innovation ability of UMKM craft umbrella painting in Indonesia, implies that for the development of creativity and innovation ability for UMKM painting umbrella in Indonesia is to improve the ability of creative thinking, work to find creativity with others, implement creativity with innovation, creating the novelty of a product through innovation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=143

114	ABS-168	Innovation, IT, Operations and Supply Chain Management
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#### Identification Defect Cause Using the Six Sigma Method and Designing the Improvement: A Case Study

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#### Abstract

A production process in a company is required to produce effectively and efficiently and also provide good quality to consumers. But in every process of production is still going on defect often lead to less efficient production process. The purpose of this study is to know the production process for the bottled mineral water, to detect the defect causes and to propose an improvement design in producing the bottled mineral water at PT. Surya Prima Cipta Mandiri, Madiun, East Java, by using Six Sigma method. This study used descriptive qualitative approach with several data collection steps, both primary and secondary data. The result of the research was that in the production process of the bottled mineral water, there were three types of defect which became the critical-to-quality (CTQ) keys. The types of defect were (1)closed lidcup with perfect, (2)standardized product form and (3)cleanliness of product lidcup awake. The value of performance of PT. Surya Prima Cipta Mandiri in 2016 had sigma 2.91 to 3.92. Based on the Pareto Diagram, there was known the most common cause of defects. Then it could be found the factors of defect causes by using Cause and Effect Diagram. Furthermore, the FMEA analysis used to look for the source of the defect that would be the priority improvement to reduce the failure. The last analysis was using Deming Wheel to provide a proposed improvement design for the factors that have been identified. The company management is expected to implement the improvement design in order to achieve a zero defect in the production process.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=168

115	ABS-174	Innovation, IT, Operations and Supply Chain Management
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## ANALYSIS OF FACTORS AFFECTING THE INCREASING OF USAGE OF E-COMMERCE: STUDY ON SME IN BANDUNG CITY

Samun Jaja Raharja, Herwan Abdul Muhyi, Rivani

Department of Business Administration Faculty of Social and Political Sciences Universitas Padjadjaran

#### **Abstract**

Theoretically, there are five factors that influence the use of information technology including e-commerce, that is external environment, perception ease of use, perception of usefulness, attitude toward using and intention to actual usage

This study aims to analyze the influence of these five factors on the use of e-commerce in Small and Medium Enterprises in Bandung. The research method used is quantitative method. Data of research result analyzed of correlation and regression analysis.

The findings show that there are three factors that significantly affect the use of e-commerce. That is perception, ease and interest in using. While environmental factors and the intention of using do not affect significantly.

Two-factor analysis that does not significantly influence shows that, although ICT infrastructure is available, internet usage is widespread and government support does not necessarily use e-commerce. Meanwhile, the intention of use insignificant because internet technology is regarded as a "high-tech"

The conclusion of this research is the whole factor analysis that influence to the use of e-commerce, firstly, e-commerce is not safe enough to be used in business activity. Second, the lack of skill and digital literacy of businessman

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=174

116 ABS-193	Innovation, IT, Operations and Supply Chain Management
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# Small Industry Resolution Growth through the Readiness for Using Android Technology in the Industrial Revolution 4.0 Challenge

Anis Eliyana, Mustain Mashud, Ahmad Rizki Sridadi, Rifan Jefri Sunarsono, Eggyawang Setya Pradikta

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#### **Abstract**

Industrial Revolution 4.0 as the stage of technology influences many sectors include financial sector like small medium enterprises. This study aims to discuss some significant SMEs variables and explore the readiness of small industry sellers to the new way of marketing such as the use of android phone. To establish the accuracy, some SMEs sellers from across the difference regions in East Java, Indonesia are taken to take apart to this study. Some findings are found like the intention to market their products via android application are big but those are not matching with their effort, some SMEs sellers found feel satisfied with what they have now, some SMEs sellers are waiting for real action of the related party for actively guiding them to face this era, and many more. Some suggestions are also provided in this study to enrich this case study.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=193

117 ABS-219 Innovation, IT, Operations and Supply Chain Management
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design of Bakery Resource Planning integrated information system Use Enterprise
Resource Planning System Approach

DENDHY WINATA PUTRA, A. A. GDE SATIA UTAMA

Universitas Airlangga, Surabaya, Indonesia

#### **Abstract**

This research is about the design of integrated information system Bakery Resource Planning by adopting Enterprise Resource Planning System (ERP) which is a combination of Manufacturing Resource Planning (MRP) system with accounting system, finance and resource. Bakery Resource Planning integrates divisions within Dea Cake and Bakery aimed at improving the company effectiveness and profitability. The approach used is qualitative with case study research method. Data obtained through observation, documentation, and interviews of several parties related to the object of this study. Input subsystem in this research is Operational Module, Financial Accounting Module and Human Resources Module. The subsystem is processed using a Database Management System (DBMS) and generates reports that provide information for Bakery Resource Planning users. The result of this research is operational procedure at Dea Cake and Bakery still using manual system, costs related to production process could be misstatement by management, control of employee is ab-sence still use check sign system on paper. For that application integrated information system Bakery Resource Planning is expected to be a solution in running business activities Dea Cake and Bakery.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=219

118	ABS-230	Innovation, IT, Operations and Supply Chain Management
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# Creative Abrasion, Creative Agility, and Creative Resolution: A Qualitative Study of Responses to Innovation Capability at Hotel

Evo Sampetua Hariandja

Department of Management-Business School Universitas Pelita Harapan

#### **Abstract**

This paper aims to explore the innovation capability responses at hotel industry. This study using the qualitative data through the seven case studies. The hotel in this study covers from three-star to five-star. This study revealed that hotel that had relatively exist innovation capability in all three areas creative abrasion, creative agility, and creative resolution seem to produce service innovations that combine their existing competence and skills. Through the combination of the three capabilities in their service process seem to produce more intensive innovations requiring a new market, new services, and new technological applications. Therefore, this study provides a preliminary contribution to the emerging work on dynamic capabilities through its in-depth investigation of the capacity of the seven case firms, and by mapping the patterns between the enterprise innovation capability.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=230

119	ABS-236	Innovation, IT, Operations and Supply Chain Management
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### Innovative Platform Content Production in Industrial Era for Technopreneur Writer

Feri Sulianta, Sapriya

Widyatama University, Indonesia University of Education

#### **Abstract**

Societys trends has began to decline in the way they consume the various traditional media, it is because of a massive development of information technology, especially the Internet with digital content that began to replace the way people get information and news. This should be addressed carefully by the creators, especially the authors who no longer get a lot of benefits if only used traditional printing media in publishing and selling their work.

If this phenomenon is addressed seriously, then the authors can take advantage of technological developments which is user generated content platform as a media in creating, developing, disseminating, managing and selling content that has educational values and economic values.

In this research, there are observations and in-depth analysis on how to create educative digital content that involves aspects of socio informatics, managing the content created through dashboard management in order to obtain various advantages including selling value that provides material benefits for technopreneur writer.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=236

120	ABS-241	Innovation, IT, Operations and Supply Chain Management
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## Start Up Industry Growth: Value Added of Technology Incubator to Strengthen Future Global Competitiveness

V. Susirani kusumaputri

Center for Innovation LIPI

#### **Abstract**

Indonesia is now part of a globalized economy. Innovation has nominated as the driver of economic growth. The technology transfer has become a very effective way to disseminate innovation in order to boost economic growth globally. Technology Transfer Office (TTO) conducts technology transfer from research results of to start up company. As the TTO of Indonesia Institute of Sciences (LIPI), Center for Innovation also plays a role in making technology incubation. Technology incubators have an important role to be able to develop and move the Indonesian economy by intensifying and commercialize the technology. In 2017, there are several inventions adopted by the discovery of a strategic partner which are start up companies that became tenants at the Center for Innovation to get assistance. However, the role played by incubator to contribute in evolving business of start ups in LIPI and global competitiveness has not been evaluated. This study will present empirical data and map out the contributions of the incubator to tenants, focusing on value added to business sustainability aspects. The method used in this study is a qualitative descriptive, through information searching related to the topics from written source. Moreover, surveys and on site interviews were conducted with the start up companies. Thus, it can be concluded that the technology incubator does contribute and to the growth and survival of their start up companies making it a viable system for nurturing start up company to live up to their full economic potential. Furthermore, the services provided by the technology incubators were adding value to start ups in order to strengthen global competitiveness.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=241



The Role of Supply Chain Management in the System of Kintamani Coffee Production in District Bangli, Bali

I Made Kartika1, I Made Adi Suwandana2 ,LuhPutu Virra Indah Perdanawati3

Economy Faculty of NgurahRai University Denpasar

#### **Abstract**

The aims of this research to determine the best supply chain model of Kintamani Coffee were analyzed qualitatively. The sources of data taken from; observation field documentation and interview with farmers, relevant agencies from the office and private agencies as partners. The results of field observations and documentations that efforts to supply Kintamani coffee commodity supply chain can be better done by exploring the potential and opportunity to position itself more strategically and more dynamically in the global value chain through increasing product value processing of raw seeds downstream and increasing the value through a more efficient process. In addition, it also provided training on post-harvest processing coffee beans to farmers by a private partner in order to sell coffee at the level of farmers can better compete, produce reached 2,500 tons and it is expected to enhance the brand of coffee in Kintamani to local, national and international level.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=246

122 ABS-3 Marketing Management
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#### MODEL OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) IN BANKING

Agus Mulyana , Ratih Hurriyati, Disman, Lili Adiwibowo

Universitas Pendidikan Indonesia

#### **Abstract**

The purpose of this study is to examine the effect of Customer Relationship Management (CRM) on customer loyal behavior. The unit of analysis for this study is Bank Jabar Banten (BJB) with the observation unit is the

management at the bank. The population is a customer of bjb Precious, which is a service from BJB Bank intended for high net worth individuals. That Samples Taken as many as 50 respondents of BJB Precious customers

outside the Bandung city. The data is processed by using statistical analysis tools Partial Least Square (PLS). The results show that CRM proved to have a significant effect on customer loyal behavior of bjb Precious in Bandung. So the result from this research is expected to give the implication for the management of BJB bank that the efforts to increase the implementation of CRM of BJB Precious will improve the customer loyal behavior. The development of CRM will increase repeat purchases, purchase across product lines, refers other and priority customer immunity that would have an impact on achieving company targets.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=3

123	ABS-4	Marketing Management

## THE INFLUENCE OF REPUTATION AND CUSTOMER RELATIONSHIP MANAGEMENT (CRM) TOWARDS THE COMPETITIVE ADVANTAGE OF AIRLINES IN INDONESIA

Yhani Mardani, Ratih Hurriyati, Disman, Vanessa Gaffar

Universitas Pendidikan Indonesia

#### Abstract

One of the fastest growing transportation modes in Indonesia is air transportation. The air transportation market in Indonesia isexperiencing rapidgrowth. This leads to the increase in the number of airline passengers in almost all airports. However, the facts show that the competitive advantage of the industry hasnot been superior yet. These conditions are related to the issues in the development of reputation and customer relationship management (CRM). Hence, this study was done to examine the influence of reputation and CRM towards the competitive advantage of the airline industry in Indonesia. This study employs quantitative approach by involving 100 passengers member from 5 different airlines namely Garuda, Lion air, Citilink, Batik Air and Air Asia as the samples. The data was then processed using the PLS statistical test tool. The results showed that Reputation and CRM affected the competitive advantage both simultaneously and partially, in which reputation gavegreater impact than CRM. To conclude, competitive advantage in the airline industry in Indonesia was dominantly more influenced by reputation than by CRM.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=4

124	ABS-5	Marketing Management
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# Marketing Communication and Its Impact on Purchase Un/Willingness: A Case of a Boycotted Bread Brand

Usep Suhud

Universitas Negeri Jakarta

#### Abstract

Muslim consumers in Indonesia who involved in several political street protests, boycotted a bread brand as the producer of this bread refused to be associated with their activities. This study aims to examine the impact of animosity on boycott participation, boycott motivation, attitude towards marketing communication, and purchase un/willingness of this boycotted bread brand. The author chose participants of this current study conveniently, and in total, 266 participants took part consisting of 167 females and 99 males. Data were analysed using exploratory and structural equation model. This study tested eight hypotheses, and all of them were significant. As a result, animosity had a significant effect on boycott motivation, boycott participation intention, and attitude towards marketing communication. Further, attitude towards marketing communication and boycott participation intention had a significant impact on purchase unwillingness and purchase willingness. This study discusses recommendations for practitioners and future research.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=5

125	ABS-6	Marketing Management
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# Loyalty of the \$1 Barbershop Customers: Investigating the Role of Service Quality, Satisfaction, and Trust

Usep Suhud, Setyo Ferry Wibowo, Listya Namora

Universitas Negeri Jakarta

#### Abstract

126 ABS-10 Marketing Management
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### analysis of Influence of Servicecape theater cinema 21 to Customer Loyalty in jakarta

santo

STIE WIYATAMANDALA santo.tjhin[at]wiyatamandala.ac.id

#### Abstract

The background of this research was to conduct a profound study of the HSQM views service quality as a three-tiered concept with interaction quality, physical environment quality as initial sub-dimensions. Thats why to calculate the theory and practice, size of service quality dimension need to be apply in various service industry because the last goal of every marketing business is to get high profit, so customer service have to give good service to their customer, they have to create satisfaction and if customer get satisfied so it will create customer loyalty.

The objectives of this research was : interaction quality influential to customer satisfaction, physical environment quality influential to customer satisfaction, customer satisfaction influential to purchase intention.

The design of this research applies a survey toward unit of analysis on theater cinema 21 to interview the customers for testing the hypotheses. Meanwhile the required data consist of four variables; interaction quality, physical environment quality, customer satisfaction, and purchase intention. The aggregate numbers of customer being respondent of the study are 200 repondent in jakarta. Data analysis used in this research was consists of Structural Equation Model by AMOS 6.0 as software.

The result of this research conclude that interaction had influential to customer satisfaction, physical environment quality had influential to customer satisfaction, and customer satisfaction had influential to purchase intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=10

127 ABS-273 Marketing Management

# How Ethno Marketing Can Determine Consumer Decision to Use Lakupandai Services

DR. Lili Adi Bowo, Sony Sasongko, IR., MM, Asri Sulastri Apriliyani

FPEB UPI, DIM UPI

#### **Abstract**

Laku Pandai - Layanan keuangan tanpa kantor dalam rangka keuangan inklusif, Indonesian Government Finansial Inclusion program for Unbanked People and regulated by Otoritas Jasa Keuangan for the provision of banking services or other financial services through cooperation with other parties (bank agents), and suppport the use of information technology facilities. This program aims to provide financial services, to the unbanked people.

In addition, it also launched the economics activities of the community so as to encourage economic growth and equitable development among regions in Indonesia espessially people who live in sub urban area or village. Because the target is the citizens in an isolated area, every agent must be able to reach them with special approach so that they desire to use Laku Pandai services. One of the most effective way to reach purchase decision is ethno marketing framework. Ethno marketing defines as marketing segmentation approach that groups consumers on the basis of ethnicity, ethno marketing starts with recognizing the elements of culture as crucial and essential for driving contemporary marketing strategies.

The aims of this study is to find how ethno marketing could determine consumer decision making process to consume Laku Pandai services in Bandung City. Using cross sectional method, this study uses verificative approach with explanatory survey method. A total of

10 respondent is choosen as the sample size on this study. data analytical methods in this research is Structural Equation Modeling. This study uncovers that ethno marketing significantly influence consumer decision to use Lakupandai services.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=273

128	ABS-23	Marketing Management
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### Viral Marketing and e-Word Of Mouth Comunication in Social Media Marketing Putra Pamungkas & Heny Hendrayati

School of Postgraduate Universitas Pendidikan Indonesia

#### **Abstract**

#### Abstract:

The growth of social media users in Indonesia increases rapidly by the penetration of the National Internet users. Business activist take advantage of this as one of the informative distribution channels of products and services offered. Opportunities to target potential customers become one of the reason for the critical of the social media advertising concept. As a new alternative media promotion, social media needs to be observed through a theoretical approach of marketing. Features and systems that run in social media need to be supported by an understanding of marketing theories. Therefore, it is necessary to do a theoretical study to analyze the phenomenon of social media advertising marketing concept. This is an important case of the enormous opportunities in social media as an alternative to marketer innovation. One example of social media marketing that is evolving is the emergence of the concept of viral marketing and E-WOM. There are two concepts in Viral and eWOM, divided into two namely Negative Viral and Positive Viral, according to the impact to the company or product. With the understanding of the theory, the social function of the media can be utilized by the company as one of the promotional media. For the consumer, it is important as a reference before the decision. Therefore, it is expected the optimization of the use of social media as a media campaign to be more developed.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=23

129	ABS-280	Marketing Management

Website Atmosphere, Perceived Flow and Its Impact On Purchase Intention Ganjar Mohamad Disastra, Bethani Suryawardani, Widya Sastika

Telkom University

#### **Abstract**

The online retail industry in Indonesia is growing rapidly and creating increasingly fierce competition. In online retailing, the website is the main media that should always be considered. Website must be developed in such a way as to create attraction, convenience and easiness for consumers, so as to generate purchase intention. One aspect that is still rarely studied in website development is about the websites atmosphere and how it relates to consumer behavior. This study aims to examine the effect of the websites atmosphere on consumers perceived flow and its impact on purchase intention.

The method used in this research is quantitative method by applying Structural Equation Modeling (SEM) technique. Data were obtained through the distribution of questionnaires to the respondents who had visited the online retail website.

The results showed that the dimensions of the website atmosphere consisting of virtual layout and design, virtual atmospherics, virtual theatrics and virtual social presence, had a significant effect on perceived flow. Perceived flow in turn also affects purchase intention significantly.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=280

130 ABS-26 Marketing Management

#### **Optimization of Customer Retention Programs**

Emi Amelia & Mokh. Adib Sultan

Management Department, Sekolah Pascasarjana Universitas Pendidikan Indonesia, Bandung

#### Abstract

This study aims to obtain a description of customer retention BRI unit Paseh Sumedang. Customer retention is a strategy whose goal is to retain corporate customers and maintain the contribution of revenue from customers Competitive competition in the banking industry, especially savings that is marked by the decline in customer satisfaction. Customer satisfaction becomes something that cannot be ignored in a company. The main solution that must be done by the company is to increase customer satisfaction and maintain the life of the company by way of various strategies, especially customer retention. The concept of customer retention arises because many companies that time tend to ignore existing customers and more prioritize acquisition programs. In fact, after a number of studies costing new customers get higher than the cost of retaining old customers. If you have to choose because resource constraints better prioritize customer retention programs than customer acquisition programs. The research method used is explanatory survey with systematic random sampling technique with total sample 110 respondents. The object studied is the customer of Simpedes Bank Rakyat Indonesia Unit Paseh Kabupaten Sumedang.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=26

131 ABS-27 Marketing Manageme
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### Engaging Young Consumers with Advergames: The Effect of Presence and Flow Experience

Santirianingrum Soebandhi

Narotama University

#### **Abstract**

This study is aimed to analyze childrens evaluation of advergame and integrated brand in the game, and their desire to buy advertised products through presence and flow experience. There are 120 children aged 10-12 years participated, surely with school and parental consent. Advergame with fictional products was designed for this research purpose. The questionnaire was using four points Likert scale with smiley face icon to express respondents opinion. PLS-SEM analysis was used to process the data. The result is expected to give a contribution by providing insight into children evaluation towards advergames as advertising media and for government related to advertising policy, especially regarding advertising intended to children.

132	ABS-31	Marketing Management

### RELATIONSHIP DEVELOPMENT STRATEGY TO MAINTAIN LOYALTY OF BUSINESS TO BUSINESS CUSTOMERS

YAKUTTINAH MARJAN

AIRLANGGA UNIVERSITY

#### Abstract

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=31

133	ABS-32	Marketing Management

### VISUAL ANALYSIS OF THE HARVEST ADVERTISEMENT ON INSTAGRAM IN INFLUENCING INDONESIAN CONSUMER

Ira Wirasari, Nadila Nur Amalia

Telkom University

#### **Abstract**

The development of technology it makes easier to companies in advertising something to the community through social media, which is social media Instagram. The Harvest Patissier & Chocolatier using Instagram as a medium to advertise more efficiently in communicating their message. This research using qualitative research methods and the aims is to identify elements of The Harvest Patissier & Chocolatier visual advertisement and determine the influence of these advertisement on Instagram in consumers buying interest using visual communication design theory and consumer behavior theory. The results of the study are: (1) The Harvest Patissier & Chocolatier Advertisement is a hard sell advertising type with the visual image of luxury on Mango version, the mysterious Chocolate Peanut Butter and love on Valentine Cakes version, (2) Advertising on Instagram as social media, can influence consumers to buy the products.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=32

134 ABS-289 Marketing Management

# WHEN THE ECOFEMINISTS DECIDE PRODUCT TO USE; A Simple Analysis On Cloth Diapers (Clodi) User.

Vika Aprianti; Ratih Hurriyati; Mokh. Adib Sultan

Universitas Pendidikan Indonesia

#### **Abstract**

The generation of Ecofeminism is closely related to the ecological crisis caused by modernization and industrial civilization. Women who care about the environment in their daily struggle to keep the earth safe and comfortable to live in. It would be interesting to analyze how they behaved in choosing a product to use. As when disposable diapers appear as practical solutions to solve problems in infant care, ecofeminists prefer to use cloth diapers (clodi) that are more friendly to nature. Of course this is not an easy choice considering, it requires more effort from them in technical use. This study aims to determine what factors affect the interests of the ecofeminist in choosing cloth diapers as a baby care solution. The sample of this study was 118 mothers who joined in a cloth diapers user community. Data analysis technique using multiple regression analysis. The results of

this study indicate that product knowledge and perceived quality have a positive effect on buying interest of cloth diapers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=289

135	ABS-36	Marketing Management
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#### The Implementation of Mobile Commerce Applications To Order System On Bike-Sharing Program In Bandung

Raden Mohamad Aditya Rifki, Mokh. Adib Sultan

University Education of Indonesia

#### **Abstract**

The purpose of this research was to be found the customers level of technology acceptance model mobile commerce application Boseh bikesharing in Bandung. This research used verification approach with survey method. A total of 103 respondents were chosen as using systematic random sampling. A survey questionnaire was used as a research instrument to collect the data from respondents. The result showed that perceived ease of use, perceived usefulness and attitude toward using has influenced on information technology acceptance simultaneously and partially. The research provides a new concept basis to understand the information technology acceptance for bikesharing mobile commerce application named Boseh, which is the first bikesharing in Indonesia based on information technology. The difference of this research with earlier research on objects that are the variable used supporting the theory as well as the different references used by previous researchers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=36

136	ABS-292	Marketing Management
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## Factors Influencing Halal Cosmetic Brand Advocacy; The Role of Self-brand Connection as a mediator

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#### **Abstract**

This paper aims to determine the role of self-brand connection in mediating factors that affect brand advocacy. A conceptual model is developed from the branding literature to explain the relationship of the antecedents of self-brand connection and brand advocacy in the context of the halal cosmetic product. The model is tested using structural equation analysis on a sample of 150 women from Bandung city that have purchased the halal cosmetic product in question. The research model is empirically supported. Findings indicate that consumer who has self-brand connection may become advocates of the brand. Managers can consider using celebrity to develop self-brand connection within consumer and the brand. Additionally, other factors related to the quality and uniqueness of the brand can be considered to enhance consumer self-brand connection in shaping advocacy behavior. Hope this research provides future insight into the application of branding theory for halal cosmetic products.

137	ABS-37	Marketing Management
13/	AR2-37	marketing Management

# Visual Perception in Improving Learning Motivation: Gender and Developmental Study

Eriyansyah

Master in Business Management Graduate School Indonesia University of Education

#### **Abstract**

Visual Perception in Improving Learning Motivation: Gender and Developmental Study

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Visual perception is a process in organizing and interpreting input or information obtained visually. There have been several studies revealing that there is a relationship between visual perception and academic ability, but there is no study related it to learning motivation. What individuals see provides information that is processed into something meaningful. This meaning can stimulate attitudes and motivations for what is seen, in this case is learning material. What is visually perceived is linked to student motivation in learning. The research was conducted quantitatively and the data was collected by distributing questionnaire to the respondents. The research respondents were male and female students at elementary school, junior high school, and senior high scholl in Bandung City. Based on the research findings, there is no difference in learning motivation in students who have different gender. However, there are differences in motivation in students who are at different levels of education. Elementary school students have a higher visual perception and greater influence on the level of their learning motivation. This can provide input and suggestions for improving students learning motivation in general.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=37

138 ABS-295 Marketing Management

# THE EFFECT OF CREDIBILITY, ALTRUISME, AND CSR INFORMATION QUALITY ON BANK REPUTATION: A STUDY ON INDONESIA BANKS UNDER THE CATEGORY OF BUKU 3 AND BUKU 4

1) Lindiawati; 2) Indrianawati Usman; 3) Sri Wahyuni Astuti

- 1. STIE Perbanas Surabaya (Doctorate Student of Management of Airlangga University)
  - 2. Indrianawati Usman (Airlangga University)
  - 3. Sri Wahyuni Astuti (Airlangga University)

#### Abstract

This research is aimed at testing the effect of altruism, credibility, and CSR information quality on bank reputation. Reputation is important since customers are getting smarter in evaluating brands before making decision to buy. In banking industry, reputation reflects an aspect determining bank risks. In marketing area, the role of CSR is considered more important due to its altruistic values for society. If banks are able to manage the way they conduct their CSR activities through their credibility, then they are willing to expose or

inform their CSR activity in a proper way or in a good information quality. Variables are controlled by the range on initial capital and the business coverage of the banks which are in Indonesian banking regulation are falling into the categorizations called BUKU or Bank Umum Kelompok Usaha. All Indonesia banks fall into four categories ranging from BUKU 1, 2, 3 and 4 reflecting the lowest to the highest level successively. The categories used in this research are BUKU 3 and BUKU 4 considering that these categories have already conducted and reported the banks CSR activities. The respondents are personnel who are in charge of CSR and they are the members of Corporate Forum for Community Development who respond on the bank CSR report to contribute the data for the variables of altruism, credibility, and CSR information quality; while the data on reputation are secondary data from Otoritas Jasa Keuangan which is responsible for controlling the business of Indonesian banks. All data are process using Structural Equation Modelling

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=295

139	ABS-43	Marketing Management
139	ABS-43	Marketing Management

## The Implication of Social Media Marketing in Modern Marketing Communication Jati Waluyo

Universitas Pendidikan Indonesia Bandung

#### Abstract

In this era of globalization, business development is in a very competitive, fast, and unpredictable situation and condition. All companies are required to make continuous improvements in all divisions, including the marketing division. The purpose of this research is to analyze the development of social media, especially Facebook Marketing implication in modern marketing communication. This research uses descriptive qualitative research method and provides an overview of the current digital marketing phenomenon based on the theories, the study of various literature review and the study of other relevant research. Facebook Marketing has the following advantages: provides information, the focus of market segmentation, easily accessible, easy to communicate, zero time feedback, always connected, low budget, high impact, and the new wave marketing in modern marketing communication.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=43

140	ABS-44	Marketing Management
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#### **E-Commerce Strategy in Improving Product Sales**

Rizky Febriansyah

Universitas Pendidikan Indonesia Bandung

#### **Abstract**

E-Commerce is a process of transactions conducted by buyers and sellers in buying and selling various products electronically from company to company using a computer as an intermediary of business transactions conducted (Loudon, 1998). In previous research there is a relationship between the implementation / e-commerce strategy as an online sales medium, but no one has linked it to the increase of product sales online. This study takes a case study on one of the SMEs (start-up business) that has been running and incorporated in e-commerce sales system built and developed its technology system by a third party is AVANA.ID, this research is expected to help the SMEs has not used e-

commerce as a sales medium moved to expand its business to get maximum results and can compete with similar stores.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=44

141	ABS-46	Marketing Management
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### Customer-Based Brand Equity In Digital Age: A Conseptual Approach Fahmi Dharmawan

Universitas Pendidikan Indonesia

#### Abstract

While much research has been done to understand how to create a company brand that can generate profits for the company, there is little research about how brand equity is made and measured in the digital age of the Internet. This study aims to broaden the conceptual framework of existing consumer-based brand equity by combining several constructs from a cognitive perspective as well as a conceptual perspective on brand equity and implementing them on online-based companies in the digital age today. The method used in this research is descriptive method, with data collection used is by using conceptual review which later reference theory obtained will serve as the basic foundation in getting the research result. The results suggest that in consumer-based brand equity in the digital age there needs to be modification of models from the traditional brand equity model by adding online elements such as making website improvements and more emphasis on consumer confidence. The implication of this research is that there should be a greater concern about how the company creates its brand equity in online based companies, so that the brand will remain the main capital of the company that can create a great value for the company.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=46

142	ABS-303	Marketing Management
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#### **FUSION FOOD: IS NOT IT A CUSTOMER EXPERIENCES**

GITASISWHARA, RATIH HURRIYATI, DISMAN

UNIVERSITAS PENDIDIKAN INDONESIA

#### Abstract

The Customer Experience on Fusion Food (Survey to Fusion Food customer in Indonesia).

The Background by the culinary industry in the tourism sector is growing rapidly. I analyses that, trends of tourists in eating fusion food influences by customer experience. This study aims to determine whether fusion food is related to behavior derived from the customer experience. The research method used is descriptive and explanatory method with a method that is done less than a year or cross sectional method. Sampling technique used is systematic random sampling with data analysis techniques that can be used multiple regression. The results show the best experience on the subscriber that is in the sub variable empathy for the lowest valuation on sub variable recognition ..

143 ABS-48	Marketing Management
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## Food Blogger Review on Instagram as an Alternative Consumer Purchase Decision Gita Tiara Puspita (a\*), Heny Hendrayati (b)

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#### Abstract

For culinary connoisseurs, they certainly will be familiar to the existence of food bloggers. Food Blogger as social media marketing especially in Instagram, used to provide reviews about culinary products. . The exist-ence of food bloggers are used by culinary businessmen. As more and more culinary businesses emerge in Bandung, they compete with unique and diverse ideas and concepts. This makes consumers confused in choosing which foods are worthy for a culinary tour. The existence of food bloggers is believed to help con-sumers to choose which place that suits their needs. This research is a quantitative research that aims to deter-mine whether there is partial influence between foods blogger reviews on Instagram toward consumer pur-chasing decisions about culinary in the city of Bandung and to find out whether there is a simultaneous influ-ence between foods blogger reviews on Instagram toward consumer purchasing decisions regarding culinary in the city Bandung. The method used is descriptive method. The sampling technique used is nonprobability sampling with incidental sampling type. The data collection is done by spreading questionnaires to 100 Insta-gram user communities who follow food blogger and live in Bandung city or frequently having a culinary tour in Bandung city. The data analysis technique used is multiple linear regression analysis. Based on t test results, context and collaboration variables significantly influence consumer purchasing decisions regarding culinary in the city of Bandung. Then, F test results show that the value of F arithmetic of 42,219 with a significance lev-el of 0.000. This means that the reviews of food bloggers on Instagram have a significant influence on con-sumer purchasing decisions toward culinary in the city of Bandung.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=48

144 ABS-306 Marketing Management

## Creating Brand Love through Brand Experience: study in Higher Education Institution in Indonesia

Lili Adi Wibowo, Agus Rahayu, Sulastri, Asri Sulastri Apriliyani

Universitas Pendidikan Indonesia

#### **Abstract**

This study examines the brand experience of brand love in Higher Education Institution in Indonesia as one of the competitive strategy to improve the college rank. Customer-brand relationship states that brand love will have a good impact on relationships with students, brand loyalty, experiments to choose a new brand and create cost advantage (Fournier, 1994; Fournier, 2012). This study aims to obtain the influence of brand experience on brand love. The type of this research are descriptive and verificative. Using explanatory survey method, sample size of this study is 400 respondents. Data analysis technique using Stuctural Equation Modeling with program AMOS 22.0 for Windows helps. The finding of this research indices that Brand Experience has a significant and positive affect on Brand Love in Indonesia Higher Education Institution

145	ABS-55	Marketing Management
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#### **Analysis of Green Marketing Mix On Purchase Decision**

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#### **Abstract**

Green marketing is a marketing strategy that puts forward the concept of green marketing that prioritizes the sustainability of the environment as a social responsibility. In winning the competition the company must have the right strategy in marketing its products. Innisfree is a beauty product that promotes natural conservation in every business process. This research is quantitative research which aims to know and analyze whether green marketing mix simultaneously and partially influence to consumer decision in purchase Innisfree product at VPJ Bandung. Where the strategy of green marketing mix in this research consists of variables Price, Product, Place, and Promotion. Data in the study were collected through questionnaires distributed to consumers visiting the Innisfree VPJ outlet. Sampling using non probability technique type accidental sampling with the number of samples of 100 respondents. Method of data analysis technique used in this research is multiple regression analysis. The results showed that the Green Marketing Mix simultaneously and partially influence the purchase decision of Innisfree product in Innisfree PVJ Bandung outlet based on F test value of 5.592> f table of 2.47.

Keywords: Green marketing, Price, Product, Place, Promotion, Purchase Decision

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=55

146	ABS-56	Marketing Management

# Analysis Service Quality and Marketing Relationship to Customer Loyalty Study at Retail Company Yogya Sundanese Department Store

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#### Abstract

Muhammad Ridwan, 2018, Influence Service Quality and Marketing Relationship to Customer Loyalty (Study at Retail Company Yogya Sundanese Department Store). Quality of service and relationship marketing is an element contained in the science of

marketing in advancing a company. For this company become one important role, because with the quality of service and marketing relations of a company is good then the customer will be loyal to the company. Vice versa if the quality of service and relationship marketing is not good then the customer will not be loyal to the company.

This study aims to determine the effect of service quality and marketing relationships on customer loyalty at Retail Company Yogya Sundanese Stores. The subject of this research is the Retail Company of Yogya Sundanese Retail Store by using the sample of 100 respondents. Analysis method used in this research is quantitative method, with statistical analysis that is Test Validity and Reliability, Test T, Test F, multiple linear regression analysis, coefficient of determination (R2) and with tool of SPSS 20. Variable of this research is service quality as X1 variable, marketing relationship as X2 variable and customer loyalty (Y). The results show that the quality of service and marketing relationships have a positive impact on customer loyalty, so if the quality of service both customers will be loyal and if the relationship marketing it good customer will be loyal to the company.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=56

147 ABS-315 Marketing Management

# Experiential Marketing: a Review of Relationship to the Customer Satisfaction in Online Transportation (Study in Gojek Indonesia)

Marheni Eka Saputri & Nia Kurniasih

a) Telkom Universityb) Institute Technology of Bandung

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=315

148	ABS-318	Marketing Management
148	ABS-318	Marketing Management

### TOURIST SATISFACTION ANALYSIS OF TOURIST PRODUCT AT TANJUNG KELAYANG BEACH KABUPATEN BELITUNG

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Jalan Setiabudhi No. 229, Isola, Sukasari, Kota Bandung, Jawa Barat 40154

#### Abstract

The purpose of this research is to analyze the tourists satisfaction in Tanjung Kelayang Beach through the tourists assessment on importance level and tourism product performance in Tanjung Kelayang Beach. There are three tourism product indicator: attractions, facilities, and accessibilities. This research used descriptive method with quantitative approach which used simple Random Sampling technic. This research involve 100 respondents using questioner. To measure the toruists satisfaction level, using Important Performance Analysis (IPA) method which resulted four quadrants with priority scale. The result of this research, there are dissatisfaction from the tourists who came. Even though the performance level from tourism product in Tanjung Kelayang Beach already good, but in the reality, have not reach the satisfaction point because the expectation value from the tourist to Tanjung Kelayang Beachs tourism product are bigger than the performance value. There are 3 quadrants that are resulted from (IPA) method that became the managers reference to pay attention to tourism products condition in Tanjung Kelayang Beach, also to maintain the tourism product performance that already rated good by the tourists.

149	ABS-63	Marketing Management
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#### Smart Tourism Strategy in Increasing the Number of Tourist in Indonesia

Dimas Yudistira Nugraha; Disman; Ratih Hurriyati; Lili Adi Wibowo

Universitas Pendidikan Indonesia

#### **Abstract**

The number of tourists in Indonesia are increasing rapidly. Tourism programs from Indonesian government plays an important role in numerous parts of tourism. One of Indonesian government tourism program is smart tourism. Smart tourism influences perceived value, memorable tourism experience, and revisit intention from the tourists. The purpose of this research is to finding the model from the correlation between smart tourism, perceived value, memorable tourism experience, and revisit intention. The observed data was composed in 7 smart tourism destinations in Indonesia, particularly Jakarta, Bandung, Surabaya, Yogyakarta, Malang, Bali, and Makassar. The methodology employed is by examining 400 tourists who visited the destinations. Demographic characteristics include sex, age, education, job, and nationality. Furthermore, the research employs 52 question items. The data were analyzed by using Structural Equation Modelling (SEM). The research demonstrates that smart tourism has relationship with perceived value, memorable tourism experience, and revisit intention. This study contributes to the academia, local government, and stakeholders of tourism industry to more completely recognize what tourists need during the travel and how to increase the number of tourists in the destination. This paper may be the first study in finding the model from the correlation between smart tourism, perceived value, memorable tourism experience, and revisit intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=63

150 ABS-319 Mark	eting Management
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# Marketing Management Islamic Philanthropy Institution in Indonesia in collecting donor funds

Eko Fajar Cahyono, Lina Nugraha Rani, Sylva Alif Rusmita

Islamic Economics Department Faculty of Economics and Bussiness Airlangga University

#### **Abstract**

The purpose of this study is to describe the strategies used by several institutions managing the funds of zakat, infaq, and alms in Indonesia. Unlike companies, zakat management institutions aimed by social rather than commercial and profit-making. Although non-profit organizations, in fact, Islamic social institutions have implemented some marketing management principles of advertising in the mass media, advertising in public places, making magazines, calling consumers and so on. This research tries to investigate further how the rationality of zakat management institution decides to make business marketing effort in reaching donor fund or public fund. The research approach uses qualitative descriptive and literature study method as the method of analysis. The data is taken from the documents of the promotional materials of zakat management institution and by observing the behavior of the promotion of zakat management institution. The scope of the research is the national standard zakat management institution in Indonesia and the period of analysis is from 2015 -2018

151	ABS-322	Marketing Management

# THE INFLUENCE OF WONDERFUL INDONESIA BRAND TOWARD THE FOREIGN TOURIST DECISION TO INDONESIA

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Universitas Pendidikan Indonesia

#### **Abstract**

#### **ABSTRACT**

Wonderful Indonesia Brand was made to influence the decision of foreign tourists to visit Indonesia. This study aims to determine the effect of Wonderful Indonesia Brand on the decision of foreign tourists to visit Indonesia. To identify the perception of foreign tourists about Wonderful Indonesia Brand, the decision of foreign tourists to visit Indonesia, and to know the research method used in this research is descriptive verification. Variables in this study are Brand Image and Tourist visiting decisions. Collection can be obtained through, observations and questionnaires. The data collected from the questionnaire are ordinal data, this data needs to be converted into intervals using MSI (Method Success Interval). Meanwhile, to determine the range of rank of the questionnaire, the researcher uses the continuum line. Based on the results of research obtained in this study, it is known that the score of Wonderful Indonesia Brand is in the high category with a score of 77.34% and the score of visiting decisions are also in the high category with a score of 72.04%. Judging from the magnitude of the influence of Wonderful Indonesia Brand on the visiting decision of 41.5%, it can be concluded that the influence of Wonderful Indonesia Brand is in the medium category.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=322

152	ABS-325	Marketing Management
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### How the Internet Impacting on Current Tourism Marketing Theory and Practice Andar Danova L.Goeltom, Ratih Hurriyati, Vanessa Gaffar, Lili Adi Wibowo

Indonesia University of Indonesia/ Universitas Pendidikan Indonesia

#### **Abstract**

The Internet presence is one of new technology era 21st Century. The Internet exit to all elements of life, Surely the most fascinating aspect of the internet is freedom, freedom of knowledge, freedom of information, freedom to exchange opinions. Today the Internet is conceivably the most open and democratic communication system in existence guaranteeing a wide diversity of opinion.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=325

153	ABS-329	Marketing Management

### ANALYSIS OF SERVICE CARTER QUALITY IN AN EFFORT AT KEDAI UPIK PALEMBANG

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#### **Abstract**

This research aimed to see the application of CARTER service quality at Kedai Upik in increasing customer satisfaction. The method used in this research was a qualitative

method with descriptive approach. The quality of CARTER services has six main dimensions; Compliance, Assurance, Responsiveness, Tangible, Empathy, and Reliability. With the assumption that customer satisfaction is closely related to the quality of service, then a company should provide the best quality of service, since it is the key to a companys success, apart from product superiority. The result indicated that the application of CARTER service quality at Kedai Upik has not been optimal enough, especially on Responsiveness and Tangible aspects.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=329

154	ABS-330	Marketing Management
154	ADS 330	Flanketing Flanagement

# Analysis of brand relationship in ganesha public speaking Panji Priambudi

Indonesia University of Education

#### **Abstract**

Bandung is one of the big cities in Indonesia which is the capital of West Java Province. Training needs for the community in this city, especially in the field of public speaking is increasing. This can be seen from the increasing number of training institutions that open the public speaking class and managed to attract participants to attend the training. The tight competition among training institutions and the emergence of similar products at competitive prices makes every training institution should work harder to be more creative and innovative in creating products that are superior to other competing products. Ganesha Public Speaking (GPS) is one of the training institutions that was established since 2009. This institution continues to improve quality and continue to innovate for getting new customers and retain old customers. Consumers will be more willing to loyal to a brand or company if they have a close relationship with the brand or company. When it comes to loyalty, its important to win the competition and keep customers. This study aims to obtain a description of the Brand Relationship between GPS and its alumni. This study uses a marketing management science approach that focuses on Brand Relationship as the main variable. In this study, the samples used are 33 people who are all alumni of Ganesha Public Speaking training and Sampling is done with nonprobability sampling technique. Based on the results of statistical tests, this study shows that the brand relationship in Ganesha Public Speaking is at a very high level.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=330

155	ABS-84	Marketing Management

# Electronic Word of Mouth and Purchase Intention on Online Travel Agent Traveloka

Santy Ajeng Zahratu

Universitas Pendidikan Indonesia

# **Abstract**

Traveling recently became a trend in several countries including Indonesia. Online travel agents (OTAs) platform such Traveloka, Agoda, Ticket.com, and Mister Aladin start to develop and become huge in Indonesia. The existences of those OTAs both local and global as new form of ecommerce in travel industry have affecting in communities behavioral and purchasing patterns. Most of Indonesian tends to use booking online to get their travel needs related to transport, hospitality and tourism. It makes Indonesia also ranked third place in The Digital Traveler survey on 2017. The role of electronic word of mouth (EWOM) also becoming very important for consumers in their online purchasing process. Consumer

often to rely on EWOM in review form to get many information and make purchase decision. The purpose of this study is to examine the influence of EWOM toward consumer purchase intention at Traveloka as one of popular local OTA in Indonesia. The study was conducted by distributing questionnaires to 100 respondents in Bandung city who previously had at least once using online booking services on either Traveloka application or website. This research uses simple linear regression method in analyzing data research. The result of this study is indicating that EWOM significantly have influence toward people intention in purchasing at Traveloka. From this result, Traveloka needs to maintaining and improving their quality and consumer satisfaction to consistently earn positive EWOM among consumers to attract intention purchase on other consumer through their application.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=84

156	ABS-340	Marketing Management
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# INFLUENCE OF PUBLIC RELATION ON ATRIBUTTES PRODUCT ON VISITING DECISION THE MUSEUM

Arciana Damayanti

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#### Abstract

This study was conducted to determine the effect of product attributes to the visiting decision the National Education Museum visitors in Bandung. The independent variables (exogenous) or as a variable that affects the (independent) are attributes of the product (X) consisting of five (5) dimensions, namely Attractions and Environmental Destinations, Ameneties or Services and Facilities Destinations, Accessibility Destinations, Image, and Networking. The research problem which is the dependent variable (endogenous) or a variable that is affected (dependent) is the decision to visit, which consists of six (6) dimensions, namely the selection of products /services, the choice of brand, the choice of dealer, time of visits, the number of visits, and payment methods. This type of research use descriptive research and verification to the 35 visitors of the National Museum of Education, through questionnaires given.

The sampling technique used in this study is a random sampling technique for moving population (mobile sampling) and data analysis techniques used is to use structural equation modeling (SEM) and the path diagram to know how product attributes influence on the decision to visit. The results showed that attractions, ameneties, accessibility, image, and networking together have a positive influence on the visiting decision to the National Museum of Education as a museum that is quite interested visitors. That way, if an increase in the quality of the tourism product attributes, it can strengthen the identity of the National Education Museum. The greatest impact was partially influence destinations attractions and Environment, while the smallest effect is networking for the influence of the visiting decision.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=340

157	ABS-87	Marketing Management

# Analyzing Perceived Value and Trust on Purchase Intentions Case Study of Mitra PT.Cipta Usaha Makmur

Merry Fithriani, Ratih Hurriyati

Universitas Pendidikan Indonesia

### Abstract

Abstract: Technological and economic progress increasingly rapidly, consumers increasingly easy to conduct electricity bill payment transactions and others online. A lot of people are interested to join in this business venture, because it is profitable. When consumers want to work with PT. Cipta Usaha Makmur then consumers will consider the value and perceived confidence. The purpose of this study is to analyze the perception of value and belief in the purchase intention in PT. Cipta Usaha Makmur. Data from 160 respondents who have been taken at random to 60 respondents by using simple regression analysis to test the relationship between these variables. The result has a significant partial effect and can be sustained by giving the customer the best value and earning trust to keep the intention of buying.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=87

158	ABS-345	Marketing Management
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# The role of attitude toward marketing and marketing practice on marketing performance: a theoretical framework development for SMEs

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#### **Abstract**

Entrepreneurial marketing is known as implementation marketing in Small Medium Enterprises (SMEs). Many scholars investigated the entrepreneurial marketing issue in various contexts and environments. Previous studies found an inadequate marketing practice in SMEs. Then the research results concluded differences marketing practices between large size firms and SMEs. The nature of SME cause the behavior issue such as attitude toward marketing became one element that involve in marketing practice and marketing performance. The objective of this paper is to develop a conceptual model to improve marketing performance. This paper contributes to entrepreneurial marketing literature in exploring the influence of marketing attitude and marketing practice toward marketing performance

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=345

159 ABS-91 Marketing Management

### **How to Improve Green Awareness of Customer?**

Doni Purnama Alamsyah, Didin Syarifuddin

Universitas BSI STP Ars Internasional

### **Abstract**

This study aims to review supporting variables of formation customers green awareness through study of environmentally friendly products by seeing customer behavior for green advertising, green brand attribute, green perceived value, and green brand image. It has been conducted review through survey on 500 customers in West Java Province who come

to Supermarket Retail, which is a place in offering one of environmentally friendly products. Descriptive and verification research are conducted through regression analysis and research hypothesis test. Research finding is stated that based on its level, variable which can support the improvement of green awareness is green advertising, green perceived value, green brand image, until green brand attribute. Research result gives recommendation on industry that offers environmentally friendly products by analyzing market through customers green awareness. Besides that, this study encourages healthy humans development particularly in Indonesia through study that tries to improve customers consumption of environmentally friendly products.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=91

160	ABS-92	Marketing Management
160	ABS-92	Marketing Management

The Influence of Birth Certificate Application Process Service toward Public Satisfaction in the Population and Civil Registration Agency of Garut Regency

Ikeu Kania, Dini Turipanam Alamanda, Nurbudiwati, Daris Hasmi Fauzan

**Garut University** 

#### **Abstract**

The sustainability of national development and public services must include a special attention to the popu-lation factor as the subject and object. A good quality of public service is required in organizing national population administration system. A birth certificate is an identity form and an integral part of citizen civil and political rights. Unfortunately, the people in Garut Regency still consider the service quality of the local Population and Civil Registration Agency is not yet effective in serving the society during birth certificate application process. Therefore, this study aims to find out the influence of service quality provided during the process of birth certificate application toward public satisfaction in the Population and Civil Registration Agency of Garut regency.

Using a quantitative approach, data were collected through observations, interviews, literature studies and questionnaire distributions. Questionnaires were spread to 100 respondents using non probability sampling technique which is a purposive sampling. The collected data were then analyzed using multivariate analysis of multiple regression. The result of this study indicates that there is an influence of service quality during the process of birth certificate application toward Public Satisfaction in the Population and Civil Registra-tion Agency of Garut Regency as big as 36%.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=92

161 ABS-351 Marketing Management

# INTENTION TO SUSTAINABLE FISH CONSUMPTION

MELVA MINAR LEONARDA TAMBUNAN AND TENGKU EZNI BALQIAH

Universitas Indonesia

# **Abstract**

Sustainable fish consumption is one of the government programs that are being intensively implemented to overcome malnutrition in society, improve health and public welfare. This study aims to examine and analyze the antecedent factors that influence consumer intentions to increase fish consumption, through the perspective of Theory of Planned Behavior model (TPB) and the role of consumer confidence. The analysis was performed by using Stepwise Regression Analysis to test the strength of five hypotheses of the variable relationship in the model. Respondents selected through purposive sampling are 200 mothers who hobbies and regularly consume fish. The results showed that attitude and

perceived consumers effectiveness have a direct impact and positif influence towards intention to sustainable fish consumption. Confidence only affects attitudes toward consumer intentions. While perceived availability and subjective norms do not significantly influence the intention to sustainable fish consumption.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=351

162	ABS-352	Marketing Management

# Understanding Millenials Decision Making in Buying Car: Lifestyle and Personality Ode Pramoedya and Tengku Ezni Balgiah

Universitas Indonesia

#### Abstract

Millennial consumer has become the trending subject in marketing practice in order to deeper understanding of their consuming behavior. It is believe that the millennial differ between one groups to another. This study aims to analyse the behavior of millennial in Indonesia and identify the factors that they concern ini buying car. This study refer to 7Ps marketing mix, personality, and lifestyle on buying their car buying decision. For that purpose, qualitative and quantitative research method were applied on this paper with In Depth Interview of 8 respondents and collect another 300 respondents based of Snowball Sampling through offline & online questionnaire. Factor analysis of the data identified 18 factors that millenials concern in buying car.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=352

163	ABS-99	Marketing Management
163	ABS-99	Marketing Management

# The Influence of Restaurant Atmosphere on Customer Loyalty Through Hedonic Experience

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### Abstract

With the increasing income of Indonesian people and the existence of lifestyle changes impact on the existence of a restaurant which is not only a place to eat and drink, but also a place to gather, socialize and release fatigue, furthermore, followed by the number of restaurants offering more and more varied food, beverages, and entertainment. Similarly, the competition among restaurants is getting tougher. This study aims to analyze the influence of restaurant atmosphere on customer loyalty through hedonic experience. Restaurant atmosphere consists of design factor, ambient factor, and social factor. The sample in this study was 130 visitors. The analysis technique used is Structural Equations Model (SEM) with AMOS software. The research finding showed that design factor and social factor have significant effect on hedonic experience. Likewise hedonic experience has significant effect on customer loyalty. Meanwhile, the ambient factor has no effect on the hedonic experience. The findings of this study contribute to the development of the concept of hedonic experience, as well as beneficial to culinary practitioners.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=99

164	ABS-355	Marketing Management
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# Effect of Online Servicescape on Behavioral Intention Online Reservation Hotel Services

G. Razati, I. Awanny & P.D. Dirgantari

Universitas Pendidikan Indonesia

#### **Abstract**

This study aims to obtain findings whether there is influence online servicescape against the behavioral inten-tion of Agoda products in Indonesia. Type of research used is verification, and the method used is explanato-ry survey with simple random sampling technique, with the number of samples of 165 respondents and data analysis techniques used is the path analysis. The results showed that there was a significant effect of online servicescape on behavioral intention. In an effort to improve the behavioral intention of consumers, the author recommends that companies better understand the factors online servicescape as one of the basis in providing services for users of Agoda websites in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=355

165	ABS-100	Marketing Management
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### The Antecedent and Consequences of Trust in Online Shopping

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# **Abstract**

The last decade is marked by the increasing of product sale through online shopping. Various types of businesses that originally only used offline concepts, have now shifted to online and offline concepts, even some have abandoned the online concept. Due to the nature of offline shopping that does not require direct meetings among sellers and buyers, it makes the trust factor play a crucial role. Questionnaires are distributed online to consumers who have purchased products in online shopping. A total of 271 data from respondents were eligible to be analyzed using Structural Equations Model (SEM) analysis techniques with AMOS 16.0 software. From the 10 hypotheses tested, there are 9 supported hypotheses, including influence of perceived reputation, perceived risk, and perceived ease of use in online trust, perceived value and online trust toward satisfaction, as well as influence of perceived reputation, perceived ease of use, satisfaction , and online trust in online repurchase intention. Meanwhile, the influence of e-commerce knowledge on online trust is not supported. The research findings contribute to the development of online trust concept, as well as beneficial to online shopping businessmen.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=100

166	ABS-359	Marketing Management

# Sport Motivation and Decision to Participate in Tahura Trail Running Race

V Gaffar, O Ridwanudin, D Inassa

Universitas Pendidikan Indonesia

### **Abstract**

Decision to exercise of participants to conduct a sports tourism activity is still low. The event Tahura Trail Running Race is one of big sport events, which is always held annually in Bandung City. The event faces the problem of low interest and participation from inside and outside of West Java. The purpose of this study is to obtain findings about the influence of participant motivation on the decision to join Tahura Trail Running Race. The sample of the study covers 90 respondents, consisting of 32 participants from West Java and 58 participants from outside West Java. The data analysis technique is Multiple Regression. The results show that motivation had an effect on the decision to perform sport. Based on the result of different test, it is known that from among the motivation variables, social dimension is the only that has difference among the participants.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=359

167	ABS-104	Marketing Management
107	ADS 10-	ranketing ranagement

# How Digital Certificate Affects e-Commerce Consumers Trust and Purchase Intention

P.K. Sari & A. Prasetio

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#### Abstract

The government of Indonesia continues to encourage the development of e-commerce industry in the country by arranging e-commerce road map. One of its focus is consumer protection by creating a local Certification Authority (CA) that will publish a digital certificate for e-commerce actors. Digital certificate is expected to increase consumer trust and furthermore encourage purchases through e-commerce websites in Indonesia. This study aims to find out how the level of awareness of Indonesian consumers about the use of digital certificate, which consists of the dimensions of knowledge, attitude and behavior, can affect the trust and purchase intention. Data were collected through online survey to users of top-five e-commerce sites in Indonesia and analyzed using PLS-SEM method. The results of the study revealed that the dimension of knowledge has no significant effect on trust. Meanwhile, attitude and behavior have a significant effect on trust. Furthermore, this research shows that trust has a significant effect on purchase intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=104

168 ABS-360 Marketing Management
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### LUXURY BRAND PERCEPTION FOR BUILDING PURCHASE INTENTION

Dian Herdiana Utama; Rifki Candra Nugraha; Ratih Hurriyati; B Lena Nuryanti

Universitas Pendidikan Indonesia

### Abstract

The study was conducted to know the effect of luxury brand perception on purchase intention. This study was conducted over a period of less than one year, the research design used was cross sectional method. This research uses descriptive and descriptive approach with explanatory survey method. A total of 370 respondents as a sample using simple random sampling. Questionnaire research is used as a research instrument to collect data from respondents and data analysis techniques used are simple linear regression. Findings in this study the perception of luxury brands has been applied effectively and thoroughly categorized well

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=360

169	ABS-107	Marketing Management
	7120 207	

# ENCOURAGING PRO-ENVIRONMENTAL BEHAVIOR THROUGH CONSUMER INNOVATIVENESS

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### Abstract

Environmental issues are important in the context of sustainability development goals (SDGs). Pro-environmental is an idea with a new paradigm that is able to influence consumer lifestyles. As a relative new concept or idea, pro-environmental becomes the consumers challenge to adopt and apply it to be a part of lifestyle. It shows that pro-environmental behavior (PEB) becomes a challenge for researchers. The aim of this literature review is to describe the PEB and the antecedents of PEB. Theories that explain the PEB include Value Belief Norm Theory, Theory of Planned Behavior, Ecological theory, Attitudinal-Behavior-Context Theory, etc. While the antecedents of PEB are consumer innovativeness, values, belief, attitudes to pro environmental behavior, age, gender, income, level of education and others. This literature review presents an opportunity for researchers to conduct validation testing of PEB instruments, which are unidimensional or multidimensional. Consumer innovativeness as an alternative predictor of PEB becomes an opportunity for researchers to explore in further research. The gap theory of consumer innovativeness arises with the existence of several different theoretical standpoints that explain consumer innovativeness.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=107

170	ABS-364	Marketing Management
170	ABS-364	Marketing Management

# ONLINE REVIEW BY BEAUTY VLOGGER AND ITS IMPACT ON BUYING INTEREST

Heny Hendrayati; Nisha Celya Noorfadila; Marchela Indah Atrisia; Rahmy Karimah Syahidah; Mochamad Achyarsyah

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# **Abstract**

Social media enables people to get information about a product easier. One of them is online review by beauty vlogger on social media Youtube. Purbasari became one of the local products that quite often become the object of material reviews by Indonesian beauty vlogger on Youtube. This study aims to find out Online Review by Beauty Vlogger, to know the buying interest of purple lipstick, and to know the effect of Online Review by beauty vlogger to buying interest. Therefore, the method used is descriptive and verification. The respondents are a hundred viewers of the purbasari lipstick review video. The sampling technique of this research is purposive sampling method where the criteria are women who know the Purbasari products and have watched Purbasari lipstick review video which reviewed by Indonesian beauty vlogger. The questionnaires are distributed through social media Line by using Google Form. The result of the research shows positive and significant influences of the Online Review on the buying interest.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=364

171	ABS-115	Marketing Management

# The Moderating Effect of Market Sensing Capability on relationship between Entrepreneurial Marketing and Marketing Performance (Study on SMEs food and beverage in West Java)

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 Universitas Pendidikan Indonesia

### Abstract

### Background

Marketing performance in SMEs describe the success of SMEs in implementing marketing strategies and programs. This condition is provide the role of entrepreneurial marketing as guidance of market inside out perspective for SMEs managers in taking advantage of unknown opportunities become more profitable. Several studies have described that SMEs often encounter difficulties in marketing, this is caused of SMEs difficult to conduct market sensing capability for utilization of market opportunities that affect to marketing implementation for obtained profits.

### Research Objectives

To determine the effect of market sensing capabilities as moderation to entrepreneurial marketing and marketing performance.

Survey conducted on 50 SMEs food and beverage sector with a simple random sampling technique. Data analysis using linear regression Finding

Entrepreneurial marketing as a marketing activities guidance in SMEs affect toward marketing performance by market sensing capabilities as moderator variable. This is due to the SMEs manager in running their business activities are influenced by the ability to absorb the dynamics of changes in the marketing environment into a profitable opportunity.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=115

172 ABS-118 Marketing Management

## The Factors that Constitute Service Quality of PDAM Sukabumi

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### Abstract

The citizen of Sukabumi city as drinking water customers complain that Sukabumi Municipal Drinking Water Company (PDAM) service is not yet optimal. This study aims to confirm the factors that constitute service quality of PDAM Sukabumi from perspective of customer (citizen)

By using a quantitative approach, the survey was conducted toward Sukabumi City PDAM customers. A total of 120 respondents were selected by simple random sampling method which then analysed using confirmatory factor analysis. Variable of service quality consist of tangible, reliability, responsiveness, assurance and empathy, was developed become 31 indicators.

The results showed that from 31 indicators tested, 4 factors formed as factor that form service quality of PDAM Sukabumi. These factors namely accuracy (eigen score 10.671),

courtesy (eigenvalues 2.021), response speed (eigen score of 1.646) and technological proficiency (eigen score of 1.333).

Keywords: service quality, confirmatory factor analysis, PDAM Sukabumi

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=118

173 ABS-124 Marketing Management

# THE ROLE OF BRAND EQUITY ON THE DECISION IN CHOOSING A UNIVERSITY FOR NEW MIDDLE CLASS STUDENTS

Asep M Ramdan, Agus Rahayu, Ratih Hurriyati, Mokh. Adib Sultan

Universitas Pendidikan Indonesia

#### Abstract

The purpose of this study is to find out the description of Brand Equity Dimensions and Decision of new middle class students in choosing university and how big the effect of Brand Equity Dimensions on new middle class students decision in choosing a university. Research methods used are descriptive and explanatory research. Data collection was conducted through questionnaires to 100 new students of 20 departments. The results of the study showed that the new middle class students have a good understanding for the brand of university, the new students are very concerned about the parts of the brand of a university so it forms an emotional bond between university and students, simultaneously known that brand equity significantly influence the decision students in choosing a university, while partially from 4 (four) dimensions two of which do not significantly influence the students decision in choosing a university, the two dimensions are brand awareness and quality perception

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=124

174 ABS-126 Marketing Management

# Dynamic Marketing Capabilities and Company Performance: Marketing Regression Analysis on SMEs in Indonesian

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### **Abstract**

Since a few years ago, the thinking associated with dynamic planting became one of the most interesting in reading science management, the challenges of various studies proving the manifestations of theoretical studies. Now, one of the most important issues is the role of marketing function in the development of dynamic capability concept, even at the moment there is a new term in marketing that is "dynamic marketing capabilities." This is interesting, as some previous studies have conducted assessments related to building dynamic marketing capabilities (DMC). A key part of dynamic marketing capability is basically aimed at improving company performance. The main problem that exists in developing and apart from advancing the company that is often a constraint is the poor quality or performance of the marketing department. This study will test the dynamic marketing capability (DMC) with the companys performance in the marketing department, which is done on some small and medium enterprises (SMEs) in Indonesia as one of the developing countries. The results showed that there is a positive influence between the variables studied. Finally, the implications from this research for the marketing department

should improve in terms of dynamic marketing capabilities (DMC) including strategic marketing capabilities, planning marketing capabilities and market knowledge capabilities.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=126

175 ABS-127 Marketing Management

# Factors Influencing Consumers Online Purchase Intention: A Study among University Students in Indonesia

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#### Abstract

The rapid growth of e commerce market in Indonesia is no doubt. With the number of internet users reaching the number 143.26 million people or about 54.68 % of the total population in Indonesia in 2017, the e commerce market becomes potential market for the future. Because of these significant numbers of users, it is important to understand factors affecting consumers purchase intention in online shopping. The previous study indicated that trust is considered a key factor affecting consumers purchasing intention.

This study explores the influence of perceived risk and reputation on perceived trust and consumer purchase intention. The empirical result obtained in a sample of 152 users that had previously visited several online vendor websites indicated that online purchase intention is influenced positively by perceived risk and perceived trust, and Perceived trust is positively influenced by perceived risk and perceived reputation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=127

176 ABS-128 Marketing Management

# CUSTOMERS EMOTIONAL BOND EFFECTS OF CUSTOMER LOYALTY ON CROSS INDUSTRY

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### Abstract

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=128

177 ABS-134 Marketing Management

# IS E-SERVICE QUALITY REQUIRED TO DEVELOP CUSTOMER SATISFACTION (CASE STUDY: GRAB INDONESIA IN BANDUNG)

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### **Abstract**

Online transporatation service, a disruption phenomenon in Indonesia. Grab Indonesia as one of company provides online transportation tries to maintain its service to be positive, so that customer will stay choose online transportation as main option. Customer satisfaction is one of the most important thing in online transportation business to survive. One of factor that effect customer satisfaction is e-service quality. E-service quality gives positive towards customer satisfaction. Respondent in this research are Grab bike customer in Bandung. Metods conducted in this research is descriptive survey. Hypothesis in this research is there is a positive effect of e-service quality towards customer satisfaction. To measure te e-service quality effect towards customer satisfaction regression analysis is conducted. The research result is that there is a positive effect of e-service quality towards customer satisfaction. Grab Indonesia should optimalize and directed e-service quality to get customer satisfaction.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=134

# INFLUENCE OF TRUST ON ONLINE SHOPPING IN PREDICTING PURCHASE INTENTION

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Universitas Airlangga

#### Abstract

The user of internet in Indonesia grows quickly nowadays. The growth of the internet user creates an online shopping itself. Todays popularity of social media becomes a chance to do a business activity all over the world, including Indonesia. One of the most popular online commerce media to do the business is Instagram. Risks on doing online shopping could decrease consumers trust. Therefore, trust is the most important aspect in online shopping. This research aims to analyze the effect of trust in the platform of Instagram to familiarity, information seeking and purchase intention.

Data collected through questionnaires that given to respondents who have an Instagram account and have never purchase any fashion product from online shop in Instagram. Respondents that used to analyze the hypotheses were 201 persons. The results of this research show that trust has an effect to purchase intention and information seeking, information seeking has an effect to purchase intention and familiarity, and familiarity has an effect to purchase intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=139

179	ABS-141	Marketing Management

# The Dark Side Of Life Insurance Salesperson In Achieving Sales Targets: Ethics Problems

Ayunda Nirmala, Gancar C Premananto

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# **Abstract**

In this study, the researcher wanted to know more about what unethical things the marketer did, and also what consideration factors make marketers unethical, and how far the supervisor knows the unethical actions performed by marketers. The research method used is qualitative approach with snawball sampling technique. Thematic analysis is used

as the basis for qualitative research analysis. The researchers also used inter-research triangulation techniques and theories as a technique to check the validity of data. The findings based on 8 marketer informants and 1 informant supervisor are unethical actions conducted by marketers Misrepresentation, Premium Payment, Churning, Pooling, Discrediting competitors, Discount / Indocument, Premium Deposit Delivery, Account Opening and Policy Insurance without Customers Knowledge, Falsifying Customers Data Information, Misappropriation of Customers Fund, "Suicide", Faking Signature in Form that Forgot, and Forging Customers Signature. The unethical actions performed by these marketers can be categorized into several indicators, namely the applicable special regulatory indicators, legal indicators, cultural indicators and ethical indicators of each business actor. In addition, the factors affecting marketers to perform such unethical actions are due to factors of need for money, obligations to meet sales targets and work environment culture.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=141

# EXPLORATION OF LUDRUK AS POTENTIAL ICON IN INDONESIA SHOW BUSINESS FOR MILLENIAL GENERATION

Gancar Candra Premananto and Muhammad Ikhwan

Master of Management Faculty of Economics and Business Airlangga University

#### **Abstract**

The purpose of the research is to understand why Ludruk as a traditional cultural art is not in demand by young, millennial generations. And further can give suggestions how to make Ludruk become world show icon in Surabaya. The qualitative approach was conducted in this research. The results of the study was the inability of managers and artists to produce and features ludruk products art that meet consumers expectation caused by reluctance of ludruk artists itself to develop and improve existing art products. Paradoxes of creativity identified in this research. Showing that even Ludruk is part of creative industry and need higher improvisation, but the senior player feel reluctant to innovate the show.It need support of government and CSR from private company to helps them.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=142

181	ABS-145	Marketing Management
181	ABS-145	Marketing Management

### Does TV Ads Really Ignored by Customer?

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### **Abstract**

The behavior of avoiding advertising is an interesting area to be examined. The massif progress of internet marketing has changing the conventional advertising strategy that mostly used television media to switch in online advertising media. This study examines whether television ads that have been shifted by online advertising have really been

ignored by consumers? Base on Time orientation theory which states that an individual spends his or her time purpossively depending upon whether time orientation in past, present, or future. Refers to that, this study analyses the behavior of avoiding TV advertising. Strategy research in this study is positivism paradigm with quantitative or deductive approach. Method of analysis using Structural Equation Modeling, with 220 respondents in urban area of Surakarta, Central Java, Indonesia. The findings of this study indicate that consumers with a future time orientation can still enjoy television advertising. So, online marketing does not change the conventional marketing advertising strategy in all lines of advertising media.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=145

182	ABS-146	Marketing Management
	7120 - 10	

Influence of Endorser Credibility, Brand Credibility, Brand Equity to Purchase
Intention in Online Shopping: Instagram Phenomenon

ZULFIKAR AGUSTIANSYAH, DIEN MARDHIYAH

Universitas Airlangga

### Abstract

The growing number of social media users in Indonesia is increasing every year. Acording e-Marketer market research institutes, in 2017 there are approximately 82 million people in Indonesia who use social media at least once a month. This number increased from the number of 72.3 million users in 2015 ago. That means more than one third of Indonesian people are people who are fond of using social media. One of the popular online social media applications today is Instagram. Instagram is the most used social networking app (82 %), followed by Facebook (66 %) and Path (49 %) (Mastel and APJII, 2016). Increasing users of Instagram applications create new trends of credible endorsers triggering brand purchase intention. The purpose of this study was to analyze the influence of endorser credibility and other factors to purchase intention on Instagram. Other factors were brand credibility and brand equity

This study used quantitative online survey approach. There were 211 respondents, who have active in using social media Instagram and knowing Indonesian artist named Raffi Ahmad, that used to analize hypotheses. The data testing technique used is SEM AMOS. The results showed that brand credibility and brand equity positively affected to purchase intention; brand credibility positively affected to brand equity; and endorser credibility positively affected to brand credibility. While the endorser credibility didnt affected to brand equity and purchase intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=146

183	ABS-148	Marketing Management
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# THE INFLUENCE OF RECOMMENDATION AND INFORMATION CREDIBILITY TO CONSUMER REGRET OF PURCHASE DECISION (STUDY ON CHINA HANDPHONE CONSUMER IN SURABAYA)

Adrianto Trimarjono & Kristiningsih

Wijaya Kusuma Surabaya University

### **Abstract**

### **ABSTRACT**

As an economy societies, consumers assumed that they would optimize their transaction results, however in the fact it would be difficult to realized. According to Simon (2001) theory, bounded rationality, asserts that human rationality is limited. Humans have limited

cognition in processing information for decision making. Based on the theory of bounded rationality is assumed that many consumer decisions potentially not optimal.

According to Zeelenberg and Pieters (2007) every time people make the wrong decision will have implications on the emergence of regret. One or two frequent remorse frequencies experienced by consumers may be overcome through an emotional regulatory system, but if hundreds and even thousands of regret sensations arise, the human emotion regulation system can not run optimally.

In theory of regret, consumers who get recommendation with those that do not get recommendation will have different influences in bring up level regret post taking decision. Consumers who get recommendation assumed that they have responsibility more low compared with consumers who do not get recommendation (Umaya, 2015) This research will test recommendation and information credibility or source information to the regret.

This Research aim is to test the influence of credibility information and recommendation to regret through consumer decision purchase. This research is quantitative research with causal approach. This studies do on consumer Chinese hand phone product who get a medium aggressive promoted from some China hand phone brands in the period of research. The China hand phone brands are: Oppo, Huawei, Lenovo, Vivo and Xiaomi. Respondents selected with use purposive sampling technique. For test hypothesis research used multiple regression analysis.

The Results of this research show that credibility information and recommendation take a significant effect to consumer purchase decision on China hand phone. But purchase decision not take a significant effect to consumer regret, so purchase decision would not be a variable that mediate between credibility information and recommendation to consumer regret on consumer purchase decision on China hand phone .

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=148

184 ABS-161 Marketing Management

# QUALITY OF HALAL TOURISM DESTINATION: AN EMPHIRICAL SURVEY TO MOSLEM FOREIGN TOURIST IN BANDUNG

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INDONESIAN EDUCATION UNIVERSITY

### Abstract

Bandung is one of the main destinations of West Java in developing halal tourism. Bandung has become one of preffered destination for moslem foreign tourist in West Java especially for Malaysia market, besides others foreign market as well. The purpose of this research is to measure the quality of halal tourism destination in relation with tourists satisfaction. This research is a market research with moslem foreign tourists who travel to Bandung as a respondent. Data collection is done through spreading the questionnaires at exit point and tourist attractions of moslem foreign tourists in Bandung. Exogenous variables used in this research are physical product, packages, programs, and people with tourists satisfaction as an endogenous variable. Moderating variable used in this research, is islamic attributes. The analysis used is moderation regression analysis (MRA). The results provide strong support to the notion that quality of halal tourism destination products significantly influences moslem foreign tourists satisfaction and Islamic attributes variable contributes to moderate quality of halal tourism destination to moslem foreign tourists satisfaction. This perspective provides an indepth knowledge of moslem tourist behaviour as a basic concept in determining perceived quality. This research will contribute to the new model of national thematic tourist destinations development. The value of this research is that it identifies the quality of tourism destInation in moslem foreign tourists perspective. This will increase the number and variety of research on halal tourim destination and moslem tourist behavior which still a few.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=161

185 ABS-166 Marketing Management

# Influence of Social Media Marketing (SMM) on Attitude and Intention to Use Sustainable Transportation

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Universitas Pendidikan Indonesia

### Abstract

Rapid increase on the use of private motor vehicles has caused various transportation problems affecting the economic, environmental, and social aspect of Bandung City. In order to tackle the problem, peoples desire to utilize alternative modes of transportation should be cultivated. In light of a growing interest in the use of social media marketing (SMM), this study was conducted to see the influence of SMM on attitude and intention to use more efficient and eco friendly modes of transport such as public transportation, bicycle, and walking. A questionnaire survey was conducted to the followers of Bandung Eco Transports Instagram account. The outcome of the study provides insight on how SMM affects individuals attitude and intention to decrease the use of private motor vehicles.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=166

186 ABS-169 Marketing Management

# OPTIMALIZATION OF TOURISM PRODUCTS TOWARDS DESTINATION IMAGE OF BANDUNG (STUDY ON TOURISM DESTINATION IN WEST BANDUNG REGENCY)

Andar Danova L. Goeltom, Ratih Hurriyati, Lili Adi Wibowo

Universitas Pendidikan Indonesia

### **Abstract**

OPTIMALIZATION OF TOURISM PRODUCTS TOWARDS DESTINATION IMAGE OF BANDUNG (STUDY ON TOURISM DESTINATION IN WEST BANDUNG REGENCY)

By:

Andar Danova L. Goeltom, Ratih Hurriyati, Lili Adi Wibowo

**ABSTRACT** 

This study aims to find and analyze the mix of tourism products and destination image in Bandung as well as the influence of tourism product mix towards to the image of Bandung destinations, study on the Tourism Destinatin in West Bandung regency.

The research method used is explanatory research on 150 tourists who visited the tourist destination in West Bandung by accidental by using Pearson Product Moment correlation analysis.

The results showed that the tourism product mix conducted by the management of the tourist destination in West Bandung has been done well. Tourism Product Mix is implemented through Pyhsical Product, People, Packages, and Programs approach. Furthermore, the image of the Destination is measured through 3 dimensional images ie; Cognitive Image, Unique Image and Affective Image. Tourists give recommendations to other parties about the destination destination in West Bandung regency, telling positive things and encouraging and influencing other parties to visit the the relevant tourist destination. The results of continuing research indicate that there is influence between the

mix of tourism products with the image of Bandung destinations.

Keywords: Product Mix, Destination Image

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=169

187 ABS-170 Marketing Management

# Service Quality, Satisfaction, Switching Cost, Innovativeness towards Switching Intention on Consumer of non-paid television

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Airlangga University

#### **Abstract**

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=170

188	ABS-178	Marketing Management
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# The Influence of Promotion Mix on Consumer Buying Decision : A Study of Bestari Brands Dodol Garut Producer

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## **Abstract**

In coping a tight competition, many companies apply promotion mix as the right marketing strategy in order to be able to control the market share and compete with other companies with similar products. The aim of the study was to evaluate the influence of promotion mix on consumer buying decision. For conducting research, descriptive associative research technique was designed and sample that used was 30 people. Furthermore, data analysis and hypothesis testing using multiple linear regression analysis. The results showed that promotion mix have an positive effect on consumer buying decision on Dodol Garut of Bestari Brands. Then, Public Relation is the highest variable on Promotion Mix. While, Post-Purchase Behavior is the best variable on consumer buying decision

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=178

189 ABS-181 Marketing Management

# The Influence of Brand Personality Dimension on Brand Equity

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### **Abstract**

This study aims to obtain the findings of the influence of brand personality dimension to brand equity. The type of research used is descriptive and verificative. The method used is explanatory survey with sample technique of Tabachnick and Fidell counted 98

respondents. The results of this study indicate that companies in the cosmetic industry should increase aggressiveness in brand personality to improve brand equity.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=181

190 ABS-185 Marketing Management

Consumers Purchase Intention Towards Halal Detergent in Jakarta

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#### Abstract

The purpose of the study is to analyze the consumers intention to purchase halal detergent, in this case Indonesian women, and to seek the most dominant factor affecting the consumers intention. The study was based on the theory of planned behavior. The data was taken from the questionnaire using Likert scale and was spread to 50 respondents using purposive sampling technique in some areas in Jakarta. The respondents were women who knew about halal detergent. This study uses variance based Structural Equation Modelling (SEM) with Smart Partial Least Square (PLS) 3 software. There are three intention factors which are attitude, subjective norm and perception of controlling behavior that have positive effect to consumers intention to purchase halal detergent.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=185

191 ABS-186 Marketing Management

Model of Memorable Tourism Experience, Destination Image, and Value of Tourists to Revisit Intention (Survey on Istano Basa Pagaruyung in West Sumatera)

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### **Abstract**

This study aims to analyze the linkage model of memorable tourism experience, destination image and the val-ue of tourists towards the revisit intention on cultural tourism destination namely Istano Basa Pagaruyung in West Sumatera. The type of this research is explanatory research. Samples in this study are 160 domestic tour-ists who have visited Istano Basa Pagaruyung at least one visit. Sampling technique with purposive sampling method with cross sectional time scope. Data were analyzed using Structural Equation Modeling (SEM) using SmartPLS version 2.0. The results showed that the variables memorable tourism experience significantly influ-ence the destination image. Memorable tourism experience affect the value of tourists. Destination image sig-nificantly influences the value of tourists. The variable of the value of the tourists has a significant effect on the revisit intention, and the destination image has no effect on the revisit intention. These findings imply that the destination image should be enhanced by building the reputation of Istano Basa Pagaruyung as a unique cultural destination and creating comfort and security.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=186

192 ABS-188 Marketing Management

The Influence of Economy Experience with Pine and Gilmore Concept on Customer Satisfaction (Survey of Transmart Consumers in Padang City)

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#### **Abstract**

This study aims to analyze how education experience, entertainment experience, esthetic experience, and ex-perience escapism affect customer satisfaction on Transmart consumers in Padang City. The sample of this re-search is people who ever come to Transmart Padang City at least once and has been at least 17 years old, re-spondents who participated in this study amounted to 170 people, whereas respondents who meet the criteria of this study only 120 people. Sampling technique used is non probability sampling with purposive sampling method. Management of research data is done by using Statistical Package for Social Science (SPSS) version 22 software. The result of the research shows that the education experience does not significantly affect the customer satisfaction, whereas the greater or enhanced education experience will not affect the customer satis-faction level of Transmart Padang City, while entertainment experience, esthetic experience, and escapism ex-perience have a significant effect on customer satisfaction, where the greater or more enhanced entertainment experience, esthetic experience, and escapism experience, the higher the customer satisfaction of Transmart Padang City.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=188

193 ABS-189 Marketing Management

The Co-operative Enterprise Member loyalty and The Factors that Determine it

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# Abstract

The paper aims to know the shape of member loyalty on co-operative and to identificate the factors that determine it. The approach used in this paper is descriptive analysis. The descriptive analysis conducted is study of various literature such as journals (international and local), seminars proceeding (international and local), unpublished research, textbooks, regulations and legislations. Through this paper we can know that the member loyalty can be seen from to aspects namely participative contribution dan incentive contribution. The factors that determine the member loyalty are member satisfaction, member value, service quality, relationship marketing and loyalty program. This paper will useful as a reference for co-operative stakeholders to better understanding of member loyalty and how to manage it well.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=189

194 ABS-191 Marketing Management

The Usage of Digital Marketing Channels in Micro Small and Medium Enterprise (Study in Bandung District)

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#### Abstract

Micro Small Medium Enterprise or MSMEs has become the backbone of the Indonesian and ASEAN economies. Approximately 88.8% until 99.9% form of business in ASEAN is MSMEs with labor absorption reach 51.7% until 97.2%. MSMEs in Indonesia have a proportion of 99.99% of the total entrepreneurs or 56.54 million units. Therefore, cooperation for the development and resilience of MSMEs should take precedence. Today, businesses are beginning to shift by using digital technology. Every single process of business is related to social media, internet, and application based. That is why Today MSMEs should begin to adopt digital technology because the market is already shifted towards there. From internet user data displayed that Internet Users in Indonesia of 82 million active users is certainly a very potential market to be consumers. The problems in this research are the switch of marketing trends from conventional (offline) to digital (online), the number of business actors especially MSMEs that utilize digital marketing is not proportional to the number of Internet users growth, and there are a lot of MSMEs who does not understand how to do digital marketing by utilizing social networking. The purpose of this study is to provide insights into the digital marketing, and examines the factors that influence the adoption and use of digital marketing channels in MSMEs. Research method used in this research is a method of collecting data and analyzing data and combining quantitative and qualitative approaches through several phases of the research process. The results of this study, can generally be explained that the use of IT among MSMEs in Bandung District has been relatively popular in terms of the ability of the business actors operate computers and in terms of accessing the internet. But when viewed from the use of computers and the Internet to support the management or management of their MSMEs on generally relatively low. The results of this study also very clearly illustrate that the level of education of MSMEs is highly correlated with their ability to utilize IT as supporting facilities for management of MSMEs

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=191

195	ABS-192	Marketing Management
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# Experiential Marketing: a Review of Relationship to the Customer Satisfaction in Online Transportation (Study in Gojek Indonesia)

Marheni Eka Saputri; Nia Kurniasih; Yuni Artha Sinaga

Telkom University, Institute Technology Bandung; Telkom University

### **Abstract**

Gojek is an online transportation service that helps community to handle the transportation need within the congestion situation. The founder Nadiem Makarim made GoJek as the tagline An Ojek for Every Need which are: Instant Courier, Transport and Shopping. So there you have it, an ojek for every need. Gojek provides a different experience for consumers when using the services of Ojek online. The customer only have to downloaded the application. It was super easy to sign up, the customer just need to provide their name, phone numer, email and password. Gojek using Experiential Marketing as its best value. Experiential Marketing creates an impression for consumers. Providing the unique experience that matches the customers mind is important. Good or positive experience will result the customer satisfaction and the customer who satisfied will using the services again even being a loyal customer. Gojek stimulates the five senses of the consumer by giving the sense of a unique experience to the consumer such as the color of Gojek attribute using green jacket and green helmet. Ride carefully and respond quickly at the time are the feel that received by the customer. Gojek customers will think that Gojek provides many services such as Go-transport, Go-instancurier (Go-box), Go-food, and customers can easily make transactions or order the service. Customers can also download apps from iOS or PlayStore for each smartphone and android gadget. From these applications customers can directly perform all transactions in accordance with customer

needs. The drivers of Gojek also provided facilities in the form of smartphones to be able to conduct transactions to customers. So as to quickly respond to customer requests / orders, this is the action given by Gojek to make customer satisfaction. It combines all the dimensions of sense, feel, think, act that will relate feelings and experiences between company, drivers and customers. This study aims to determine Experiential Marketing in Gojek whether Sense, Feel, Think, Act and Relate Marketing are influence the customers satisfaction. This research uses multiple regression analysis technique. The type of research is quantitative research. Number of respondents in this study 400 respondents. The results obtained in this study indicate that Experiential Marketing in Gojek Indonesia simultaneously has significant effect to customer satisfaction. But in partially the variable who has significant effect to customer satisfaction only 4 variable such as Feel, Think, Act and Related, meanwhile Sense Marketing has no effect on customers satisfaction.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=192

196 ABS-195 Ma	rketing Management
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# **Switching Behavior Generation Y from Television to YouTube**

Zhaniar Rossalia, Badri Munir Sukoco, Zuyyinna Choirunnisa

Universitas Airlangga

#### Abstract

Conventional media such as television are beginning to be abandoned slowly. Many people have now switched watching television or listening to radio through conventional devices and streaming services like Netflix, Hulu, mobile devices, and web services such as YouTube. This study was conducted to understand the reason why Y generation in Surabaya was switching from conventional television to YouTube. This study used qualitative method that uses in-depth interviews by asking some questions as data techniques, using coding, and triangulator. This study involves informants as many as 32 people with 2 people as a triangulator. The results show that Y generation has rarely spent time watching conventional television and would rather spend time watching YouTube. There are three factors that cause the Y generation to move from television to YouTube, namely the existence of push factors, pull factors, and mooring factors. Push factors includes the dissatisfaction of television services, distrust, and unpractical services. Pull factor such as quality, trust, and practical provided by YouTube. And mooring factor are switching cost and variety seeking. Although generation Y says theyve rarely watched television and prefer watching YouTube, but television is not really abandoned by them. Some television programs such as news and sports broadcasting still make television the main choice of generation Y to watch the programs.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=195

197	ABS-196	Marketing Management

# The Effect of Product Knowledge on Attitude and Purchase Intention for Mudharaba Financing in Islamic Bank in Mataram

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### **Abstract**

This study aims to determine the effect of product knowledge on attitude and purchase intention for mudharaba financing in Islamic bank in Mataram.

This study uses a quantitative approach using the test path analysis. Sources of data in this study using the primary data that is questionnaire. The characteristics of the study population are customer of Islamic bank in Mataram who have business and not use mudharaba financing. The number of samples in this study were 250 respondents. The sampling technique that can be used is probability sampling with random sampling.

Based on the results of the study, it is indicated that product knowledge significantly influences the attitude, product knowledge significantly influences the purchase intention, and attitudes significantly influence the purchase intention.

The suggestions for Islamic Bank in Mataram is to use personal promotion about mudharaba financing and increase the service and facilities to improve the contumer intention. The suggestions for further researcher, can be done by adding the level of purchase knowledge and usage knowledge as eksogen variable and research can be done on other objects in the field of services such as BMT.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=196

198	ABS-201	Marketing Management
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# Redesign Ecommerce Banyuwangi Mall As Selling Media for SME

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#### Abstract

Banyuwangi became the main pioneer that provides facilities for sale of its SME products through integrated digital marketplace platform. Therefore, the purpose of this paper is to evaluation and redesign of e-commerce system at Banyuwangi Mall as a media for selling SME products in Banyuwangi. The approach used in this research is qualitative explorative approach with case study method from SME seller of goods product. The data collection procedure used in this research is interview, observation, and documentation. The theory used is Unified Theory of Acceptance and Use of Technology 2 (UTAUT2). The results of this study indicate that the SME highly accept the ecommerce Banyuwangi Mall with some suggestions to improve the system to be more efficient in its use. Then the researchers redesigned to facilitate the operation of the system for SME by considering its costs and benefits and its internal control.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=201

199 ABS-206 Marketing Management	199	199 ABS-206
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# The Effect of Differentiation Strategy to Competitive Advantage

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### Abstract

This research examines the effect of Product, Service, and Image Differentiation Strategy Of Competitive Advantage. The objective is to determine how much the influence of the strategy of product differentiation, service differentiation and image differentiation on competitive advantage of one of the restaurant in Surabaya. This research is conducted in one of the restaurant in Surabaya. Research model uses questionnaire. The sampling technique uses accidental sampling with 157 respondents. The analytical method uses the method of multiple linear regression analysis, using the classic assumption test, hypothesis F test and t test. Then using the correlation calculations to determine how much the

influence and the significance of product differentiation, service differentiation and image differentiation on competitive advantage.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=206

200	ABS-207	Marketing Management
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# customer relationship marketing performance in sharia banking

L.Lisnawati, Devira Qibtiyah, Ratih Hurriyati

Universitas Pendidikan Indonesia

#### Abstract

The decline of loyalty in some industries and impact on high competition. Each bank continuously improves its service quality in various aspects. Many things are very important to the decline of customer loyalty such as customer satisfaction, customer engagement, customer relationship management, customer trust, etc. One of them is by improving customer relationship management. Relationship marketing is a way how companies establish good relationships with their customers so that customers make repeat purchases in a sustainable manner. The dimension of customer relationship management is bonding, trust, communication, commitment, and satisfaction. The research method is descriptive and verifikatif research. By using data analysis technique of structural expression model

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=207

201	ABS-211	Marketing Management
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# Factors Analysis Influence the Success of Popular Coffee Shops Based on Location and Marketing Factor in Banda Aceh City, Indonesia

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### Abstract

An increasing number of consumers and high value of coffee marketing in various places of the word cause the number of coffee shops is increasing rapidly and become high food industry. This condition will increase business and job opportunity for the people in the poverty reduction programs. But increasing number of coffee shops will increase competition and make some coffee shops have a loss and slow development. On the contrary, some coffee shops can develop into popular coffee shops as well as success to expand their market share in Banda Aceh City, Indonesia. This research will analyze factors that influence the success of a coffee shop based on its location and marketing strategy factors like wide of the coffee shop, access the coffee shop, facility, interior and price. The success parameters of a coffee shop are the number of costumes and the profit level. The more visitors and profit level in the long-term, the more success is the coffee shop. The samples were taken from 10 popular coffee shops in Banda Aceh City on different location with 10 visitors of each coffee shop, so total samples were 100 visitors. This research used two analysis methods namely Descriptive and Doubled Regression Method

Descriptive Method was used to the location of a coffee shop, consumers and coffee shops characteristic, and profit analysis of popular coffee shop business in Banda Aceh City. Doubled Regression Method was used on tied variables (number of visitors and profit level) to the free variables (location of the coffee shop, access to the coffee shop, wide, facility, interior and price)

It is hoped that the question of the research will be answered by using the two mentioned

analysis methods above. The result of the research shows that mostly the popular coffee shops locations are on the main street with much alternative access, over 200 square meters in width, with good interior and average 494 visitors per day. The highest number of visitors is in the coffee shop that located in the downtown, hotels and modern shopping centers. There are four factors that influence the number of visitors namely access. Wide of the coffee shop, interior and price, whereas there are three factors that influence the profit level namely wide of the coffee shop, interior and price. Price has a negative influence, meaning that price increase will decrease the number of the visitors and the profit level. Other marketing factors have a positive influence, so to increase the number of visitors and profit level in the long-term need to pay attention to the wide of the coffee shop, access, interior and reasonable price.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=211

202	ABS-212	Marketing Management
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# DETERMINANTS OF CONSUMER PURCHASE INTENTION TOWARD LUXURY PRODUCT

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#### Abstract

The emergence of smartphones has become a trend in society. This resulted in increasingly fierce business competition against existing smartphone brands to compete for market share. There are many types of smartphones available on the market, including luxury smartphones. One of luxury smartphone brands that are in demand is the iPhone series. According to IDC (International Data Corporation) iPhone has been the top smartphone that managed to break the record of most shipments. The purpose of this study is to determine the effect of luxury brand perception, social influence, vanity and materialism to consumer purchase intentions on iPhone series products.

Questionnaires are distributed to 244 respondents and data are analyzed using Partial Least Square (PLS). The findings of this study indicate that the perception of luxury brand and materialism affect the purchase intention of consumers, while the social influence and vanity has no effect on purchase intention. In addition, it was found that vanity does not have a moderating effect on the relationship between luxury brand perceptions and social influences on purchase intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=212

203 ABS-213 Marketing Management

# ANALYSIS OF DIRECT PREMIUM INFLUENCE ON BRAND ATTITUDES AND CONSUMER BUYING INTENTIONS

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## **Abstract**

Competition in automotive industries, particularly in diesel-fueled MPV (Multi Purpose Vehicle) category, is getting higher. This condition requires every company in the automotive industry to intensify their efforts in order to promote their sales volume. Isuzu is one of them. Panther is one of product from Isuzu that is classified into diesel-fueled MPV categories. In order to increase its sales, Isuzu use sales promotion technique in the

form of direct premium. Direct premium itself consists of two categories: fit and non fit with the core product. Direct premium is applied in order to create a positive attitude towards the brand that will ultimately affect consumer purchase intention.

This study aims to determine whether there are differences in consumer attitudes toward brand and purchase intention on the application of direct premium fit and non-fit with the core product (Isuzu Panther) and also test whether the attitude toward brand (Isuzu) affects consumer purchase intention on product (Isuzu Panther). This research was conducted using experimental design that focuses on testing hypothesis using One Way ANOVA and simple linear regression using SPSS 21.

The results of this study found that in the case of direct premium applied, there are differences in attitude toward brand and consumer purchase intention. Attitude toward brand in the case of direct fit is higher than non fit (Sig = 0.004; Mean fit: 5,634; Mean non fit: 4,950). Consumer purchase intention in direct fit is higher than non fit (Sig = 0.015; Mean fit: 5.312; Mean non fit: 4575). It is also found that attitude toward brand has positive significant influence on consumer purchase intention (Sig = 0.000).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=213

204	ABS-216	Marketing Management

STIMULUS OF SOCIAL MEDIA INSTAGRAM; THE INFLUENCE OF ELECTRONIC WORD OF MOUTH TOWARDS VISITING INTEREST IN THE LODGE MARIBAYA THROUGH TRUST AS MEDIATION VARIABLE (STUDY ON INSTAGRAM USERS IN BANDUNG)

Arry Widodo, Rennyta Yusiana, Fildzah Nur Agmarina

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#### Abstract

The advent of the internet brings many advantages, where technology can be enjoyed by almost all communities without any limitations and difficulties. The growth of the internet to accomplish by the increasing number of users of social media and social media business. One of them is Instagram social media, where there are great opportunities in doing promotion. This study aims to determine the interest of visiting Maribaya Lodge in the city of Bandung. This research is a quantitative research. The research method used is a descriptive method - causal. The sampling technique used is nonprobability sampling with incidental sampling type. Data collection was done by distributing questionnaires to 150 respondents who are interested and know The Lodge Maribaya. Data analysis technique used is path analyst. From the result of research got a result that variable of Electronic Word of Mouth partially influences to Trust. Based on Test T Trust partially positive effect on Visiting Interest. It can be concluded that the Electronic Word of Mouth has a positive and significant impact on the Trust at The Maribaya Lodge. Trust directly influences interest in visiting The Lodge Maribaya. The indirect influence between the Electronic Word of Mouth variables on Trusted Trusted Visibility has a significant positive effect and has a large role. Electronic Word of Mouth has a significant effect on Visiting Interest at The Lodge Maribaya

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=216

205 ABS-217 Marketing Management

Factors Influencing Normative Community Pressure in Brand Community: A Study of Young Entrepreneur Community of Bank Mandiri

1) Lindiawati; 2) Indrianawati Usman; 3) Sri Wahyuni Astuti

1) (STIE Perbanas Surabaya; Doctorate Student in Management of Airlangga University)

- 2) Airlangga University
- 3) Airlangga University

#### **Abstract**

Brand community has been extensively built and developed by either the companies or the customers voluntarily. These two conditions with different perspective hold different purposes. For the companies, brand community is considered an effective marketing strategy which is expected to achieve customer brand engagement. Anyhow, often companies focus more on the purposes of the brand community, but do not realize the policies, rules, or traditions firstly created as norms in order to lead the way the community members perceive and act. Often norms become pressures for the brand community members causing them are reluctant to engage the brand. This study develops a model of normative community pressure that is affected by both brand community identification and inter-member relationship quality, that is previously affected by brand relationship quality. The empirical analysis derives primary data of young entrepreneurship community created by one of the big five banks in Indonesia quantitatively analyzed using Structural Equation Modeling. The result helps explain the effective brand community

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=217

206 ABS-221 Marketing Manag
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# Smartphone Operating Systems Based on Consumer Perceptions in West Java Elvira Azis, Mochamad Malik Akbar Rohandi and Yasir Fachruddin

Telkom University and Universitas Islam Bandung

### **Abstract**

Consumer being confused with a lot of options when buying smartphone with high tech operating system (OS) and special specification. Now smartphones available with different brands and types, base on OS such as Android, iOS, Windows Phone, and Blackberry. The purpose of this study is to determine the positioning of the smartphone OS based on the perception of consumers in West Java and know the best judgment from consumer in attribute such as design, durability, product features, brand, social influence and price. This research use descriptive method to compare the four brands of operating systems. The Multidimensional Scaling use for mapping position of the OS with 6 perceptual attribute, the number of respondents was 503 respondents using bernoulli with 5% of error. According to customer perception attribute, the iOS in the first position on design, brand and social influence. For Android the first position in durability, product features and price.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=221

207	ABS-222	Marketing Management

# The Influence of Product Development on the Intention of Buy Nokia Smartphone Products and Feature Phone Nokia 3310

Anton Budi Santoso & Shinta Oktafien

Faculty of Business & Management, Widyatama University, Bandung

### **Abstract**

This study is aims to determine description of product development and purchase intentions of Nokia Smartphone products and Feature Phone Nokia 3310, and to what extent the influence of product development and purchase intentions of Nokia Smartphone products and Feature Phone Nokia 3310. The research method used is a survey method and type of research is associative research. The data were collected through the questionnaire distribution to the diploma students (D3) majoring Management study program class of 2015 with a total sample of 30 people as respondents. Based on the research result, it is known that there is no significant or significant influence between product development with the intention to buy Nokia Smartphone products and Feature Phone Nokia 3310.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=222

208	ABS-229	Marketing Management
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# MARKETING PERFORMANCE EVALUATION OF PURUN AGROINDUSTRY AS PEATLAND FRIENDLY COMODITIES IN SOUTH SUMATERA PROVINCE INDONESIA

Dessy Adriani1, Elisa Wildayana1, Yulius1, Nurilla Elysa Putri1, Idham Alamsyah1, Maryanah Hamzah1, Maryadi1, Melati Andarini2

1 Researcher/Lecturer of Agriculture Faculty, Unversitas Sriwijaya 2 Researcher Assistence of Agriculture Faculty, Unversitas Sriwijaya Coresponding Author: dessyadriani[at]fp.unsri.ac.id.

#### **Abstract**

Reseachs related to purun crafting development should be encourage for peatland sustainability. For long time, purun crafting was marketed traditionally only to traders who already have bonding to the crafters. The objectives of research were (1) to evaluate the differences between performance and importance of marketing actors, and (2) to design the plan of purun marketing model. This research was conducted in Pedamaran Area, Ogan Homering Ilir, South Sumatera on September 2017. The result showed the performance go marketing of purun agroindustry has not yet all have a level of performance thats corresponds to the importance of all marketing actor. There are gaps between performance and importance of marketing performance for: commitment in cooperation, profit, sales, price, information and skill improvement. The plan of purun marketing model are building cooperation institution formally, improving input for increasing benefit, introducing electronic commerce.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=229

209 ABS-237 Marketing Management
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# THE ROLE OF PERSONAL INNOVATIVENESS ON ONLINE PURCHASING BEHAVIOR AMONG INDONESIAN CONSUMERS

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 (b) Graduate School of Business, Universiti Sains Malaysia, 11800 USM Pulau Pinang, Malaysia

# **Abstract**

The development of digital technology has the potential to transform all aspects in life. Nowadays, Indonesian consumers are more digital and connected, they do online activities as their daily habits, and rapidly adopt online channels for their purchasing journey. As more and more consumers in Indonesia who are more demanding, informed, smarter and innovative. Consumers of this kind are experienced with the internet to make comparison

about prices and product ranges with offline based stores and also prone to seek information about a product before buying it. Innovativeness is considered as a key driving factor of technological acceptance, which means that online purchasing behavior is positively influenced by the level of user innovation. Therefore, the aim of this study is to examine and investigate the role of personal innovation on online purchasing behavior among Indonesian Consumers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=237

210	ABS-239	Marketing Management
210	ABS-239	Marketing Manageme

# Urban Service Delivery Performance In Improving The Satisfaction Of Citizens In The City Of Bandung

L. Lisnawati; S. Sumiyati; Puspo Dewi Dirgantari

Universitas Pendidikan Indonesia

#### **Abstract**

Government has a role as economic actors, which are crucial one as a public service provider. The government as economic actors have the primary goal of production activities to achieve national development and improving peoples welfare. Bandung is the third city with the highest number of population in Indonesia. The number of population becomes a major task for the city government serves its citizens. Quality of Life in the cities is an important part of the profile competitive city. Various efforts have been accomplished by the Government of Bandung in an effort to increase the satisfaction of the City of research method is descriptive verification, through explanatory survey, the study population is a citizen of Bandung as much as 2,470,802 residents, with a sample of 400 respondents. Data analysis technique used is Structural Equetional Model

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=239

211	ABS-247	Marketing Management
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# Impact of Internal Marketing on Islamic Job Commitment and Performance of Islamic Hospital

Ririn Tri Ratnasari, Astria Primadhani Pamungkas

Faculty of Economics and Business, Airlangga University

### **Abstract**

This research aims to determine the effect of internal marketing on Islamic job commitment and performance of Islamic hospital nurses in East Java. This research uses quantitative approach and path analysis technique. The sampling method is probability sampling by using simple random sampling. This research used qustionnaire data from 200 employees in Islamic Hospital who work as nurses for at least three years. This study result showed that internal marketing has significant effect on Islamic job commitment, meanwhile internal marketing has no significant effect on performance of nurses, and Islamic job commitment has significant effect on performance of nurses.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=247

212 ABS-250 Marketing Management
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# WHETHER SERVICE DIFFERENTIATION CAN ADD COMPETITIVE ADVANTAGE TO ENHANCE CONSUMER SATISFACTION: INTERNET SERVICES AT INDIHOME.

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#### Abstract

Beside product differentiation, there is also service differentiation to increase competitiveness on every company. Differentiation is one of the two competitive advantages which can be owned by a company apart from fee advantage (Porter, 1994). Service differentiation is a kind of service and quality enhancement which consists of different value in offering the service to the customers (Kottler; Susanto, 2001). Nowadays, one of the service that is mostly used is internet service. The use of internet service is increasing in this digital area. The competition in internet service is becoming tight which is seen by competitors coming in. This condition makes PT. Telkom decreased. This research will discuss about service differentiation and service quality towards customer satisfaction on internet service provider of Telkom (IndiHome). The result of research stated that the service differentiation perception did not affect the customer satisfaction of IndiHome product. The positive and significant influence are shown by the variable of service quality perception with tangible indicator (real), reliability, responsiveness, assurance, and empathy towards the satisfaction of IndiHome product customers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=250

213 ABS-255 Marketing Management

# The Effect of Service Quality to Customer Satisfaction: A Case Study from Timor Leste, Dili

Indrawati, Moises Pinto Henriques

Telkom University

### **Abstract**

This research was conducted at Bank Mandiri Branch of Timor Leste, Dili. In Dili, Bank Mandiri is one of the foreign banks in Timor Leste. The main reason for this study in choosing Bank Mandiri as the object of research is Bank Mandiri is still facing obstacles in its services, especially on the front liner of teller and customer service. This is known from customer complaints when researchers did direct observations. On a normal day, one customer takes approximately 1.5 to 3 hours to make transactions. If there is a big day, customer complaints are increasing because sometimes it takes more than 1 day to do transactions in Bank Mandiri branch of Timor Leste. The purpose of this study is to determine respondents assessment about the dimensions of service quality, satisfaction level, and the influence of the dimensions of service quality to customers satisfaction either partially or simultaneously. The research method used is quantitative method and sampling technique used is purposive sampling. Data were collected from 400 respondents through questionnaires distributed by on line and off line. The result of descriptive analysis shows the score for each dimension from the highest to the lowest respectively are Tangibles which has score 57,8%, Responsiveness 55,2%, Assurance 53,8%, Reliability 53,6% and Empathy has the lowest score 53,1%. Customer Satisfaction has score of 59.6%. Multiple Linear Regression Analysis result shows that Service Quality influences simultaneously to Customer Satisfaction due to the fact that F value(188,5) is more than F table (2,24) and the R square is equal to 70,5%. Improving the quality of service at tellers should be pursued in relation to tangibles, responsiveness, assurance, reliability, and emphaty variables, such as providing comfortable seating with attractive designs, providing a convenient queue for customers. increasing teller knowledge of Bank Mandiri products, service time as promised, and ethical attention when communicate with customers.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=255

214 ABS-261 Organizational Behavior, Leadership and Human Resources Management

Influence of ISO 9001:2015 Quality Management System Implementation on Employee Performance (Case Study of UPI Academic Directorate)

Desi Lavianti, Prof. Dr. H. Eeng Ahman, MS

(Management, University of Education Indonesia, Bandung, Indonesia)

#### Abstract

#### **Abstrak**

The purpose of this study is to determine the effect of Quality Management System (SMM) ISO 9001:2015 on employee performance, with research object UPI Directorate of Academic. The ISO 9001:2015 Quality Management System is seen from three processes, among others, the Quality Management Plan, Organizational Commitment, and Implementation of ISO 9001:2015 Procedures. The unit of analysis is all employees in the Academic Directorate. The research data were obtained from the sample of employee respondents selected at random. The results of the study found that ISO 9001:2015 certification planning, Quality Management Plan, Organizational Commitment, and Implementation of ISO 9001:2015 Procedure were implemented well by top management and employees. Implementation results of ISO 9001:2015 have a significant positive effect on employee performance.

Keywords: Quality management system, ISO 9001:2015

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=261

215 ABS-265 Organizational Behavior, Leadership and Human Resources Management

# THE ROLE OF JOB DEMANDS AND TEAMWORK EFFECTIVENESS IN A HARMONIZING RELATIONSHIPS WITHIN PORT POLICE ORGANIZATION

Praptini Yulianti, Maulida Rohmawati & Nidya Ayu Arina

Universitas Airlangga, Indonesia

### Abstract

Burnout is a condition which needs to be prevented and minimized in an organization, whereas engagement is one of the essential things for an organization. Police as the forefront agent of the state holds an important role in maintaining public order and controlling crime. Therefore, the understanding of burnout and engagement is considered crucial for all police members. This study aimed to identify the effects of job demands on burnout and engagement of police officers, and also to recognize the effects of job demands on burnout moderated with teamwork effectiveness. The data were collected through observation and questionnaire involving 131 police officers at the Police Resort of Tanjung Perak Port Surabaya, Indonesia . The findings showed a significant effect on three hypotheses, which are the effect of job demand on burnout, job demands on engagement, and teamwork effectiveness on engagement. However, there were no significant effect of teamwork effectiveness on burnout, and job demands on burnout moderated with teamwork effectiveness.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=265

216 ABS-2	Organizational Behavior, Leadership and Human Resources Management
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# The Influence of Clan Culture on Organizational Citizenship Behavior (OCB) With Affective Organizational Commitment As Intervening Variable of Employees in Sekolah X Surabaya

Margareta Damar Tri Pamungkas & Praptini Yulianti

Magister Management of Airlangga University, Indonesia

### **Abstract**

Individual behaviors that are discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promote the effective functioning of an organization (Organ, 1988). Therefore, the encouragement is required to motivates each individual to have extra-role behavior or organizational citizenship behavior (OCB).

The purpose of this study was to analyze the influence of clan culture on organization citizenship behavior (OCB) with affective organizational commitment as intervening variable. The sample of this research is the employees of School X Surabaya which amounted to 54 people as respondents consist of administrative staff, library staff, accounting staff, human resources staff, multimedia staff, maintenance of facilities and infrastructure staff, information technology staff and CHB-Center staff. The data in this study was obtained through observation and spreading of questionnaires. Data analysis technique used in this research is partial least square (PLS) and sobel test to test the effect of mediation.

The results of this study show that clan culture has a significant positive effect on affective organizational commitment and affective organizational commitment have a significant positive effect on organizational citizenship behavior both OCB-I and OCB-O. Affective organizational commitment has been shown to have a full effect of mediation on the influence of clan culture on organizational citizenship behavior. This study has implications that affective organizational commitment is one of the most important elements to improve the organizational citizenship behavior (OCB) in an organization.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=266

217	ABS-267	Organizational Behavior, Leadership and Human Resources Management
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Influence of Perceived of Organizational Support for Creativity and Creative Selfefficiency on Job Satisfaction towards Individual Creativity in Member of Nonprofit Organizations Engaged in Domestic Stray Animal Care in Surabaya and Sidoarjo

Tri Siwi Agustina

Universitas Airlangga

### **Abstract**

Creativity is one of the main aspects that individuals needed to continuously develop themselves to solve problems. This study focused on perceived of organizational support for creativity, creative self efficacy, job satisfaction, individual creativity, and how the variables affect each other on 50 members from five non profit organizations engaged in domestic stray animal care in Surabaya and Sidoarjo. Using Partial Least Square (PLS) analyses method, the result of this study proved that there are significant influences on several hypothesis, namely the influence of POS for creativity toward job satisfaction, creative self-efficacy toward job satisfaction, POS for creativity toward individual creativity,

and creative self efficacy toward individual creativity. Variables with no significant effect are job satisfaction toward individual creativity caused by lack of intrinsic and extrinsic motivation in member, POS for creativity toward individual creativity with job satisfaction as intervening variable, and creative self efficacy toward individual creativity with job satisfaction as intervening variable. The results of this study can be used as an input in decision making related to quality development and organizational development in order to increase job satisfaction and creativity of non-profit organizations engaged in domestic stray animal care in Surabaya and Sidoarjo.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=267

218	ABS-269	Organizational Behavior, Leadership and Human Resources Management
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### TRANSACTIONAL LEADERSHIP IN PUBLIC SECTOR

Ida Ayu Putu Sri Widnyani , Gede Wirata

Universitas Ngurah Rai

### **Abstract**

The democratic system of government is the election of leaders through popular vote. Although the people are given the freedom of choice, they are still limited to choosing candidates offered by political parties. Freedom of choice in elections has no overall positive impact. As once elected, a leader will not be fair to all the people in the region he leads. The nature of revenge will arise when the grant, aid or development program. The main priority is the group of people who become the territory of the winner. While the region is not basis of its winner, it will never get priority development and never even get help. This model as a form of reward and punishment by the elected leader in public sector as the impact of the transactional leadership model has always had the support of the community.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=269

219 ABS-271 Organizational Behavior, Leadership and Human Resources Management

# EFFECT OF DIRECT AND INDIRECT COMPENSATIONS TO EMPLOYEE PERFORMANCE OF GOVERNMENT SECRETARIATS WEST JAVA PROVINCE

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Graduate Student University Education of Indonesia and SAPPK Institute Technology of Bandung.

University Education of Indonesia

### Abstract

This study aims to determine the effect of direct and indirect compensation on employee performance at the Secretariat of West Java Provincial Government, with the hypothesis of direct and indirect compensation significantly affect the performance of employees at the Secretariat of West Java Provincial Government.

The population of this research are the employees of West Java Provincial Secretariat of 1,208 employees consisting of 13 Bureaus, through stratified random sampling technique, obtained by sample size of 115 employees. This research is descriptive and verifikatif by survey method. Data collection techniques are conducted with recording documents,

interviews and questionnaires. The analysis method used is descriptive analysis, path analysis with SPSS (Statistical Product & Service Solution) program and Pathcel Microsoft Excel 2000 for Windows.

Descriptive research results indicate that direct or indirect compensation does not affect the performance of employees at the Secretariat of West Java Provincial Government. Adapun the results of path analysis research indicates that direct and indirect compensation simultaneously nonsignifikan influence on employee performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=271

220	ABS-17	Organizational Behavior, Leadership and Human Resources Management
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### **COLLABORATIVE-BASED ACADEMIC SUPERVISION FOR PRINCIPALS**

Bahrodin, Maman Racman, Joko Widodo, Achmad Slamet

Univeritas Negeri Semarang, Indonesia

#### Abstract

The research aims to analyzing and synthesizing collaborative-based academic supervision model which is feasible in Banyumas Regency. Research method employed Research and Development design. Data were obtained from the results of academic supervision, need analysis, hypothetical model testing, and model validation. Data collection techniques used questionnaires, interviews, documentation studies, observations, and FGDs. Test validity used model validation from experts and practitioners. The qualitative descriptive analysis used data display, reduction, verification, and conclusion. The results showed that (1) the factual model of collaborative-based academic supervision model for principals was categorized into good category with percentage 74.87%; (2) hypothetical model of collaborative-based academic supervision model for pricipals was categorized into very important with percentage 85.82%; (3) the final model of collaborative-based academic supervision model is feasible with percentage 83.99%. Collaborative-based academic supervision model for principals contributed 14.40% to the improvement of teachers performance. The results concluded that the academic supervision model is good, but it is not yet optimal. Collaborative-based academic supervision models are essential, more practical, effective and efficient by emphasizing the steps namely report building, basic determination of collaboration, principles, problem sets, directing settings, participation, team discussions, cooperation, and follow-up. The academic supervision model is feasible to improve teachers performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=17

221 ABS-19 Organization	onal Behavior, Leadership and Human Resources Management
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# The Mediating Role of Psychological Empowerment on the Effect of Person-Organization Fit on Innovative Work Behavior

Maria Syana Melina and Christine Winstinindah Sandroto

Atma Jaya Catholic University of Indonesia

### **Abstract**

Innovative work behavior is needed, so the organization can remain sustainable. Previous studies have suggested that person-organization fit affects the innovative work behavior and psychological empowerment mediates the influence between them. This study aims to prove further whether the influence of person-organization fit on innovative work behavior

is mediated by the psychological empowerment of the employees. Population in this study is all employee Cigading Habeam Center, Co and sampling technique used is convenience sampling. Innovation work behavior is assessed through supervisor-rated and self-rated. Results of the study indicate that person-organization fit has significant effect on the innovative work behavior (supervisor-rated), person-organization fit has significant effect on the psychological empowerment, psychological empowerment has significant effect on the innovative work behavior (supervisor-rated), person-organization fit has significant effect on employees innovative work behavior (supervisor-rated) with psycho-logical empowerment as mediator. This study showed that the direct effect of person-organization fit on innovative work behavior (supervisor-rated) is greater than its indirect effect. While assessed through self-rated, person-organization fit has no significant effect on the innovative work behavior. Assessment by supervisor-rated is considered more objective than self-rated.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=19

222 ABS-2	76	Organizational Behavior, Leadership and Human Resources Management
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The Influence of Perceived Organizational Support and Job Characteristics on Organizational Citizenship Behavior with Employee Engagement as Intervening Variables on Pharmacists

Dewi Malik Machfud & Praptini Yulianti

Magister Management Airlangga University, Indonesia

#### Abstract

The number of community pharmacies continue to grow from year to year and face hyper competition, so community pharmacies must be able to provide good performance, including in the management of human resources. This study was aimed at examining the influences of perceived organizational support, job characteristics, employee engagement, and organizational citizenship behavior. This research was a quantitative research using questionnaire. Data were collected through surveys and filled by 52 pharmacists from 25 community franchise-pharmacies in Surabaya, East Java, Indonesia. Employee engagement was influenced significantly by perceived organizational support and job characteristics. Organizational citizenship behavior was influenced significantly by perceived organizational support, job characteristics, and employee engagement. A significant positive influence indirectly between perceived organizational support and organizational citizenship behavior through employee engagement, and an indirectly significant positive influence between job characteristics and organizational citizenship behavior through employee engagement. The implication practice of this study is that although perceived organizational support of pharmacists is not very high but pharmacists have engagement to their profession, so OCBI is greater than OCBO in pharmacists.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=276

223	ABS-278	Organizational Behavior, Leadership and Human Resources Management
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The dynamics of the political participation of the community in the direct elections of Gianyar Regency of reform era

I Made Artayasa (1), Gede Wirata (2), I Wayan Astawa (3)

Faculty of Political and Social Science Ngurah Rai University

### **Abstract**

The influence of globalization and the reform movement has brought changes to the national and local political life in Indonesia. Direct elections in Gianyar regency have been held twice, namely direct elections in 2008 and 2012. Two times the direct election is the dynamics of political participation of the community is interesting enough to be studied. Problems raised in this study. How is the political participation of the people of Gianyar district in the direct election of reform era?

The objective of the study was to identify and describe the political participation of the community, the influential power relations in the direct elections of the reform era. This study used qualitative research methods. The data consists of primary data source and secondary data source. The data collected through observation, interview, document study and literature study, presentation. The results of analysis are presented descriptively-qualitative.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=278

224	ABS-38	Organizational Behavior, Leadership and Human Resources Management
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# The Influence of Staffing to Work Performance (Study on Employees at Production Division of PT Samick Indonesia)

Pupung Purnamasari & Endang Mahpudin

Universitas Pendidikan Indonesia

#### Abstract

Employee performance in Production Section at PT. Samick Indonesia is indicated to be still low as seen from the lack of a sense of responsibility of employees in the work that resulted in production levels that do not reach the target. This is very possible because the placement of employees in the Production Department at PT. is still not effective as seen from the mismatch between abilities, skills, and expertise with job specialization, as well as inappropriate placement of academic and skill sciences. The method used in this research is quantitative method with associative statistical approach to know the relation between employee placement as independent variable with work performance as dependent variable. The data collection is done by distributing questionnaires to the employees on the production scale at PT. Samick Indonesia as many as 60 respondents. Data analysis and statistical hypothesis testing is done by simple linear regression analysis. The conclusion of this study found that employee placement on work performance obtained correlation coefficient value of r = 0.49. The results of statistical hypothesis testing that there is significant effect of employee placement on job performance in Production Section at PT. Samick Indonesia. The amount of influence employee placement on work performance based on the calculation of coefficient of determination obtained by 24.01%; and the rest of 75.99% influenced by other factors not discussed in this research.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=38

225 ABS-40 Organizational Behavior, Leadersh Resources Manageme	•
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The effects of competency, self-efficacy, and locus of control on small medium enterprises performance in West Sumedang.

Chairul Hakim, Disman MS

Indonesia University of Education

## Abstract

Small medium enterprises performance was determined by some factors such as production efficiency, marketing strategy, and financial adequacy. But, there is one factor which is important for SMEs performance, the enterpreneur itself specially its characteristics. This study examined the effects of competency, self-efficacy, and locus of control on small medium enterprises performance in West Sumedang. This study used survey research design and respondents were SMEs entrepreneurs located in West Sumedang (N = 236). Result of the multiple regression analysis showed that competency had a significant and positive effects on SMEs performance. self-efficacy had a significant and positif effect on SMEs performance. and locus of control had no significant effect on SMEs performance. Implications for future research and practice were discussed.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=40

226 ABS-41 Organizational Behavior, Leadership and Human Resources Management

The Linking of Knowledge Management Enabler and Employees Performance (Study in Processing Post Unit PT. Pos Indonesia, Bandung)

Anita Silvianita, Omnie P. Pramesti, Mahendra Fakhri

Telkom University Bandung

#### Abstract

In this era, to face the competition in business organizations need to improve the strategy and innovation. Beside humans and capital, knowledge become an important resource. Through knowledge, someone share their experiences and apply it in the organization to reach the goals. Hence, the company is concern to the importance of knowledge management as an essential asset. In order to manage it, the organization have to concern with enablers factors. The aim of this research is to find the influence of organizational structure and information technology (IT) as a part of knowledge enabler to employees performance in Processing Post Unit, PT. Pos Indonesia Bandung. Based on results it is known that both factors affect the employees performance. It also known that still many other factors can accelerate knowledge management enabler.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=41

Organizational Behavior, Leadership and Human
Resources Management

# THE INFLUENCE OF DISCIPLINE COACHING AND PHYSICAL WORKING ENVIRONMENT ON EMPLOYEE MOTIVATION IN PT. KERTAS PADALARANG (PERSERO)

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### **Abstract**

### Abstract

Discipline coaching and providing of safe, comfortable working environment generate employee motivation to work optimally and to achieve the goal of the company. This research aims to show the effect of discipline coaching and working environment on employee motivation at PT. Kertas Padalarang (Persero). This research is taking121 respondents and using saturated sampling. Data for this research is collected by questionnaire, using Semantic Differential Scale. The research method is multiple linier regression analysis, simultaneous and partial determination of coefficient analysis, and

hypotheses testing using F-test and t-test. The count result and the descriptive analysis show that the implementation of discipline coaching of the production section of PT. Kertas Padalarang (Persero) and condition of the physical working environment of the production section of PT. Kertas Padalarang (Persero) would be categorized to be excellent, while the employee working motivation would be categorized to be high. Positive effect of discipline coaching on employee motivation is showed by coefficient value 0.259 and 0.039 significant and t count < t table (2.084 > 1.981) and positive effect of physical environment on employee motivation is showed by coefficient value 0.360 and 0,000 significant and t count < t table (7.360 > 1.981). Discipline coaching and physical work environment effects the employee motivation simultaneously with 0,000 significant and F count > F table (31.943 > 3.07). The effect of discipline coaching and physical work environment on employee motivation is showed simultaneously by 35.1%. The partial effect of discipline coaching is showed by 3.6% and the partial effect of physical work environment is showed by 31.5%. The next research is supposed to be the effect of organizational culture, compensation, or leadership on employee motivation of clinic, school, or hospital.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=297

228	ABS-45	Organizational Behavior, Leadership and Human Resources Management
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# The Impact of Coaching and Person Job Fit on Self Efficacy and Its Impact on Performance

Agi Syarif Hidayat

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### **Abstract**

The purpose of this research is to know the influence of coaching and person job fit on self efficacy and its impact to performance. The research method used is quantitative research method. Population in this research is employees of marketing department at PT. Lambang Putra Perkasa Motor Cirebon with 45 people. Sampling technique used is a sampling technique saturated, so that all members of the population sampled as many as 45 people. Data retrieval technique using questionnaire with scale measurement instrument using likert scale. Data analysis techniques used using path analysis with SMART PLS application. The results showed that: 1) coaching had no significant effect on self efficacy, 2) coaching had no significant effect on performance, 3) person job fit had significant effect on self efficacy, 4) person job fit had significant effect on performance, 5) self efficacy had significant effect on performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=45

229	ABS-302	Organizational Behavior, Leadership and Human Resources Management
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# THE INFLUENCE OF WORK ABILITY ON EMPLOYEE PERFORMANCE MASHARYONO MASHARYONO; SYAMSUL HADI SENEN; DESITA ANGGARA DEWI

ASHARTONO MASHARTONO, STAMSUL HADI SENEN, DESITA ANGGARA

UNIVERSITAS PENDIDIKAN INDONESIA

### Abstract

Companies that engaged in the manufacturing sector rely on a high quality and a high employee performance. Employee performance is still an important problem in manufacturing companies, especially at PT. Indorama Synthetics Tbk. Polyester Division in Purwakarta. One of the efforts made by the company to improve employee performance is by improving employee skill. The present study uses descriptive analysis technique and verification. The method of the study is an explanatory survey of 103 respondents, while the data is obtained through the questionnaires. Then, the analysis of the study is by using a simple linear regression analysis. The finding of the study indicates that the works ability is very good, but there are weaknesses in the knowledges dimension. Other findings stated that the employees performance is very high, especially on the dimensions of ethics and communication. The working ability is influence 70, 3% to employee performance. If the company does not pay attention to the performance, the company will difficult to achieve any goals and or the productivity of work.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=302

230	ABS-49	Organizational Behavior, Leadership and Human Resources Management
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The Influence of Knowledge Sharing on Academic Performance Fahmi Jahidah Islamy, Tjutju Yuniarsih, Kusnendi and Lili Adi Wibowo

Indonesia University of Education

#### Abstract

### Purpose

This research aims to understand the effect of knowledge sharing on academic performance. Two processes of knowledge sharing are distinguished: donating and collecting. This research is intended to contribute to academic institutions in improving academic performance.

### Design/methodology/approach

The sample in this study amounted to 346 samples consisting of students at the School of Economics Indonesia Membangun Bandung by using probability sampling techniques. The analysis technique used is multiple linear regression. The variables studied are knowledge sharing (knowledge donating and knowledge collecting) and academic performance

### Findings

The research findings indicate that knowledge donating and knowledge collecting are positively significant related to academic performance

### Research limitations/implications

Based on these results, a number of theoretical and practical implications are discussed, and suggestions for further research are presented

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=49

231	ABS-50	Organizational Behavior, Leadership and Human Resources Management
Polychronicity in the Hotel Industry in Bandung City Rian Andriani (a*), Disman MS (b)		
Indonesia University of Education		

### Abstract

The research was conducted to analyze the factors of polychronicity and the impact of polychronicity on the level of job satisfaction of hotel employees. Polychronicity is important to service companies, as its implementation has a great impact on improving efficiency and quality of work and employee satisfaction. Employee satisfaction in multitasking ultimately contributes to both themselves and the company. The research was conducted through a survey to 64 employees of star hotels in Bandung City as the respondents. This experimental study resulted in a finding that polychronicity can improve employee job satisfaction. The dominant factors formed in polychronicity are related to the ability of employees to do many tasks, multitask, and complete a task before starting another task. Another finding is that the level of employees position affects polychronic behavior, so does their gender. This research is beneficial for the service industry identical with multitasking but still prioritizing excellent services.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=50

232 ABS-	51	Organizational Behavior, Leadership and Human Resources Management
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# Organizational Citizenship Behavior on Teacher, Case Study of School X Oktovoni Sandjaja & Khrista Jaya Wardhani

Airlangga Univeristy

#### Abstract

This research objective is understanding forms of organizational citizenship behavior found on teachers in religion based private schools. Oganizational citizenship behavior or OCB, is an individual behavior that is discretionary not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the efficient and effective functioning of the organization. There are five dimensions characterizing OCB, which are altruism, conscientiousness, sportsmanship, courtesy, and civic virtue.

This research was implemented in school X, one of religion based private schools in Surabaya. There were 6 teachers as total subject and data were collected with interviews and observation. Further analysis was using triangulation analysis techniques on data resources.

Form the data analysis result was obtained result that there were several forms of OCB that characterized behavior dimensions from th OCB

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=51

233	ABS-52	Organizational Behavior, Leadership and Human Resources Management
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## LEARNING CULTURE AND TECHNOLOGY ACCEPTANCE AS PREDICTORS OF EMPLOYEE JOB PERFORMANCE in ELECTRICAL PUBLIC COMPANY

Arif Partono Prasetio, Bachruddin Saleh Luturlean, Ghilman Riyadhi

Telkom University

### **Abstract**

The aim of this study is to examine the effects of learning culture and technology acceptance on employee performance. Technology believed to have fundamental importance in every business. Proper selection and application of a set of technology will drive business development of an organization. Ever changing technology especially in electrical company demands constant improvement from their employee. Everybody needs

to enhance their knowledge and skills. To cope with this trend organization must have ability to transform into a learning organization. They need to build a learning culture among their employees, a culture which drive the individual to constantly learn, generates, shares, and apply new knowledge. Previous studies suggest that strong learning culture can bring about positive outputs from individuals. The data was gathered through questionnaire distributed to 67 employees from one branch of public electrical company in Bandung, West Java. Data was analyzed using multiple regressions and bootstrap confidence interval. The results of the study indicate that learning culture have a significant positive effect on employee performance and the technology acceptance mediating this relations. The organization should develop learning culture and their employee adaptability to boost their performance. In doing so they are more likely to thrive in the business.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=52

234 ABS-54	Organizational Behavior, Leadership and Human Resources Management
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# The Role of Job Satisfaction and Organizational Citizenshp Behavior in Developing Knowledge Sharing Behavior in Private Universities

Miman Nurdiaman, Arif Partono Prasetio, Gugun Geusan Akbar, Annisa Rahmawati, Rani Putri Yasmin

> Telkom University Garut University

#### **Abstract**

The current study discussed the effect of job satisfaction on knowledge sharing intention and behavior and the role of organizational citizenship behavior (OCB) as mediation in the relationship. This study conducted in private universities in Bandung and Garut using 133 lecturer as participant. The results showed that job satisfaction has a significant positive influence on knowledge sharing. It was also found that OCB has a mediating role in the relationship. It is identified from the LLCI and ULCI which has positive value and contain no zero. Research that examined the relationship of job satisfaction, OCB, and knowledge sharing is still limited so that this work can contribute in expanding such study in the future. Organizations need employees who have broader insight and knowledge to face future challenges. This can be achieved by implementing policies that encourage employees to share knowledge. In order for employees to share with colleagues, organizations need to improve their level of job satisfaction. Satisfied employees tend to have an intention to produce better results for the company. One of the contributions of satisfied employees is the increased OCB spirit. This research confirms that the management of a business organization needs to build both elements so that the application of knowledge sharing can be successful.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=54

235	ABS-311	Organizational Behavior, Leadership and Human Resources Management
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### EFFECT TRAINING AND EMPOWERMENT IN IMPROVING JOB SATISFACTION

B Lena Nuryanti; Wulan Dewani Putri; Masharyono

UNIVERSITAS PENDIDIKAN INDONESIA

### **Abstract**

Job satisfaction is still an important concern that is examined at all times, because job satisfaction is important for organizational effectiveness. The organization will more

effectively have employees who feel more satisfied with their work than with organizations that are not satisfied with their work. Job satisfaction greatly affects the service to customers, because the service industry, especially banks that have a high level of intensity to compete directly with customers. The problem of employee job satisfaction is still the main focus in the banking industry. This study aims to obtain influence of training and empowerment to job satisfaction. The method used is explanatory survey with samples of 50 employees. The Data analysis techniques used are multiple linear regression, with SPSS for windows 23.0. Based on the results of the study, the description of techniques in the good category, description of empowerment in the goof category, job satisfaction description in the high category, and job satisfaction influenced by training and empowerment

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=311

Organizational Behavior, Leadership and Human Resources Management

# MEDIATING ROLE OF ACADEMIC MOTIVATION ON BIG FIVE PERSONALITY AND ACADEMIC PERFORMANCE RELATIONSHIP

Ida Bagus Gede Adi Permana

Universitas Airlangga

#### Abstract

The Big Five Personalities and academic motivation is closely related to students academic performance. Academic performances can be either improving or declining according to the students personalities and academic motivation. This study aims to seek the influence of the Big Five Personalities on academic performance, using the academic motivation as the intervening variable.

The findings shows that the dimensions of the Big Five Personalities significantly influence the academic performance. The other results show that openness partially influences academic performance after being mediated with intrinsic motivation, agreeableness and openness respectively influence fully and partially on academic motivation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=312

237 ABS-57 Organizational Behavior, Leadership and Human Resources Management

# THE FACTORS DRIVING OF INTENSION WAKIF TO PAY CASH WAQH AT BANTUL REGENCY YOGYAKARTA

Kusuma Chandra Kirana, Sri Hermuningsih, Retno Widiastuti

Universitas Sarjanawiyata Tamansiswa Yogyakarta

### **Abstract**

The purpose of this study is to analyze the driving factors of Intention Wakif for to do pay cash waqh at Bantul Regency Yogyakarta, This study is a quantitative research which was using Theory of Planned Behavior from Azjen . Research variables were Subjective norms, Goverment Support and Self Efficacy to wakif choice pay cash waqh. The object of research are which one to pay waqh. People that are members of Bazwa with100 respondence, divided into four village are 35 from Banguntapan, 23 from Bantul City , 11 from Dlingo and 29 from Kasihan. Type of data collected is of primary data and secondary data. Methods of data analysis used in this research include test validity, reliability test and path analysis. The results of this study indicate that driving factors to intention Wakif are, Subjective norms, Government Support and Self Efficacy. Research result showed that the effect

Subjective norms toward intention through attitude. Intention had higher effect than Government support and self efficacy with the result that Government Support was a dominant variabel which could influence through attitude and intention.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=57

238 ABS-314 Organizational Behavior, Leadership and Human Resources Management

# The effect of employee retention on turnover intention employee-case study on head office Bank Lampung

Puspita Wulansari, B. Meilita, Yufaraj Ganesan

Telkom University and University Sains Malaysia
Telkom University
University Sains Malaysia

#### **Abstract**

Achieving company performance will never be separated from the participation of employees. The performance would be good, if employees could survive and there is no significant turnover. Because turnover will caused the losing knowledge and culture that has been made along with the departure of the employee and automatically company will lose their ability, experience and also their assets. Turnover problem in banking industry on 2016 reaches 15 percents which is caused by the efficiency of the company normal cycle. Obviously, this is big problem for banking sector, where banking is one of the crucial sectors in Indonesia. The main reason of turnover is because employee are not satisfied working in those companies. Therefore it is important for the company managing their employee by maintaining employees who have been involved in the success of the company, and known as employee retention. This study analyzed the effect of employee retention on turnover intention in Bank Lampung Head Office, using 129 respondents who are employees of bank Lampung. Simple regression analysis and descriptive analysis were used in this study, to examine and measure the relationship between the employee retention and turnover intention variables. The result showed that a significant negative relationship between employee retention programs on turnover intention at Bank Lampung. This suggests that the employee retention program within the company can lower the company turnover rate.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=314

239	ABS-66	Organizational Behavior, Leadership and Human Resources Management
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Work Family Conflict: with antecedent Job Involvement, Role Ambiquity and Job demands moderating Social Support

Praptini Yulianti & Asti Permata Sari

University Airlangga

### **Abstract**

ABSTRACT: This study examines work family conflict with job involvement antecedent, role ambiquity and job demand moderated by social support. This research samples are 134 nurses in private business hospital. Data analitical technique uses Smart PLS. The result of this study is job involvement negatively influenced and significant to work family conflict with more strongly influenced by social support as moderator. Job demand is positively influenced to work family conflict with less strongly influenced moderate by social support, while role ambiquity is not significance influenced to work family conflict. This

study implications is social support from supervisor, cowokers also family can reduce work family conflict.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=66

240 ABS-67 Organizational Behavior, Leadership and Human Resources Management

Mediating Role: Creative self efficacy Relationship among role identity, job creativity requirements, supervisor creative expectation with creative performance

Praptini Yulianti & Merdika Mutiara

University Airlangga

#### Abstract

ABSTRACT: This study examines the influence of creative role identity, job creativity requirements, supervisor creative expectation to creative performance. This study also examines the mediating role of creative self efficacy between creative role identity, job creativity requirements, supervisor creative expectation with creative performance. Sample in this study are 157 employees who work on marketing, technical, news & production division in television media. Analytical technique uses SEM partial least square with SmartPLS program. The result of this study is creative self efficacy fully mediating the relationship between creative role identity with creative performance and creative self efficacy partially mediating the relationship between job creativity requirements, supervisor creative support with creative performance. This study implications states that creative self efficacy is an important factor in the building creative performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=67

241 ABS-323 Organizational Behavior, Leadership and Human Resources Management

# ENTREPRENEUR TRANSFORMATIONAL LEADERSHIP FOR SMES BUSINESS SUSTAINABILITY

Ardika Sulaeman, Ernie Tisnawatisule, Hilmiana, Martha Fani Cahyandito

Universitas Padjadjaran

### **Abstract**

The soybean-based industry in West Java had proven as business that can survive in the long term with high demand which continues to increase by the time. But at present the number of business unit was declining and entrepreneurs are constrained by internal and external factors that will ultimately threaten their business sustainability. Solving these problems, its need the role of entrepreneurs as the main control holder with transformational leadership. Therefore, this study aims to determine the effect of transformational leadership on business sustainability. The theory used in this study is Bernard Bass (2010). This research was conducted with survey of CFA confirmed questionnaire instrument to 100 entrepreneurs of SMEs based on West Java soybean. The data obtained were processed by Structural Equation Modeling analysis. The result of research reveal, there is significant influence of transformational leadership toward business sustainability. Government regulation and stakeholder were moderating variable of transformational leadership influence on business sustainability UMKM. It is expected, that this research will contribute to the development of UMKM leadership, regulatory support and stakeholders.

Keywords: transformational, leadership. Business, sustainability.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=323

242 ABS-324 Organizational Behavior, Leadership and Human Resources Management

### Relationship Factors that Motivate Nurses in Achieving Documentation Completeness of Nursing Care

Ahmad Jaelani, Andhika Mochamad Siddig, Kusnendi

Universitas Pendidikan Indonesia

#### Abstract

A study related to nursing care conducted to find out what is in the room of Prima I Hospital Immanuel Hospital, and to know what factors affect the completeness of nursing care documentation. The results of this study can be a question for the Immanuel Hospital management to improve the quality of Immanuel Hospital Hospital Bandung. The population in this study were 44 nurses (Philip 14 nurses, Gideon 15 nurses and Beria 15 nurses), consisting of permanent nurses or contracts in Prima I Inpatient Room of Immanuel Hospital Bandung. The tools used are questionnaires and behaviors. Implementation of nursing care documentation in Prima I Inpatient Room Immanuel Hospital Bandung has not been done properly. Working at Immanuel Hospital in the light category. Nursing care documentation format at Immanuel Hospital with support category. Policy in the context of the completeness of the documentation of nursing care in the low category. Chi Square analysis results obtained a significant relationship between the load factors, form factors, and factors related to the implementation of nursing care in Prima Room Outpatient I Immanuel Hospital Bandung

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=324

243 ABS-326	Organizational Behavior, Leadership and Human Resources Management
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# Work-Life Balance and Work Stress as Antecedents of Employee Turnover Intention in Private Food Processing Organization

Romat Saragih, A.P. Prasetio, and I. Z. Naufal

Telkom University, Bandung

### Abstract

Voluntary turnover can harm organization in achieving their objectives. Therefore, organization need to keep the turnover as low as possible. In order to tackle the problem they need to identify the current turnover intention level. The aim of this study is find out the direct influence of work-life balance on employee turnover intention and the mediation of work stress in the relationship. Questionnaire was used to gather the data from private food processing company in Tasikmalaya. The sample for this study were 120 employees. Correlation and Process macro were used to analyze the results. Work-life balance showed negative correlation with stress and turnover intention. While positive relation was found in the relation of stress and turnover. The study also found that work stress mediate the influence of work-life balance on turnover intention. This mean that employee who experience balance in their work-life will less expose to stress which in the end did not have the intention to leave the organization. Management should focus their human resources policy in order to maintain such balance and the low stress level.

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# Study of Minimum Wage Comparison in Indonesia with Malaysia in Perspective of Islamic Economics

Irfan Jauhari, Sri Herianingrum, Tika Widiastuti

Universitas Airlangga

#### Abstract

The minimum wage policy in Indonesia has been set since 1970, undergoing several changes to the latest government rule number 78 of 2015. The minimum wage in Malaysia is set to begin in 2011, implemented in 2012, and amended by 2016. The purpose of this study is to know the wage model of both countries and how if viewed in the perspective of Islamic economics. This study used a qualitative approach using literature analysis techniques. The results of this study indicate that both countries in providing wages are in accordance with what is in Islamic economics. First, wages for workers in both countries are fair. Second, wages in both countries are feasible because in the wage-related policy-making process it always considers the needs of the workers. Third, wages are paid with no delay.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=72

245 ABS-328	Organizational Behavior, Leadership and Human Resources Management
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The Effect of Organizational Culture, Leadership Style and Personality toward Job Satisfaction of Auditors and Supervisors in Provincial Inspectory and District/City in West Java-Indonesia

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Doctoral Student UPI, Govermental Institute of Home Affairs/IPDN, Pakuan University

### **Abstract**

Regional Inspectorate as the Internal Control Official Government (APIP) plays a role to control and supervise the management of regional finance that can spur the implementation of good governance and the development of regional that can impact on improving the welfare of the community in the area concerned.

A control and supervision by the local inspectorate (provincial/district/city) is capable to immediately implement good governance which is one of the indicators of the realization of the implementation of free corruption, collusion, and nepotism (KKN) local government. Therefore, it needs APIP internal controls in each local government (Prof. Dr. Eko Prasojo, Kompas newspaper, March 28, 2015. Opinion Column: 7).

The change of supervision system by APIP is needed to strengthen the capacity and capability of human resources especially the functional officials, such as the auditor and supervisor (P2UPD) as the front guard in controlling and supervising the heads of regions (Governor, Regent, and Mayor) in decision making.

The role of auditors and supervisors as the motors in succeeding the tasks and functions carried by the regional inspectorates surely can not be separated from the auditor and supervisor as human figures who would expect a job satisfaction that will influence the organization culture and the personality of the auditors or supervisor.

Due to the problems above, this research uses quantitative method and random sampling which is focused on whether the existence of two functional positions of auditors and supervisors who perform almost similar tasks in one institution/inspectorate will affect the

job satisfaction, viewed from the aspect of organization culture, leadership style and personality.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=328

246 ABS-76 Organizational Behavior, Leadership and Human Resources Management

# NURSES SERVICE QUALITY IN COMMUNITY HEALTH SERVICE USING ANALITYC HIERARCHY PROCESS (AHP)

Ali Zaenal Abidin, Suwatno, Tjutju Yuniarsih and Disman

Universitas Pendidikan Indonesia

#### Abstract

The quality of health service plays a strategic role in improving public health. The purpose of this study to determine the quality of nursing service and figure out the most important criteria in nurses service quality based on priority scale or rank in community health service in Tangerang Selatan city. The data obtained are analyzed using Analytic Hierarchy Process (AHP) method. Based on the AHP calculation using software SuperDecision result, the most important criteria is Assurance (1st rank), Empthy (2nd rank), Responsiveness (3rd rank), Reliability (4th rank) and Tangibility (5th rank).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=76

247	ABS-332	Organizational Behavior, Leadership and Human Resources Management
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The Effect of Social Capital and Human Capital on Performance Effectiveness of National Zakat Institutions in Indonesia, Surabaya Head Quarters Experiences

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Airlangga University
Indonesia

### Abstract

The present article aims to find out the influence of social capital and human capital on performance effectiveness of Amil Zakat National Institutions in Surabaya. The method used in this research is quantitative multiple linear regression, and the data was taken from the questionnaires. This research was conducted in 2017 from four samples of Amil Zakat National Institutions namely Yatim Mandiri, Nurul Hayat, Lembaga Manajemen Infaq (LMI) dan Yayasan Dana Sosial Al Falah (YDSF). According to the results of the survey, it is observed that social capital and human capitalare the significant influences of performance effectiveness on Amil Zakat National Institutions in Surabaya.

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		Resources Management

# TRADE LIBERALIZATION AND LABOUR DEMAND IN INDONESIA: FIRM LEVEL DATA

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#### **Abstract**

ABSTRACT: Trade liberalization agreement has made great opportunities to enhance economic growth for those countries who participate. Trade liberalization would then inevitably affect on factors of production within countries. The aim of study is to analyze the impact of trade liberalization on labour demand through manufacturing industries in Indonesia. This study employ industrial manufacturing firm level data over the period 2008-2013 and estimate using panel data regression analysis, Fixed Effect Method. The results indicate that tariff rates, value added, imports of raw materials, and export significantly affect the labour demand. Furthermore, labour wages negatively affect on labour demand of Indonesia manufacturing industry.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=79

249 ABS-81 Organizational Behavior, Leadership and Resources Management	Human
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# The influence of work motivation on employee performance PT.BANK CENTRAL ASIA, Tbk Karawang branch

Endang Mahpudin, Pupung Purnamasari

Universitas Pendidikan Indonesia

### Abstract

This research is to know how the influence of work motivation on employee performance at BCA bank . This research uses descriptive quantitative method in the form of statistical analysis, where the data is sourced from primary and secondary data coming from Bank BCA Kabupaten Karawang. Quantitative analysis is intended to determine the influence between independent variables with dependent variables. The result of analysis shows that work motivation has a moderate relationship to employee performance, contribution of performance improvement in PT. Bank Central Asia, Tbk Karawang branch of 35.8% influenced by work motivation. While the rest is influenced by other factors, including, namely, personal factors, leadership factor, team factor, system factor, situational factors. A simple regression is given by the equation Y = 27.327 + 0.575 X, which is 27,327 constants and the motivation variable is 0.575. Hypothesis testing results show there is a significant relationship between variable of work motivation with employee performance variable

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=81

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The Moderating Effects of Organizational Support on the Relationship between Mentoring Behavior and Innovative Work Behavior

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### **Abstract**

Innovative behavior as complex behavior consist of activities pertaining to both the introduction of new ideas and the realization or implementation of new ideas. This study is aimed to get more understanding issue associate with adjustments perspective. This study expects that empirical validation of the research framework develop to a new broader framework for understanding of mentoring behavior, expatriate adjustment, and innovative work behavior. The results of this study explained that mentoring behavior has positively influence on expatriate adjustment process. Moreover, this study found that expatriate adjustment has positively influence on innovative work behavior. Finally, there is moderating variable, organizational support that can enhance the success of expatriation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=337

251 ABS-85	Organizational Behavior, Leadership and Human Resources Management
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### The Influence of Work Life Balance on the Organizational commitment of Female Employees at PT.Kwanglim YH Indah

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#### Abstract

This study aims to determine the effect of work life balance on the organizational commitment of PT Kwanglim YH Indah female employees. The research method used is quantitative method using SPSS 21. The data used in this research is primary data obtained from interviews and questionnaire. The population of this study are 1217 female employees with a sample of 92 employees. The analysis technique used is regression analysis technique. The results of the study show that work life balance have effects on organizational commitment.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=85

252	ABS-342	Organizational Behavior, Leadership and Human Resources Management
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# Accountability in Local Government: Leadership and Organizational Culture, SPI as Moderating

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### **Abstract**

The purpose of research: analyzing influence Leadership, and Culture Organization to Accountability at Local government local government in West Java with SPI as moderating. Design/Methodology: descriptive and verifikative survey explanatory study of the local government in West Java. Data sources of local government employees. Regression is used to analyze collected data.

Finding. Dependence of local goverment leadership to local leaders such as determination of organizational strategy, change and strategy implemenation is high. The autonomy of local goverment leaders in implementing strategic functions is weak. Some region such as big cities have a more autonomous leadership in determining the direction of organizational change. Culture is considered good, each local goverment has a good level of common meaning about the values of stability and yield orientation. The organizational life of each local goverment seen from the cultural aspects is not much different. As a public institution, innovations in Local government are oriented towards society. Internal control system is in the less category, especially on ethics. Some districts with new status or have released status as lagging districts do not have an effective internal control system yet. The influence of Leadership on accountability is significant. Level of influence is strong. Organizational culture influence to accountability at a low level but significant. The existence of SPI strengthens leadership and culture towards local goverment accountability. SPI is embedded to the local goverment governance system and integrated into local goverment organizational structures.

Conclusion: Leadership and Organizational Culture as a significant predictor for accountability in local government moderated by SPI.

Managerial implications: Integration of SPI into local government governance systems to strengthen leadership and culture

Value Contribution: The results of the study broaden the understanding of the importance of SPI integration in local government governance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=342

253	ABS-88	Organizational Behavior, Leadership and Human Resources Management
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The Effect of Job Satisfaction and Organizational Citizenship Behavior (OCB)

Towards Employee Engagement of Starred Hotels in Sumedang

Sofiyah, Eeng Ahman

UPT

### **Abstract**

This study aims to determine the effect of job satisfaction and organizational citizenship behavior (OCB) towards employee engagement of starred hotels in Sumedang. The method in this research is descriptive and verifiable analysis. The data gathered from certain respondents by distributing questionnaires and interview. This research obtained 154 respondents out of total of 251 employees using the formula slovin. Data analysis technique used is the technique of path analysis. The result of the research shows that job satisfaction and organizational citizenship behavior (OCB) towards employee engagement significantly on partial test.

254	ABS-344	Organizational Behavior, Leadership and Human Resources Management
Knowledge Creation and Innovative Behaviour in Industry 4.0  Yana Setiawan & Tjutju Yuniarsih		
	ı	Universitas Pendidikan Indonesia

### **Abstract**

The low level of employee innovative behavior which is described by the phenomenon of decreasing and increasing performance of PT Perkebunan Nusantara VIII is a problem in company organization. If this problem is not addressed immediately, it will have an impact on the achievement of corporate management objectives, which in turn will affect the performance, productivity, and sustainability of the company. The purpose of research is to analyze (1) knowledge creation and innovative behavior of employees of PT. Perkebunan Nusantara VIII (2) the influence of knowledge creation on the innovative behavior of employees of PT. Perkebunan Nusantara VIII. Respondents in this study are employees of PT. Perkebunan Nusantara VIII, The population in this research is employees of PT Perkebunan Nusantara VIII 16815 people, with a minimum sample size of 364 people. Data analysis techniques used in this study using structural equation modeling with computer software tool SPSS & AMOS 24. The results showed that knowledge creation effect on innovative behavior.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=344

255 ABS-95	Organizational Behavior, Leadership and Human Resources Management
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# INFLUENCE THE EFFECTIVENESS OF LEADERSHIP STYLE ON PERFORMANCE OF EMPLOYEES OF PT BIO FARMA (PERSERO)

Nova Rahmawati Chaidir, Eeng Ahman

UPI

### **Abstract**

The effectiveness of leadership style is an important factor in influencing the performance of employees. This research aims to know the influence of the effectiveness of leadership style on performance of employees of PT Bio Farma (Persero). The population of the research was the entire Bio Farma employees, with samples as much as 92 employees who were the respondents. The methods used in the study and discussion of it is a descriptive method verifikatif. With the techniques of data collection using the questionnaire which is divided directly against the respondent. Technique of data analysis in this study using a simple linear regression with the help of SPSS. Based on the results of research partially or both simultaneously indicates that the effectiveness of the leadership style has a positive influence on performance of employees at PT Bio Farma (Persero).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=95

256	ABS-357	Organizational Behavior, Leadership and Human Resources Management
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# THE EFFECT OF WORK ENVIRONMENTAL AND INDIVIDUAL CHARACTERISTICS TO JOB STRESS AMONG HOSPITAL NURSES

Sumiyati, Masharyono Masharyono, Ridwan Purnama, Hendri Yuliadi

Universitas Pendidikan Indonesia

### **Abstract**

Job stress is an important problem in manufacturing and service companies, especially in hospitals. One of the efforts made by the company to reduce the level of job stress among employees is by improving the work environment and individual characteristics. The

present study uses descriptive analysis technique and verificative. Then, as for the method is using an explanatory survey of 73 respondents and is obtained through the questionnaires, while the analysis in the study is using multiple linear regression analyses. The findings stated that the work environment of the company is included in a quite conducive category. However, there are weaknesses in the physical work environment, such as an inadequate working room temperature. Then, the individual characteristics among nurses belong to the good category, but there are weaknesses such as in the nurses knowledge. Other findings show that the job stress that was experienced by nurses is quite high, especially in the workload of nurses. The work environment influence 40,20% to job stress, while the individual characteristic influence 32,72% to job stress. If the company does not improve the work environment and the individual characteristic among nurses will impact the increase in absenteeism level, decreasing productivity level, tolerance, decreasing performance, until turnover.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=357

257 ABS-358 Organizational Behavior, Leadership and Human Resources Management

# THE IMPACT OF IMPLEMENTATION OF FINANCIAL REWARDS AND OCCUPATIONAL SAFETY & HEALTH TOWARDS JOB SATISFACTION PT. HALEYORA POWER

Bambang Widjajanta; Sumiyati; Masharyono Masharyono; Nida Fadllillah; Heraeni Tanuatmodjo

UNIVERSITAS PENIDIKAN INDONESIA

#### Abstract

The purpose of this study is to see the influence of the financial reward and occupational health and safety toward job satisfaction. The design of this study is cross sectional. This research used verification approach with explanatory survey method and total of 60 respondnent. A questionnaire was used as a research instrument to collect data from respondents. Analytical technique used is multiple linear analysis technique. Based on the results of the research using multiple linear regression analysis, the result shows that the magnitude of the effect of financial reward and occupational health and safety is 53,8%, the financial reward has an effect toward job satisfaction equal to 32,9%% and the influence of occupational health and safety toward job satisfaction equal to 38,1%.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=358

Organizational Behavior, Leadership and Human
Resources Management

### THE EFFECT OF JOB CHARACTERISTICS TO EMPLOYEES PERFORMANCE

syamsul hadi senen; masharyono masharyono; nefertari edisa

UNIVERSITAS PENDIDIKAN INDONESIA

### **Abstract**

Every organization is trying to achieve their goals. Factors to improve the development and progress of the company cannot be separated from the role of human resources that move the organization within the company. Employee performance is still an important problem in manufacturing companies, especially in CV. Saputra Jaya in Cimahi. One of the companys efforts to improve employee performance is by improving the understanding of the characteristics of an employees job. The present study uses descriptive analysis technique and verification. As for the design, the study uses a cross-sectional design, while for the method uses an explanatory survey. The study used 75 respondents who have been

selected by using non-probability sampling. A questionnaire was used as a research instrument to collect the data from respondents. The analytical technique used is a simple linear analysis technique. Based on the results of the study using a simple linear regression analysis, there is a positive influence between job characteristics on employee performance. The present study provides a basis for understanding the issues of job characteristics on employee performance. The difference between the present study and the previous one is on the objects, variables, theories, and references used by the writer.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=361

259 ABS-367	Organizational Behavior, Leadership and Human Resources Management
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# MOTIVATION AND LEADERSHIP ON THE PERFORMANCE OF PRIVATE HIGHER EDUCATION LECTURERS

Niza Alam Hamdani; Galih Abdul Fatah Maulani

Universitas Garut

### **Abstract**

The lecturer has the main task to transform, develop and disseminate his knowledge through education, research and community service. At this time lecturers only focus on educational activities, while research activities and community service has not been optimal. The purpose of this study is to examine the extent of the role of achievement motivation and leadership on the performance of lecturers. The method used in this research is quantatif method, with sample of all lecturers spread in Private Higher Education of East Priangan, with proportional random sampling by using path analysis. Based on the results of research shows that achievement motivation with some indicator affect on the performance of lecturers. This shows that the role of achievement motivation, friendship and socializing is very important to improve the performance of lecturers. Based on the results there are some findings such as lecturers have not been optimal in conducting research and community service among others is still at least fund research and community service.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=367

260 ABS-368	Organizational Behavior, Leadership and Human Resources Management
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# STRATEGIC PLANNING DEVELOPMENT OF VILLAGE-OWNED ENTERPRISE (BUMDES) IN GARUT REGION

Nizar Alam Hamdani; Dodi Yudiardi

Universitas Garut

### Abstract

This research is based on the planning issues regarding the development of Village-Owned Enterprise (BUMDes) in Garut District, the research is aimed to find new concepts regarding the development plans for the development of BUMDes in Garut District. This research is derived from the proposition by the Department of Social and Village Empowerment which stated that the BUMDes development could increase village economics through the mobilization of village potentials and resources, as well as the external factors supporting the villages. The problem in this research is the fact that the creation of BUMDes has not been utilized as a tool for village development with the end goal of bringing prosperity to the people. Based on the characteristics of the problems analyzed, this research is done using qualitative method, data collected by observation, in-

depth interview to DPMD chief, secretary, chief of society economic empowerment, village head, and BUMDes director. In testing the data validity, the writer used triangulation technique, the researcher analyzed the proble through planning aproach by James A.F. Stoner theories (2006). Based on the researched, BUMDes development plans by Garut DPMD has to be able to identify supporting and inhibiting factors.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=368

261 ABS-113 Organizational Behavior, Leadership and Human Resources Management

# PENGEMBANGAN MODEL PENGUATAN KAPASITAS SDM PERANGKAT DESA DALAM MENGELOLALA DANA DESA SECARA TEPAT SASARAN, PARTISIPATIF, BERKESINAMBUNGAN, TRANSPARAN DAN AKUNTABEL

Muhammad Oceano Fauzan, Disman

Universitas Pendidikan Indonesia

### **Abstract**

PENGEMBANGAN MODEL PENGUATAN KAPASITAS SDM PERANGKAT DESA DALAM MENGELOLALA DANA DESA SECARA TEPAT SASARAN, PARTISIPATIF, BERKESINAMBUNGAN, TRANSPARAN DAN AKUNTABEL

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### Abstrak

Setiap tahun Pemerintah Pusat telah menganggarkan Dana Desa yang cukup besar untuk diberikan kepada Desa. Pada tahun 2015, Dana Desa dianggarkan sebesar Rp 20,7triliun, dengan rata-rata setiap desa mendapatkan alokasi sebesar Rp 280 juta. Pada tahun 2016, Dana Desa meningkat menjadi Rp 46, 98 triliun dengan rata-rata setiap desa sebesar Rp 628 juta dan di tahun 2017 kembali meningkat menjadi Rp 60 Triliun dengan rata-rata setiap desa sebesar Rp 800 juta. Hasil evaluasi penggunaan Dana Desa selama dua tahun terakhir juga menunjukkan bahwa Dana Desa telah berhasil meningkatkan kualitas hidup masyarakat desa yang ditunjukkan antara lain dengan menurunnya rasio ketimpangan perdesaan dari 0,34 pada tahun 2014 menjadi 0,32 di tahun 2017. Menurunnya jumlah penduduk miskin perdesaan dari 17,7 juta tahun tahun 2014 menjadi 17,1 juta tahun 2017. Pencapaian ini akan dapat ditingkatkan lagi di tahun -tahun mendatang dengan pengelolaan Dana Desa yang baik. Kunci sukses untuk mensejahterakan dalam membangun desa adalah kuatnya sentuhan inisiasi, inovasi, kreasi dan kerjasama antara aparat pemerintahan desa dengan masyarakat dalam mewujudkan apa-apa yang menjadi cita-cita bersama. Pembangunan desa tidak mungkin bisa dilakukan oleh aparat pemerintahan desa sendiri, tapi butuh dukungan, prakarsa, dan peran aktif dari masyarakat. Salah satu aspek yang perlu dikaji lebih dalam tentang pemerintahan desa di era otonomi desa yaitu kemampuan sumber daya manusia pemerintah desa dalam pengelolaan pemerintahan desa sesuai tujuan dan tuntutan undang-undang nomor 06 tahun 2014 tentang desa. Kapasitas pemerintah desa dinilai belum mumpuni untuk menjalankan kewenangan yang dimiliki sesuai undang-undang desa tersebut. Lemahnya kapasitas pemerintah desa berdampak pada kegagalan pemanfaatan dana desa yang merupakan implementasi utama undang-undang desa, sehingga bermuara pada buruknya pembangunan desa. Sehingga perlu kajian akademis tentang persoalan-persoalan tersebut, guna memperoleh model penguatan kapasitas SDM perangkat desa agar mampu mengelolala dana desa secara tepat sasaran, partisipatif, berkesinambungan, transparan dan akuntabel.

Kata Kunci: Penguatan SDM, Perangkat Desa, Dana Desa, Partisipatif, Akuntabel.

DEVELOPMENT OF HRM CAPACITY STRENGHTENING MODEL FOR VILLAGE GOVERNMENT APPARATUS IN MANAGING VILLAGE FUND ON THE TARGET, PARTICIPATIVE, SUSTAINABLE, TRANSPARENT AND ACCOUNTABLE

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Management Science Department of Posgraduate School Education University of Indonesia

#### Abstract

Every year the Central Government has budgeted substantial Village Funds distributes to the Villages. In 2015, the Village Fund is budgeted at Rp 20.7 trillion, with an average of each village getting an allocation of Rp 280 million. In 2016, the Village Fund increased to Rp 46.98 trillion with an average of Rp 628 million per village and in 2017 again increased to Rp 60 trillion with an average of Rp 800 million per village. The evaluation results of the use of the Village Fund over the past two years also indicate that the Village Fund has managed to improve the quality of life of villagers which is shown, among others, by decreasing the ratio of rural inequality from 0.34 in 2014 to 0.32 in 2017. The decline in the number of rural poor from 17.7 million years in 2014 to 17.1 million in 2017. This achievement will be scaled up again in the coming years with better Fund Management. The key to successful welfare in rural development is the strong touch of initiation, innovation, creation and cooperation between the village government apparatus and the community in realizing what is the common goal. Rural development is not possible by village government officials themselves, but needs support, initiatives, and an active role of the community. One of the aspects that needs to be studied more deeply about village governance in the era of village autonomy is the ability of village government human resources in the management of village governance according to the purpose and demands of law number 06 year 2014 about the village. The capacity of the village government is considered not yet qualified to exercise the authority possessed in accordance with the village law. The weak capacity of the village government has impacted on the failure of village funds to be used as the primary implementation of village laws, resulting in poor village development. Therefore, it is necessary to study academically on these issues, in order to obtain a model of capacity building of village human resources to be able to manage the village funds in a timely, participatory, sustainable, transparent and accountable manner.

Keywords: Strengthening Human Resources, Village Devices, Village Funds, Participatory, Accountable.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=113

262	ABS-129	Organizational Behavior, Leadership and Human Resources Management
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# The Influence of Transformational Leadership to Affective Commitment Mediated by Inclusive Organizational Culture at SD Zainuddin, Sidoarjo

Muhammad Akbar Rozak & Anis Eliyana

Department of Management, Faculty of Economic and Business, Airlangga University, Surabaya, East Java, Indonesia.

### **Abstract**

The object of this study takes a place at Zainuddin Primary School in Sidoarjo. This study talks about affective commitment which is influenced and mediated by inclusive organizational culture. Issues about commitment in the organization can be seen from the results of initial observation at Zainuddin Elementary School which shows the tendency of too many job desks for teachers in the last five years. This study is using SEM-PLS as the analysis method. The number of population and sample for this study observation consists of 45 teachers. This study is using census as the technique to help researcher to find the amount of respondents. The results of this research find that there is a direct influence of transformational leadership and affective commitment, also significant result for inclusive organizational culture as the mediation between transformational leadership and affective commitment.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=129

263 ABS-130	Organizational Behavior, Leadership and Human Resources Management
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# Effect of work family conflict on job performance through emotional exhaustion as mediation variable on emergency department nurses RSUD DR. Iskak Tulungagung

Muhammad Burhanudin Habibi & Anis Eliyana

Department of Management, Faculty of Economic and Business, Airlangga University, Surabaya, East Java, Indonesia.

#### Abstract

This study aimed to test whether there is influence work-family conflict on job performance through emotional exhaustion as a mediating variable in nurses IGD RSUD Dr. Iskak Tulungagung. Research conducted on nurses with a sample size of 70 people, the analytical techniques used is path analysis using SPSS 21. The independent variable in this study is work to family conflict (X1) and family to work conflict (X2), mediating variables are emotional exhaustion (Z) and the dependent variable is job performance (Y). The results of this study indicate that work to family conflict and family to work conflict has direct and significant impact on job performance. The result show that emotional exhaustion mediating influence between work to family conflict on job performance and the mediating influence of family to work conflict on job performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=130

264	ABS-132	Organizational Behavior, Leadership and Human Resources Management
		Resources Management

The Influence of Transformational Leadership on Employee Performance with Communication Satisfaction Mediation (Case Study of Frontliner Employees of PT Bank Muamalat, TBK Surabaya)

Nilakandi Kusuma Wardani & Anis Eliyana

Department of Management, Faculty of Economic and Business, Airlangga University, Surabaya, East Java, Indonesia.

### **Abstract**

This research has purposes to find out the influence of transformasional leadership to employees performance with mediation communication satisfaction on employees frontliner PT Bank Muamalat Indonesia, Tbk at Surabaya. The respondent for this research is determined as 27 frontliner employees at office area Surabaya PT Bank Muamalat Indonesia, Tbk. Technique of sample collection used in this research was a total sampling

of 37 respondent and used path analysis with the support of SPSS 12 program. Research result showed that the transformational leadership as a positive and significant influence to employees performance, the transformational leadership has a positive and significant influence to communication satisfaction , communication satisfaction as a positive and significant influence to employees performance, communication satisfaction partially mediation relationship between transformational leadership with employees performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=132

265 ABS-133	Organizational Behavior, Leadership and Human Resources Management
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# Person-Organization Value fit and Employee Attitude: A study of blue collar employee.

Reni Awaliah Pebriani (a) and Ratih Hurriyati (b)

Universitas Pendidikan Indonesia, Bandung

#### Abstract

Most employee attitude and behavior are determined by both personal and situational characteristics. Person organization value fit which is defined as the congruence between individual and organization values support this assumption. The higher person-organization value fit perceived, the higher employee attitude positive received. PO fit have been extensively investigated in the empirical literature. This study is focusing on blue collar employee to examine the relationship between the fit of person and organizational values with employee attitude toward organization. Regression analysis was conducted to test the relationship between PO fit and employee attitude. To know more this relationship, the deep research is needed to understand the relation between the congruence with different values dimension and multiple employee attitude. Therefore, seven dimension of value congruence is analyzed and its relation to job satisfaction and commitment organization. Overall findings suggested that perceived person-organizational value fit is positively associated with job satisfaction and employee commitment to the organization.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=133

266	ABS-149	Organizational Behavior, Leadership and Human Resources Management
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# LINKING DISTRIBUTIVE JUSTICE AND PROCEDURAL JUSTICE TO EMPLOYEE ENGAGEMENT THROUGH PSYCHOLOGICAL CONTRACT FULFILLMENT

RINDYA RAKHMA MENTARI; DWI RATMAWATI

UNIVERSITAS AIRLANGGA

### **Abstract**

As an important role in human resources, employee engagement becomes a competitive advantage factor in the company. The challenge that companies are struggling to survive in today industry is how to increase engagement behavior through social exchange relation, one of which is the practice of justice. The purpose of this paper is to determine the effect of distributive and procedural justice to employee engagement with psychological contract fulfillment as a mediating variable. The study draws upon quantitative data collected by means of a questionnaire using partial least square (PLS) to analyze the data with SmartPLS software, that were administered to 52 employees in PT. Karmand Mitra Andalan the manufacturing and service chemical company. The results show that both distributive and procedural justice has a positive correlation on employee engagement, while psychological contract fulfillment only mediated the relationship between procedural justice

and employee engagement. The implications with respect to organizational functions are discussed.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=149

267 ABS-150	Organizational Behavior, Leadership and Human Resources Management
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# Influence of Talent Management and Organizational Culture to Employee Performance

Uun Srihandayani, Kusnendi

Universitas Pendidikan Indonesia

#### Abstract

Talent management is a complex procedure for organizations but organizations need talented employees to maximize their organizational performances. Talent management involves positioning the right people in the right jobs .This ensures that the employees maximize their talent for optimal success of the organization The aim in this study is to investigate the relationship between talent management and organizational culture among the employee performance of Brantas Abipraya Company. The method used is descriptive quantitative. The type of data needed is primary data and secondary data. The number of respondents as many as 35 managers. While data was collected through questioner, surveys, interview and literature review. Data analysis techniques used descriptive analysis and simple linear regression analysis. The results showed revealed that talent management and organizational culture have positive impact on employee performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=150

268	ABS-159	Organizational Behavior, Leadership and Human Resources Management
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# EFFECT OF ORGANIZATION CULTURE TO MOTIVATION AND JOB SATISFACTION AND ITS IMPACT ON TOTAL QUALITY MANAGEMENT IMPLEMENTATION

VIA IRHAMNY AZ-ZAHRA (a), EDI SURYADI (b)

Indonesia University Of Education Bandung

### **Abstract**

The purpose of this study is to find and analysis the influence of organizational culture on motivation and job satisfaction and its impact on total quality management implementation. The method used is survey explanatory, with data collection techniques and information sourced from the company PT. Permodalan Nasional Madani (PNM) Garut branch office. Data used in this research are primary data and secondary data. The data were analyzed using Partial Least Square (PLS) structural equation model. The results of the analysis show that motivation has a positive and significant effect on job satisfaction. Job satisfaction positively affects the implementation of total quality management, and organizational culture affects the application of total quality management, motivation, and job satisfaction.

269	ABS-163	Organizational Behavior, Leadership and Human
		Resources Management

### Millennial Generation Employment: The Impact Of Millennial Characteristic To Performance Achievement

Elisabet Siahaan

Universitas Sumatera Utara

### **Abstract**

The World Employment Era is undergoing enormous changes. The presence of the millennial society created its own image in the working environment. The characteristics of millennial generation workers affected the behavior and mindset of the workforce that would impacted on their performance. The research aimed to analyze the impact of millennial characteristic to performance achievement. The research population is all Y generation employees in PT. Telkom Regional I with total 306 employees which were born period 1980-2000. Total sample in this research is 173 employees. Data were analyzed using logistic regression. The model is able to predict 82.1% accurately the level of performance based on the reference performance of the average employee. The results indicate that various millennial characteristics encourage improving performance. Fondness for technology, independence, team-oriented and cherished desires can lead to improve higher performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=163

270 ABS-164	Organizational Behavior, Leadership and Human Resources Management
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# Developing Strategies to Stimulate Employees Performance:Case of Indonesian Banker

Elisabet Siahaan

Universitas Sumatera Utara

### **Abstract**

Rapid change in technology, information and deregulation create even more tightening competition in all sectors. Today National Bank was not only compete with local bank, but also foreign bank. To remain competitive, banks need to retain their employees performance. This study aimed to evaluate two strategies first to stimulate employees performance, based on developing competencies and employees emotional intelligence. The second strategy through fair performance appraisal and opportunity for promotion. Each strategy was evaluated by using regression analysis. Data were collected through structured questionnaires. We employ saturation sampling in BNI USU Branch. A number of 56 employees were participated in this study. The result indicated that both strategies significantly stimulate employees performance. In addition note, building competencies were more effective to stimulate their performance. The best strategy is to train employees emotional intelligence to deal with the work.

271	ABS-167	Organizational Behavior, Leadership and Human Resources Management
Effectivenss of HR Department Roles in Hospitality Industry  RATRI WAHYUNINGTYAS		

### **TELKOM UNIVERSITY**

### **Abstract**

Hotel sector in Indonesia is one of the economic activities that become potential to be developed especially in Java Island since economic activity is concentrated more on this region. The problems that arise in 5-star hotels in Java are the high workload, unclear job description for employee, and lack of opportunity in promotion system. The role of HR department in performing HR functions is critical to the effectiveness and efficiency of management within organization. This research will provide relevant information related to HR department roles implementation. The method of this research is descriptive through survey. The sample of research consist of 592 employees in 5-star hotels in Java Island. Variables in this research cover areas related to Employees Relationship, Functional Specialist, Strategic Integrator, and Innovator. Data analysis is done by comparing the values of existing implementation with employees expectation. Next step is measured a different test by using Paired Samples T Test to find out whether there are significant differences between the realities of HR department role implementation and expectations of the employees.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=167

272	ABS-172	Organizational Behavior, Leadership and Human Resources Management
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# Teacher Work Productivity as Implication of Implementation Quality Management System

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a) Fakultas Pendidikan Ekonomi dan Bisnis Universitas Pendidikan Indonesia Jl. Dr. Setiabudhi No. 229 Bandung, Indonesia b) Fakultas Pendidikan Ekonomi dan Bisnis Universitas Pendidikan Indonesia Jl. Dr. Setiabudhi No. 229 Bandung, Indonesia \*rasto[at]upi.edu

### **Abstract**

This study aimed to determine the influence of quality management system ISO 9001:2015 on teacher work productivity. The research method used explanatory survey. Data collection technique used questionnaire rating scale models. Respondents are 54 teachers of Vocational High School in Bandung. Data were analyzed using regression. The results of the study revealed that quality management system ISO 9001:2015 have a positive and significant influence on teacher work productivity simultaneously. Therefore, the productivity of teachers can be improved through improving the effectiveness of quality management system ISO 9001:2015 implemented in school.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=172

273 ABS-175	Organizational Behavior, Leadership and Human Resources Management
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The Effectiveness of Reward System based on Mobile Platform towards Performance: A case study on Go-Jek Drivers in Garut

Ridlwan Muttaqin, and Suwatno

Universitas Pendidikan Indonesia

### **Abstract**

The purpose of this study was to obtain empirical evidence and found the clarity of phenomenon as well as conclusions on the effectiveness of reward system based on mobile platform towards performance. The analysis technique using path analysis with sample of 52 Respondents Go-Jek Driver in Garut. The study was conducted by using descriptive and verification method and research instrument with questionnaire. The findings show that there is an effective reward system based on mobile platform that will improve the performance of driver Go-Jek in Garut.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=175

274 ABS-177	Organizational Behavior, Leadership and Human Resources Management
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# Antecedents of Service Sweethearting (Case Study on Prime Plaza Hotels & Resorts Group)

Erna Fitriastuti, Badri Munir Sukoco, Fiona Niska Dinda Nadia

Airlangga University

### **Abstract**

Prospects of service industry sector in Indonesia constantly grow each year. Employee behavior is the success key for service industry. Service sweethearting is one of deviance behavior that resulted in considerable loss, but rarely discussed in the prior research. Research question aimed to be answered is what are the factors influence service sweethearting which contribute to control service sweethearting behavior, so that organizations able to minimize loss. Conclusion is being resulted through responses gathered from 147 employees of Prime Plaza Hotels&Resorts group.

Finding shows that opportunities to earn additional revenues and deviance of work groups norms influence service sweethearting. Moreover, policies are being formulated in order to minimize service sweethearting behavior, through managing positive organizational climate, providing training on the rules of irregularities within organization, discussing personal integrity, and providing proper assessment and rewards.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=177

275	ABS-183	Organizational Behavior, Leadership and Human Resources Management
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# MEDIATING ROLE OF ACADEMIC MOTIVATION ON BIG FIVE PERSONALITY AND ACADEMIC PERFORMANCE RELATIONSHIP

Ida Bagus Gede Adi Permana

Universitas Airlangga

### Abstract

The Big Five Personalities and academic motivation is closely related to students academic performance. Academic performances can be either improving or declining according to the students personalities and academic motivation. This study aims to seek the influence of the Big Five Personalities on academic performance, using the academic motivation as the intervening variable.

The findings shows that the dimensions of the Big Five Personalities significantly influence the academic performance. The other results show that openness partially influences

academic performance after being mediated with intrinsic motivation, agreeableness and openness respectively influence fully and partially on academic motivation.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=183

276 ABS-204 Organizational Behavior, Leadership and Human Resources Management

# THE ROLE OF ZAKAT, INFAK, ALMS, AND ENDOWMENTS BMH AGAINST THE INDEPENDENCE OF PONDOK PESANTREN DARUL HIJRAH II PASURUAN.

Siti Inayatul Faizah, Diananda Rahmawiguna

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#### Abstract

This study aims to determine the role of zakat, infak, alms, and endowments productive BMH against the independence of Pondok Pesantren Darul Hijrah II Pasuruan. BMH have an important role to empower Pondok Pesantren Darul Hijrah II Pasuruan. The approach used is qualitative approach with case study method. In the technique of data collection using the technique of interview and Participant observation.

The results of this study that their independence can be seen from productive results that can meet their needs. Although if viewed based on the level of independence obtained is still fairly small. But if you see the nominal results of the growing business in the last two years, they allready reach the decent level of independence with the fact that its a new business.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=204

277	ABS-235	Organizational Behavior, Leadership and Human Resources Management
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Decision Support System Determination of employee achievement Based on the assessment of Employee Performance by Analitycal Hierarchy Process Method

Uus Mulyana, Kusnendi

Universitas Pendidikan Indonesia

### Abstract

The decision support system for the determination of performance employees based on performance using Analytical Hierarchy Prosess (AHP) method is based on the assessment criteria applicable to Civil Servant that is List of Job Implementation Assessment which consists of 8 assessment criteria. AHP process is conducted to determine the value of employees who excel which is the basis of recommendations for decision makers to select high achievers faculty level. This app was created using Xampp 2.5 and Adobe CS 5 as tools.

With the results of this system implementation, the faculty has clear criteria in the selection of next achieving employees, as well as facilitate and assist the decision-making process

278	ABS-240	Organizational Behavior, Leadership and Human
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### **Resources Management**

### THE IMPACT OF LEADERSHIP STYLE AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE

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Sekolah Pascasarjana DIM UPI

### **Abstract**

ABSTRACT: The Leadership and organizational culture has a very close relationship that is highly dependent, because every aspect of leadership will ultimately shape an organizational culture. The purpose of this research is to know the influence of leadership style and organizational culture on employee performance at PT Duta Rama, Surabaya. In this study population consists of 92 people using saturated samples. The result indicate that leadership style have an effect on employee performance but not significant. Organizational culture is significant, it means that organizational culture has a positive and significant influence on employee performance. Simultaneously leadership style and organizational culture have a positive and significant effect on employee performance..

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=240

279 ABS-244	Organizational Behavior, Leadership and Human Resources Management
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# Intellectual Capital and Knowledge Sharing Linkages for Enhancing Institutional Performance : Indonesia Colleges Case

Nani Maryani , Horas Djulius

Winaya Mukti University

### **Abstract**

Since the recent few years the Indonesian government has established various policies to improve the performance and scientific publications of the lecturers in Indonesia. This makes efforts to improve the performance of higher education institutions become prominent. Based on this phenomenon, this research examines the relationship between the intellectual capital and the knowledge sharing on the performance of the higher education institutions. By studying the knowledge sharing, which is part of the knowledge management, this research discusses more in depth what efforts should be made by the higher education institutions to be part of the international academic community. This research uses the quantitative method by conducting a survey using questionnaires to the decision makers in college institutions. Its analysis unit is the management department of various colleges in West Java and Banten, which is one of the largest cluster of the college management in Indonesia. The survey result data are processed using the structural equation modeling to elaborate the research hypothesis. The research results suggest that the knowledge-sharing activities provide the highest contribution in improving institutional performance, and one of its sub-variables, i.e. the ability to transfer knowledge, is the most important former.

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### Leadership Style Analysis: A Case Study on the Manager of Anggungan Village Credit Union

Yudistira Adnyana and I Made Sumada

Faculty of Social and Political Sciences
Ngurah Rai University

#### Abstract

Village Credit Union or LPD is a unique economic institution in Bali. The problem is what and how is the leadership style of the LPD Manager and its impacts on LPD performance? Situational leadership style theory is used to explain the leadership style of LPD. The research used qualitative method with a case study approach. The LPD Manager applies a situational leadership style a combination of participation and consultation activities. The participatory leadership style employed by LPD is seen in routines such as saving, deposit, and credit. Consultative leadership style is applied in meetings on LPD business plans, end-of year meetings and supervisory board meetings. This situational leadership style is quite effective on the performance of LPD

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=245

281 ABS-248	Organizational Behavior, Leadership and Human Resources Management
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### The influence of leadership style in construction company

P.D.H. Ardana, N.K. Astariani & I.G.M. Sudika

Ngurah Rai University

### **Abstract**

Construction is the process of constructing a building or infrastructure. To make an effective construction, the human resources play an important role where the leadership factor is inside in. Leadership is a process by which a person influences others to accomplish an objective or leadership is aligning people towards common goals and empowering them to take the actions needed to reach them. In this research, the role of leadership in construction company becomes the main topic of discussion. Based on a questionnaire and depth interview the result obtained the democratic leadership style has positive and significant relationships with employee performance. The value of democratic leadership style can be shown from multiple linear testing, t-test, F-test, and coefficient determination which produce the best result. The subsequent findings of this study show the leadership behaviors are influencing amount 32,9% for the employee performance in CV. Kresna Jaya Perkasa.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=248

282   ABS-251   -	avior, Leadership and Human ces Management
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### Impact of Knowledge Management on Career Development: a Study among Lecturers on Private College

Rahmi Widyanti dan Basuki

Program Studi Manajemen Universitas Islam Kalimantan MAB Banjarmasin

#### **Abstract**

### **ABSTRACT:**

The Aim this study analyzed the Impact of Knowledge Management on Career Development among lecturers in Private College.

Great changes have taken place in Career Development through Knowledge Management. This study aims to test the relationship between knowledge management and career development of lecturer Private College in Kopertis Region XI Kalimantan Indonesia. Data were collected from lecturer civil servant, 103 questionnaires were collected and analyzed using statistical techniques Partial Least Square (PLS). Some the open questions are presented to explain career development programs which a lecturer needed. This study concludes by measuring the impact of Knowledge Management as very important for lecturer to develop career in effective way.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=251

283	ABS-254	Organizational Behavior, Leadership and Human Resources Management
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### THE MEDIATION EFFECT OF ORGANIZATIONAL COMMITMENT IN THE RELATION OF ORGANIZATION CULTURE and EMPLOYEE PERFORMANCE

Asep Adam, Tjutju Yuniarsih, Eeng Ahmad, Kusnendi

Universitas Pendidikan Indonesia

#### Abstract

The present study investigate the relation of organization culture and employee performance and the mediation role of organizational commitment. The research conducted in a local public company who served clean water to the society. Nonprobability sampling method with accidental sampling technique was use to gather 260 employees to participate in this study. Descriptive verificative method was used to analyze the relation between variables through hypothesis testing. The study found that organizational culture has significant effect on employee performance. Meanwhile organizational commitment proved to be a mediator in the relation. Organization should develop strong culture and commitment in order to enhance employee performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=254

284	ABS-257	Strategic Management, Entrepreneurship and Contemporary Issues
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# Identification of e-Governance Indicators for Measuring Smart Governance in Bandung City

Indrawati, Mochamad Yudha Febrianta

Telkom University

### Abstract

Bandung became the center of urbanization in Indonesia, and there are 43 million people in West Java in which centered in the capital of West Java called the city of Bandung. The high level of urbanization becomes the main problem in Bandung, and the question arises on how to improve the service of Bandung City Government in managing and solving the problem resulting from the impact of urbanization itself. Smart City is a solution to enhance the function of Bandung City Government, especially in the field of Smart Governance to commit to the Government of Bandung towards Good City Governance. To measure

whether the city of Bandung has implemented Smart Governance it is required the identification of dimensions and indicators which will determine whether Bandung City Government has performed Smart Governance. Smart Governance dimensions and indicators are obtained from literature studies, and it should be confirmed to the respondents who have the expertise and having experience in the field of Smart City. The interview and focus group discussions will be conducted to the respondents, and the researcher will grasp the primary dimensions and indicators to determine whether The Smart Governance has been implemented in Bandung City Government. The new proposed model will come up from the interview and focus group discussion result; also there will be statements to measuring the readiness of Smart Governance implementation in Bandung or other cities in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=257

285	ABS-2	Strategic Management, Entrepreneurship and Contemporary Issues
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# The Accountability Performance Evaluation of Local Governmental Organizations in Indonesia

Deddy Mulyadi & Dedi Supiyadi

STIA LAN Bandung Sekolah Pascasarjana - Universitas Pendidikan Indonesia

#### Abstract

The aims of this study are to analyze how the implementation of the sakip policies, constraints and strategic measures and policy recommendations undertaken by local governments in Indonesia. The method used in this research is qualitative research method with data collection technique through observation, interview and documentation study where researcher act as main instrument of research, to validity of data used triangulation process in yielding data which can be accounted academically. The results of the study found that the implementation of the policy of performance accountability system of government organizations has been implemented in accordance with the policy objectives set, but the implementation of the policy has not been optimally caused by the lack of commitment of the leadership, has no understanding of the process of sakip at the operational level, from planning, budgeting, monitoring, and evaluation to performance reporting, not yet applying the sakip application so that it is less effective and efficient, and there is no alignment between regional mid-term development plan (RPJMD), vision and mission of districts and the policy of regional leaders. In order to improve the performance of local government then: Regional leaders must accelerate the management of accountability system performance of local organizations by taking strategic steps through building commitments with the leaders of regional apparatus, improve coordination, monitoring and structured, increasing the understanding of the management of the sakip to all leaders at all levels of policy, the implementation of integrated information system that integrated with the principles of Good Corporate Governance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=2

286	ABS-258	Strategic Management, Entrepreneurship and Contemporary Issues
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### Early Warning System for Property Price Bubble in Indonesia and Strategy to Prevent Business Failure

Rudi Purwono, Pradiska Lidya Permata, R. Dimas Bagas Herlambang

Faculty of Economics and Business, Universitas Airlangga Faculty of Economics and Business, Universitas Airlangga Faculty of Economics and Business, Universitas Airlangga

### **Abstract**

Global Financial Crisis in 2008 should be a prominent example on how we should aware in property price bubble. In this paper, we estimate the presence of any housing price bubble in Indonesia, and build a probabil-ity model to seek any possible determinant. Results from these estimation then act as a helpful information to develop a strategy that should be used to prevent business failure. As the predictor of price bubble, we used macroeconomic factor and macroprudential policy as it is easy to be monitored. Result from this paper suggest that the GDP growth could serve as an early warning indicator for price bubble, which implies a counter-cyclical relation with the bubble. In addition, some LTV implementation is too strict that it inducing a bubble instead of stabilizing the price. These information, along with the demonstrated procedure, could serve as an information for the firms to plan an early reaction to prevent any upcoming bubble.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=258

287 ABS-259 Strategic Management, Entrep Contemporary Iss	■
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# Impact from Loan-to-Value to Housing Price Bubble in Indonesia and Strategy to Prevent Business Failure

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Faculty of Economics and Business, Universitas Airlangga Faculty of Economics and Business, Universitas Airlangga Faculty of Economics and Business, Universitas Airlangga

### **Abstract**

Recent subprime mortgage crisis showing the need of housing price bubble monitoring. Central bank of Indo-nesia, Bank Indonesia (BI), responded the recent crisis by implementing Loan-to-Value (LTV) for housing credit. However, for Indonesia, the research for strategies to prevent business failure regarding the housing price bubble and its outcome is very limited. In this paper, we will estimate the housing bubble in Indonesia to give more perspective in property business strategy. Using information from property price index for Indonesia, we also check whether the LTV policy changes the price bubble condition, hence, change the strategy for the prevention of firms failure. Results from this paper suggest that a misconduct in LTV could lead to a boom in housing price instead of act as a counter-cyclical buffer. However, recent change in LTV is effective in reducing housing price misalignment, therefore should be safe to be responded by firms with optimism in future housing price stability.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=259

288	ABS-263	Strategic Management, Entrepreneurship and Contemporary Issues
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# REFORMULATION IN THE BASIC OF LEGAL CONSIDERATIONS ABOUT THE BASIC IN FILING FOR BANKRUPTCY IN INDONESIAN COMMERCIAL COURT (THE LEGAL COMPARISON WITH MALAYSIA AND SINGAPORE)

Putu Eka Trisna Dewi, I.W.P Sucana Aryana

faculty of law Ngurah Rai University

### **Abstract**

In the middle of 1997, monetary crisis in Indonesia. The business sector was the one that got the effects of the crisis the most. Many of the businesses went bankrupt. As the result, there were many obligations of debts and accounts receivable due that were not fulfilled. Considering those conditions, the quick, open, and effective regulations are needed in order to give the chance for both creditors and debtors to attempt the fair settlement. The attempts can be done through the bankruptcy law. However, in the formulation of Article 2 paragraph 1 Law number 37 of 2004 about the Bankruptcy and Suspension of Obligation for Payment of Debts (UUK-PKPU) can be identified that how easy a debtor that is an individual or a company is declared bankrupt. Although the debtor has done default of risk in which there is a debt due and has not been paid yet that is detrimental to the creditor, it does not mean that in the requirements of filing for bankruptcy ignore the rights of the debitor who does default of risk. It will be unfair when the debtors that still have good business prospects and ability to pay the debt are easily declared bankrupt. The neglect of their rights in the regulation of UKK-PKPU is the important thing that needs to be considered. The debtors rights, although they do default of risk, must be protected bacause their rights are the constitutional rights of every citizen.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=263

289	ABS-8	Strategic Management, Entrepreneurship and Contemporary Issues
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# Knowledge Inertia in the Innovation of Coffee Production: (A Study of Members of a Coffee Cooperative in West Sumatra, Indonesia)

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### Abstract

This paper aims and discusses knowledge inertia and its influence in the product innovation, with particular analysis given to the coffee production during the pre-harvest and post-harvest periods.

The study uses quantitative methodology, and operates partial regression analysis in terms of the causal analysis between variables of the study to measure the impact of knowledge intertia (with the dimensions of learning, experience and procedural inertia) in the innovation of coffee production. To put the findings in detail, the study separates the innovation of coffee product in two sequences, named [a] pre-harvest period and, [b] post-harvest period. Data and information were collected based on cross-sectional cohort data in each of the pre and post-harvest period. Samples were 125 members of one big coffee cooperative in West Sumatra, Indonesia.

It is found in the study that during the pre-harvest period, learning inertia and procedural inertia brought no significant influence to the innovation of coffee production whilst experience inertia significantly influences the innovation of coffee production during this period. In the post-harvest period, learning inertia significantly influences the innovation of coffee production. Meanwhile, procedural inertia and experience inertia have no significant influence to the innovation of coffee product during the post-harvest period of coffee production.

The originality and value of this study lie to its design and findings which focuses on the dimension of knowlede inertia in detail, in which a specific product with the sequence of its production was used as the consideration. Contextually, it used members of a cooperative of coffee product which becomes a unique sample of the research .

290 ABS-11 Strategic Management, Entrepreneurship and Contemporary Issues	
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# Psycho-Economic Phenomenon, Opportunistic Behaviour and their Impact on Entrepreneurial Failure

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- Department of Management Faculty of Economics
   Universitas Andalas
  - 2. Padang State Polytechnic

#### Abstract

This paper aims to investigate and to discuss psycho-economic phenomenon that caused entrepreneurial failure. Several research and studies have indicated that the deterministic, emotive and voluntaristic factors are the most prominent psycho-economic phenomenon which affects entrepreneurial failure. However, this paper views that it is not only limited into that categories as it believes that opportunistic behaviour of individuals can also contribute to entrepreneurial failure.

The study is a quantitative study and it operates causal analysis that relates the existing arguments regarding psycho-economic phenomenon to entrepreneurial failure. The study further adds and analyse the construct of opportunistic behaviour as another possible factor in entrepreneurial failure. Sample of the study is 1541 nascent entrepreneurs in West Sumatra Province, Indonesia, who have experienced failures in their business. Analysis was undertaken by using multiple and partial regression analysis in which the statistical protocol was operated.

The study found that psycho-economic factors together with opportunistic behaviour of individuals in a lesser to a bigger degree would cause entreprenuerial failure. The study also implies and argues that opportunistic behaviour may not only be viewed as a source of entrepreneurial success, but it should also be considered as a cause of entrepreneurial failure.

This finding clearly demonstrates the originality and value of this study. It argues that opportunistic behaviour can also be viewed as a factor - apart from the other existing psycho-economic factors (deterministic, voluntaristic and emotive) - that can cause entrepreneurial failure.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=11

291 ABS-268 Strategic Management, Entrepreneurship and Contemporary Issues

# The Improvement Effort for Safety Awareness Through Integrated Safety Management

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### **Abstract**

Risk Management is a action for fault analysis of cycle task entities before the tasks will done. Failure is inconsistency settlement time, insufficient cost (over budget), damage or destruction of property or the occurrence of accidents or incidents during the work process takes place. The Safety Management System is a method for managing and measuring the risk or potential hazard level in a work cycle and attempting to adjust the risk level down to an acceptable risk. Two aspects of risk value in safety management are severity risk and number of probability events. Risk management in the context of hazard control is an analysis job of every business process that exists in the company. The business process is illustrated by a turtle diagram modeling method in which it is equipped with various parameters. of the safety management system in order to obtain a picture of the potential

hazards in each of the existing business process units that include, financial systems, production management, logistics management, production planning programs, and quality assurance. The integration of safety systems in each business process unit is monitored and controlled through a HIRA (Hazard Identification Risk Assessment) that contains the value of risk Probability and severity. The value HIRA will be controlled through a data entry mechanism in the form of hazard reporting of all the functions that run the business process. HIRA values are controlled in real time through a computer system so that aspects of risk reduction and increase can be controlled transparently so that mitigation can be done earlier. Integrated safety management system is a distributed risk control effort that can be controlled and monitored jointly all the functions of the organization

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=268

292 ABS-16 Strategic Management, Entrepreneurship and Contemporary Issues

## HOW DO WE PERCEIVE FAILURE? INTRODUCING THE INTEGRATIVE MODEL OF ENTREPRENEURIAL FAILURE

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(2) Padang State Polytechnic Padang Indonesia

#### Abstract

This paper aims to introduce and to discuss an integrative model of entrepreneurial failure experienced by nascent entrepreneurs. Previous models on entrepreneurial failure mainly described reasons and factors that caused entrepreneurial failure from individual dan firm levels with less elaboration about possible follow-up of that failure. In difference, this paper tries to add our understanding regarding entrepreneurial failure by elaborating its process, the possible consequence and follow up of that failure as well as its relationship to the concept of serial entrepreneurship.

The study is as qualitative study and uses exploration of a possible integrative model that can figure the process of entrepreneurial failure experienced by nascent entrepreneurs. The model is developed based on previous quantitative study with 1541 nascent entrepreneurs in West Sumatra, Indonesia who have experienced entrepreneurial failure.

The model introduces entrepreneurial failure as series of process which is sourced from individuals internalities and externalities. As a process, it has also brought consequences and follow-up of that failure to nascent entrepreneurs.

The introduction of this integrative model of entrepreneurial failure demonstrates the originality and value of this study. As other models of entrepreneurial failure concentrate their elaboration on the sources and reasons of failure, this paper concentrates more on entrepreneurial failure as a process, in which consequences and follow-up of failures would also be elaborated as part of the process.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=16

293 ABS-274 Strategic Management, Entrepreneurship and Contemporary Issues

### **ANALYSIS OF SMEs PERFORMANCE IN INDONESIA**

Erna Herlinawati, Amir Machmud, Suryana

Universitas Pendidikan Indonesia

### **Abstract**

This study aims to analyze the performance of SMEs in Indonesia in terms of sales growth, increasing the number of workers, market share, profitability and asset addition, by exploring the assistance provided by the government in the form of financing. This study is motivated by the phenomenon of SMEs as the largest economic actors group in the Indonesian economy, faced with various problems and constraints, including limited capital and access to capital, the difficulty of product marketing, and low management capabilities. The method used in this study is an explanatory survey, with data collection techniques through questionnaires, interviews and documentation studies. The population in this study is SMEs in West Java Indonesia who have obtained financing from Micro Financial Institutions, especially Banks with a sample size of 150 respondents. The data has been collected, then analyzed by using descriptive statistics, Importance Performance Analysis and Structural Equation Model (SEM). The results of the study show that after obtaining financing, MSME performance has increased significantly. This finding implies that to become a successful SMEs, SMEs should pay more attention to marketing strategy, capital strengthening and management capability of course with support from the Government through assistance involving banks, academics, communities and other interested parties in supporting the success of SMEs in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=274

294 ABS	5-277	Strategic Management, Entrepreneurship and Contemporary Issues
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# Government Ownership, Financial Constraint, and Firm Performance Chorry Sulistyowati (a\*), Aisyatur Ridlo (b)

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- b) Faculty of Economics and Business, Airlangga University Jalan Airlangga 4-6, Surabaya 60286, Indonesia

### Abstract

This research investigates the effect of government ownership on financial constraints and firm performance, and the influence of financial constraints on firm performance. This study uses data of non-financial companies listed on the Indonesia Stock Exchange with the period 2013-2016 using purposive sampling. In this research, we use two models, with two dependend variables, the first is financial constraint, and the second is firm performance. Both models are also controlled with variable age and firm size. Measurement of financial constraint in this research using KZ Index model proposed by Kaplan and Zingales (1997).

Firm performance is measured using the amount of return on assets. The results show that government ownership negatively affects financial constraint and firm performance and there is a negative influence between financial constraint on firm performance​.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=277

295	ABS-279	Strategic Management, Entrepreneurship and Contemporary Issues
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THE INFLUENCE OF ATTITUDE, SUBJECTIVE NORM, SELF EFFICACY, FAMILY ENVIRONMENT TOWARDS ENTREPRENEURIAL INTENTION, MEDIATED BY ENTREPRENEURSHIP EDUCATION, ON STUDENTS OF FACULTY OF ECONOMY OF

### **NGURAH RAI UNIVERSITY**

Nyoman Dwika Ayu Amrita, I Made Kartika, Putu Gede Denny Herlambang

### NGURAH RAI UNIVERSITY DENPASAR

#### Abstract

According to the Indonesian Central Bureau of Statistics, the unemployment rate in 2014 was 7.24 million people and around 30-40% were young people from which 10% of them hold a bachelor degree. Indonesia has a serious problem of high unemployment especially those holding an undergraduate degree. Creating independent employment is a new breakthrough to deal with unemployment. To support the development of entrepreneurship, in 1995 the Government launched the National Movement on Entrepreneurship Socialisation and Development at the university level.

This research was focused on observing factors that support and encourage students intention in entrepreneurship based on their attitude, subjective norms and perceived behavioral control. This study used quantitative research methodology with multiple linier regression data analysis. Data were collected by means of observation, interview, documentary and questionnaire. The respondents of the research were the sixth semester students University who had passed the subject on Entrepreneurship.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=279

296	ABS-24	Strategic Management, Entrepreneurship and Contemporary Issues
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### Influence Skills And Commitment to Guest Satisfaction At Hotel Enhaii Indonesia

Yana Hendayana and Hari Mulyadi

Universitas Pendidikan Indonesia

### Abstract

The main issues that will be studied in this research is the guest satisfaction Enhaii At Hotel Indonesia, allegedly influenced by factors of skills and employee commitment. How much influence the skills and commitment to guest satisfaction working on Enhaii Hotel indonesia, either simultaneously or partially. Interest to undertake this work is to determine and analyze the skills, commitment and satisfaction of the guests At Hotel Enhaii Indonesia, as well as the influence of the independent variables on the dependent variable either simultaneously or partially. The method used in this research is descriptive and verification approaches. Respondents in this study is at Enhaii Hotel Indonesia as many as 30 people. The data in this study are primary data, where the data is obtained from the respondents answers to a questionnaire author spreads. The results of data analysis that has been done, it showed that there is significant influence on the skills and commitment to work either simultaneously or partially on employee satisfaction Hotel Enhaii Indonesia. Satisfaction of hotel quest satisfaction can be explained by the skills and employee commitment and the remaining influenced lai factors not examined in this study. The expected impact of quest satisfaction increases with employee skill and good work commitment.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=24

297 ABS-25 Strategic Management, Entrepreneurship and Contemporary Issues	
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AN ANALYSIS ON THE HIGHEST AND THE BEST USE IN LAND OWNED BY PT PLN (PERSERO) AT PAYA PASIR, MEDAN, AS AN ALTERNATIVE STRATEGY OF ASSET

### **UTILIZATION**

Milha Listyohadi (a\*), Sukaria Sinulingga(b), Sugiarto Pujangkoro(c)

Universitas Sumatera Utara

#### **Abstract**

PT PLN (Persero) is an Indonesian government-owned corporation that provides electricity needs for both the Industrial and Community sectors. In accordance with the Regulation of the Minister Number: PER-13/MBU/09/2014 about the utilization guideline of State-owned fixed assets Article 1 that the Board of Directors must prepare a list of fixed assets that are lacking and / or not optimally utilized. Currently, PT PLN (Persero) has an asset in the form of vacant land that has not been optimally utilized.

In order that the vacant land can be used optimally then it is necessary to do Highest and Best Use analysis on the land. Highest and Best Use analysis aims to identify the use of the most profitable and competitive property for the land. The Highest and Best Use analysis uses four criteria that are physically possible, legally permitted, financially feasible, and have maximum productivity.

From result of research got result for development of PLTG with Payback Period for 2 years 7 months, with value of NPV equal to Rp 2,818,837,070,855, - IRR value equal to 28,69% and PI equal to 1,91 with Investment Value of Rp 2.203.152.758.023, - it can be concluded that the investment options can be executed.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=25

298	ABS-281	Strategic Management, Entrepreneurship and Contemporary Issues
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### The Relationship Between Innovation Capacity And Company Perfor-mance of Creativity Industry In Indonesia

Riyandi Nur Sumawidjaja, Suryana, Amir Machmud, Eeng Ahman

Universitas Pendidikan Indonesia

### **Abstract**

This research aims to know and analyze the relationship between innovation capacity and creative industry performance in Indonesia. This study is based on the contribution of the creative industry in the national economy. The study method uses quantitative method through causal explanatory survey research. Innovative capacity measurements include product innovation and process innovation, while company performance is measured through Financial Perspective, Customer Perspective, Internal Business Process Perspective and Learning and Growth Perspective. The population of study were 368 players of leather industry, leather goods and footwear in Bandung City Region West Java Indonesia, with sample size referring to slovin formula, sample size as much as 192 respondents. All research variables are measured by using Likert scale with data collection techniques through questionnaires on the perpetrators of SMEs. The data analysis model uses Structural Equation Modeling (SEM). The results show that Innovation Capacity has a significant influence on company performance. This study implies that to improve the performance of creative industry actors need to optimize the capacity to innovate through product innovation and process innovation by producing superior and innovative products as well as being the leader of process innovation using the latest technology.

299	ABS-282	Strategic Management, Entrepreneurship and Contemporary Issues

### The Role of Formal Education on Entrepreneurial Intention among Students

Okky Rizkia Yustian, Hari Mulyadi.

Universitas Pendidikan Indonesia

#### Abstract

This study examines the effect of formal education in developing entrepreneurial intentions among widyatama university students. Questionnaires distributed to students who have received entrepreneurship courses. The data collected were analyzed through SPSS and Structural Equation Modelling techniques using AMOS. Descriptive statistics ware used for demographic characteristics and confirmatory factor analysis through AMOS, to test the goodness-fit-of-the-model and the hypotheses developed for the study. The finding of this study revealed that formal education affects entrepreneurial intentions. Other finding revealed that entrepreneurial attitudes have a mediating role in formal education and entrepreneurial intentions.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=282

300	ABS-285	Strategic Management, Entrepreneurship and Contemporary Issues
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### STRATEGIC MANAGEMENT : BUILDING FRAME WORK IT-GOVERNANCE IN UNIVERSITY ENVIRONMENT

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#### Abstract

IT-Governance Issues in Higher Education environment is not just a matter of website development, but involves the application and infrastructure are far more complex, as well as adequate management context. Because it is uncertain if an institution only buy applications and infrastructure, without adjustment of management, is unlikely to succeed. During this model can be considered in implementing IT-Governance IT Governance is a model such as COBIT, ITIL, COSO, ISO / IEEC etc. All these models are usually nice to be developed within the company, but not necessarily the best when developed in the higher education environment. Trends and issues in tertiary education in Indonesia in recent years faced with the problem (1) loss of confidence in the benefits of higher education, (2) changing patterns of poten-tial interest to students majoring in vocational; (3) increased competition among universities; (4) the cost of education very high; (5) the number of opening a community college which is geographically closer to students and low-cost, (6) the increasing concern for more effective education management

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=285

301	ABS-30	Strategic Management, Entrepreneurship and Contemporary Issues
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#### Government innovation: Smart village as a strategy to solve village problems in Indonesia

Haidar Fikri, Dr. Didik G. Suharto, S. Sos., M. Si, Rino Ardhian Nugroho, S. Sos., Ph. D

Magister Student of Public Administration Department, Faculty of Social Studies and Politics

#### **Abstract**

The realization of sustainable independent village can make a village more attracted to be lived and visited. The village can also be a target of investment. Therefore, it needs to change the opinion that city is more advanced, more sophisticated, and more prosperous than the village. The opinion must be changed with the innovative steps. One of the steps is by creating smart village. Smart village is a one of the steps of Universal Service Obligation (USO). The program is aimed to introduce the field of information and communication technology (ICT) to the society. The aim of the program is to improve the productivity and the economy of a region. Smart City and Community Innovation Centre (SCCIC) formulates a smart village as an ecosystem to involve the government, industry, academicians and society in creating a better village. In the concept of smart village, the level of program success is measured through its work in managing the resources. The management is expected to be more efficient, more sustainable and involves all the elements of society. The concept of smart village is needed to know the problems at village (sensing), to understand the condition of village problems (understanding), and to control the resources to be used effectively and efficiently with the aim to maximize the service to the society. In achieving the aims of smart village, it needs supporting elements. There are 5 smart technologies such as (1) smart sensor, (2) communication between a machine and another machine, (3) early computation, (4) social media, and (5) technology of Geographical Information System (GIS). Nevertheless, the obstacle is still found in its implementation. It needs more effort to develop the village concerning with the local condition and the infrastructure and resource availability. Besides that, the planned program and the sector involvement are needed to realize the smart village. This research used descriptive-qualitative approach. The result of the research focuses on the obstacles and the challenges of the smart village implementation and its practice in Indonesia.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=30

302 ABS-291 Strategic Management, Entrepreneurship and Contemporary Issues

# CORPORATE SOCIAL RESPONSIBILITY IN INDONESIA: The Facet of Government Regulation in Encouraging Corporate Social Responsibilitys Goals Sri Oktavia, SH. MSc. PhD

Department of International Law - Faculty of Law - Andalas University

#### Abstract

Corporate Social Responsibility (CSR) has become an important area of activity throughout the global business community and actors from Government, business and the broader community are involved with the shaping and implementation of CSR regulation and CSR-related laws. However, how CSR policy and CSR-related laws can be adopted and implemented remains unclear and it is an under-represented area of research.

This study addresses this issue in the Indonesian context and is concerned with two key questions: (1) what are the circumstances of CSR regulation in Indonesia, (2) how are CSR regulation and CSR-related law can be adopted and implemented as business strategy for corporations in Indonesia.

In order to address these questions, this research aims to analyse CSR regulation and CSR-related laws in Indonesia at two level of analysis: institutional (macro level) and organisational (meso) level. At the institutional level, this research has two objectives: (1) to investigate how economy, politics, social and environmental circumstances shaped CSR regulation in Indonesia, (2) to reveal the key motives of Indonesian Government in legislating for compulsory CSR. At the organisational level, it aims to explore how CSR regulation and CSR-related Law are adopted into business strategy and are implemented by Indonesian companies.

This study uses a qualitative approaches with multi methods. Using Indonesia as the context of the study, it applies three dimensional approaches of CSR policy, namely: (1)

CSR context-dimension, (2) CSR content dimension and, (3) CSR rationales dimension at the institutional level. Multiple case studies are undertaken as the research strategy at the organisational level of analysis.

This research found that CSR regulation and CSR-related Law in Indonesia are context-related, are shaped and re-shaped by economic, political, social and environmental contexts. It also discovered that the key motive of Indonesian Government in CSR legislation was to ensure that corporations acted responsibly regarding the environmental and social impacts of their activities, which prior to legislation, were generally ignored. Furthermore, although CSR is now mandatory in Indonesia, the research found that CSR policy adoption into business strategy, and its implementation varies and is influenced largely by the ownership structure of the company

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=291

303	ABS-39	Strategic Management, Entrepreneurship and Contemporary Issues
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### Comparison Between Entrepreneurship Factors Korea and Indonesia by SWOT analisys

Namhee Jo

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#### Abstract

Korea and Indonesia have the same experience as colonization, control by the military authority and already became a member of G20. Korea is a small country, but a strong country on the economic side, if the truth of ranking 11 in the GDP scale in the world is considered. And, Korea has experience of economic development referred to as Han River Miracle. Indonesia is not only a big country, but also a strong country on the economic side, because the rank of GDP Indonesia is ranked 16 in the world. In addition, Indonesia has the greatest development potential among developing countries, because Indonesia has many natural resources and a diligent and smart people. However, the form of entrepreneurship development between Korea and Indonesia is somewhat different. If the differences are examined and will share the information, the development of entrepreneurship between the two countries will be accelerated and hope that the cooperation between the two countries will become stronger in various industries. Thus, this study will invest the factors of entrepreneurship development of both countries and will compare its factors by using SWOT analysis. Finally, it will suggest policies for the development of entrepreneurship of both countries. Korean comparison time is the period of development. Because, Indonesia is the rising sun, as Korea is referred to as one of the emerging Asian dragons in its development.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=39

304 AI	BS-309	Strategic Management, Entrepreneurship and Contemporary Issues
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THE POWER OF STRATEGIC ORIENTATION AND INNOVATION CAPABILITY IN CREATING COMPETITIVE ADVANTAGES: A CASE STUDY ON DIGITAL ENTREUPREUNEUR IN TECHNOPARK CITY CIMAHI, WEST JAVA, INDONESIA.

Komarudin; Suryana

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#### **Abstract**

Digital entreupreuneur has contributed to economic development and is able to increase the added value in the economic activities of the community. Therefore, it is necessary for more and more digital entreupreuneur that can be born through various programs facilitated by the government. Technopark City Cimahi was established to meet these demands. Various design programs in order to synergize the potential that will be born digital entreupreuneur that has a strategic orientation, innovation capabilities so that ultimately has a competitive advantage. The purpose of this study is to examine the impact of strategic orientation strength and innovation capability of star ups in digital entreupreuneurship towards the ability to create competitive advantage in creating products and business management. Sampling method using purposive sampling and data analysis using Structural Equation Modeling (SEM). The result of this research is expected to show significant influence of strategic orientation toward innovation capability and create competitive advantage from product and business management, and also show significant influence from innovation capability in creating competitive advantage.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=309

305	ABS-317	Strategic Management, Entrepreneurship and Contemporary Issues
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## Upgrading the Business Performance of the Digital Creative Industry: The Role of the Community

Rofi Rofaida; Suryana; Ayu Krishna Y

Universitas Pendidikan Indonesia

#### Abstract

The creative industry blueprint of 2015-2025 states that the focus of developing the creative industry sub-sector in the 2015-2019 is to focus on enhancing the competitiveness of creative industries based on technology because this industry provides higher value creation. This industry is called the digital creative industry. The digital creative industry is an industry that combines creative elements and digital elements in products and services. This industry produces products resulting from information technology that is creative, unique, and become the solution of daily life of society. Creative businesses that utilize the platform of technological sophistication are growing rapidly. West Java is one of the provinces in Indonesia which is the center of the digital creative industry. The potential for the development of this industry is very large because: the development of technology infrastructure, the ease of access to the information center through the internet, social innovation process in the community such as e-commerce phenomenon is growing rapidly, and support various applications that enable people to interact and transact digitally. West Java is unique in the diversity of local cultural potentials, the openness of society to modern culture so as to support dynamism in creativity and innovation. West Java also has a source of knowledge that is the number of leading universities that become sources of quality human resources. The combination of these factors brings together the aesthetic and technological elements that will produce a unique digital creative industry product.

Nevertheless, the digital creative industry demonstrates unsatisfactory performance especially in aspects of: the application of new technologies, innovation, the formulation of appropriate business strategies, the application of ICT in production processes, business networks, and limited human resources with the necessary talents. The problem is related to the aspect of corporate entrepreneurship in the digital creative industry. Based on the above, it is necessary to formulate a development strategy to improve the corporate entrepreneurship of the industry involving all relevant stakeholders such as business, academia, government, community, and media (pentahelix models). This article will focus on one of the stakeholders of the community, which will examine how the communitys role in the development of digital creative industry in West Java. This article is the result of research conducted on digital creative industries in West Java in 2017. The research was conducted by survey method and analyzed descriptively.

The role of the community in improving the business performance of the digital creative industry are: to cooperate with educational institutions and government to develop

entrepreneurial capacity, business coaching, and mentoring. The community becomes a means for the establishment and development of business entities, knowledge sharing amongst business actors of the digital creative industry. Knowledge sharing can be the main tools to develop quality performance among members

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=317

306 ABS-321	Strategic Management, Entrepreneurship and Contemporary Issues
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### What is the Best Risk Management in Sharia Banking Financing?

Lina Nugraha Rani, Eko Fajar Cahyono, Sylva Alif Rusmita

Islamic Economics Department Faculty of Economics and Business Universitas Airlangga

#### **Abstract**

The objective of the research is to describe the implementation of risk management of sharia bank financing. Financing is one of the two primary functions of Sharia bank operations apart from the deposit function. Financing is one of the highest types of assets in sharia banking. The financing has a risk in the form of problem financing, i.e. the bank does not receive any repayment of financing installment from the financing customer. The risk of financing can have a significant impact on banking operations, one of which is the lack of liquidity and a decrease in profit on financing assets. Several studies have discussed the risks of conventional banking financing in this study trying to provide evidence of risk management of Islamic banking financing. The method used in this research is literature study that is by analyzing some research on risk management of Sharia Bank financing internationally, especially in Islamic countries like Malaysia, Indonesia, Saudi Arabia, Iran, and others. This research uses the qualitative approach. Period 2008 - 2018.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=321

307	ABS-74	Strategic Management, Entrepreneurship and Contemporary Issues
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# Islamic Social Entrepreneur Organization of Zakat Management in Empowerment Socio-Economic Mustahiq in Indonesia

Tika Widiastuti, M. Nafik Hari Ryandono, Irham Zaki, Imron Mawardi, Taqiyah Dinda Insani

Faculty of Economy and Business, Universitas Airlangga, Indonesia

#### Abstract

This study aims to develop a model of social entrepreneurship in a national Zakat Management Organization (OPZ) in zakat management and socio-economic empowerment mustahiq. This research uses a descriptive qualitative approach with case study strategy. The data were collected by interviewing the informants of Yatim Mandiri and Al-Azhar as well as conducting empirical discussions with academics and seven OPZ. The right model, in order to maximize the economic development of mustahiq is to identify the mustahiq situation so that it can be given proper handling. Zakat, infaq, and alms funds for productive things need to be holistically designed from distribution, coaching, supervision, to establishing success indicators so as to have a sustainable impact on the socio-economic life of the mustahiq.

308	ABS-75	Strategic Management, Entrepreneurship and
		Contemporary Issues

### FEASIBILITY ANALYSIS OF SMALL AND MEDIUM ENTERPRISES (SME) OF SHOES AND SLIPPERS IN BOGOR

Olivia Venessa Boru Nainggolan

Sekolah Tinggi Ilmu Ekonomi Wiyatamandala

#### Abstract

Feasibility analysis of Small Medium Enterprises (SME) of Shoes and Slippers in Bogor held to get depicture of the magnitude of investment and the costs spend for building the effort that gained by SME of Shoes and Slippers Entrepreneurs. The feasibility analysis including of financial feasibility that committed to the SME business of shoes and Slippers that already exist, to get depicture of the magnitude that incurred and compared to the benefits that have been obtained and the description of cost benefit in the future by using SWOT. SWOT is used to answer the purpose of increasing the business of shoes and slippers in Pasir Eurih, Bogor., Based on the results of financial analysis, expected to be a reference of a SME of Shoes and Slippers in Bogor. The purpose of this study are to determine the feasibility of the SME of Shoes and Slippers in Bogor, also to determine the strategy pursued to develop the business to improve its competitiveness. The result of this research said that this is proper businesses.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=75

309	ABS-331	Strategic Management, Entrepreneurship and Contemporary Issues
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# SMEs Development Strategy in Improving the Image of Tasikmalaya City as a Halal Culinary Tourism Destination

S.Sulastri; Azizah Fauziyah; Ismail Yusuf

Universitas Pendidikan Indonesia

#### Abstract

Tasikmalaya City lately is one of the city that became a tourist destination in the region of West Java. Local wisdom, culture, and beauty of natural resources become the main attraction for tourism sector in this city. Tasikmalaya City is trying to fix the tourism sector by improving some facilities and accessibility to increase tourist visits. Tasikmalaya City does not have natural resources that can be a tourist attraction of local, national and foreign. However, the city of Tasikmalaya has an advantage especially in culture and culinary. Developing urban tourism is an effort to increase local revenues through hotel and restaurant taxes, while simultaneously increasing economic activity in urban areas. The development of any kind of tourism and name requires a creative and innovative management function based on careful planning, consistent implementation, and measurable and constructive evaluation. The development of city tourism is an integrated and holistic development that will realize the satisfaction of all parties. Culinary is one of the growing industries in the city of Tasikmalaya that supports the development of the city of Tasikmalaya as a tourist destination. as one of the city known as santri city, the current government of Tasikmalaya City is building image of Tasikmalaya city as a halal culinary tourism destination. the efforts made by the city government one of them is to prepare halal certification for small and medium business (UMKM) culinary in Tasikmalaya. The purpose of this study is to explain and analyze the internal and external factors that influence the strategy of developing halal-based SMEs in the city of Tasikmalaya, as well as the perception of tourists to the products produced by culinary-based SMEs in the City of Tasikmalaya. This research uses quantitative descriptive method, data collected through interview process by using a closed questionnaire to the perpetrators of SMEs in the field of culinary as well as visitors culinary tour in Tasikmalaya City.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=331

310 ABS-80 Strategic Management, Entrepreneurship and Contemporary Issues

### Impact of Entrepreneurial Skills and Innovations on Business Success

Resti Indriarti, Hari Mulyadi

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#### Abstract

Small Medium Enterprises (SMEs) is an entrepreneurship activity that became one of economic development priorities in Indonesia because it has a large contribution on national income. Business success at SMEs is ex-pected to increase national income continuously. Therefore, to identify factors that affecting on business success is important. Two of these factors are entrepreneurial skills and innovations. The purpose of this study is to investigate impact of entrepreneurial skills and innovations on business success in Sentra Industri Rajutan Binong Jati (SIRBI) Bandung. The population of this study are 225 knit entrepreneurs, while the sample are 70 knit entrepreneurs. Sample technique used is simple random sampling. The result shows that entrepreneurial skills and innovation has significant impact on business success. This study adds insight into entrepreneurship field, that entrepreneurial skills is important factor in achieving entrepreneurial success.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=80

311 ABS-89 Strategic Management, Entrepreneurship and Contemporary Issues

# The development Evolution of absorptive capacity in large firm Automotive segment over time span

Syahyono, Lili Adi Wibowo

Indonesian education university

#### Abstract

The development Evolution of absorptive capacity in large firm Automotive segment over time span

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#### **ABSTRACT**

Knowledge is currently viewed as an important strategic resource in companies in order to gain competitive advantage. However, the success in generating competitive advantage will depend on the companys ability to acquire and assimilate knowledge (potential absorptive capacity) and to transform and exploit knowledge (realized absorptive capacity).

This Prociding builds on Zahra and Georges four dimensions of absorptive capacity (ACAP) trying to identify the development Evolution of absorptive capacity (ACAP) in large firm Automotive over time span. The empirical study using automotive segment as a case, demonstrated the process development of absorptive capacity (ACAP) through time span

using key indicators. Based on all available public data and using content analysis, the data shows a tendency of faster absorptive capacity (ACAP) development automotive business segment with increasing amount of R&D investment. Finally, the industry force might also act as a factor boosting the development of absorptive capacity (ACAP) in large firms.

Keywords

Absorptive Capacity, Large Firm, Time Span, Development Evolution

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=89

312	ABS-347	Strategic Management, Entrepreneurship and Contemporary Issues
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#### **BARRIERS AND SUKUK SOLUTIONS IN INDONESIA**

Masmira Kurniawati, Nisful Laila, Fatin Fadhillah Hasib, Siti Nur Mahmudah

Airlangga University

#### **Abstract**

#### **ABSTRACT**

The world of Islamic finance has shown rapid growth in recent decades. Indonesia as a country with the largest Muslim population in the world must be a pioneer in the development of Islamic finance. However, that potential is not reflected in reality. In the last two decades, since the first appearance, Islamic finance in Indonesia has shown very slow progress, especially for sukuk or sharia bonds. Since its first appearance in 2002, sukuk market share has not been able to penetrate 5% of total sukuk and bond market. Basically, there are some obstacles that hinder the development of sukuk in Indonesia. Therefore, to cultivate public interest in Indonesia to invest in sukuk, proper and large strategy is absolutely necessary. This study aims to determine the obstacles and solutions in the development of sukuk in Indonesia. This study tries to use a strategic management approach to formulate the most appropriate strategy in developing sukuk in Indonesia. The method used in this research is qualitative exploratory. Technical analysis used is Analytical Hierarchy Process (AHP) by Miles and Hubemain. Obstacles in the development of sukuk in Indonesia from the aspect of issuers are pricing refers to labor, cost efficiency so less competitive disadvantages, lack of sukuk variant, and low regulation while for sukuk development solution in Indonesia from issuer aspect ie reduced cost, asset identification, sukuk contract variation, perspective on sukuk.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=347

313 ABS-93 Strategic Management, Entrepreneurs Contemporary Issues	ship and
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## ANALYSIS OF BUSINESS MODEL CANVAS TO INCREASE COMPETITIVENESS (A study on the small medium entreprise Boneka Bandung)

Sekar Dila Pratiwi, Hari Mulyadi

UPI

### Abstract

The purpose of this research is to describe the level of competitiveness of the small medium entreprise Boneka Bandung, and to describe the business model canvas used by Boneka Bandung as well as to ascertain the influence of business model canvas on

competitiveness by analyzing what strategy can be used in the doll making business based on SWOT analysis.

The type of research used is descriptive and verificative. Data was collected through interviews, observations and questionnaires. Data analysis is done through EFAS / IFAS matrix, SWOT matrix and strategy combination matrix and presentation technique. The population and sample in this research is the small medium entreprise Boneka Bandung and the research subject is the owner of Boneka Bandung.

This study concludes that Boneka Bandung have a low level of competitiveness compared to competitors with similar products. The business model canvas illustrates that Boneka Bandung lack physical resources in the form of labor and storage. Strategy analysis using business model canvas is very influential in improving the competitiveness and growth of Boneka Bandung by prioritizing the SO (strength-opportunity) strategy which has the highest score of 3.52

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=93

314	ABS-350	Strategic Management, Entrepreneurship and Contemporary Issues
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# Sharia Social Entrepreneurship: A Theoretical Study Kewirausahaan Sosial Syariah: Sebuah Kajian Teoritis

Hery Wibowo Meilanny Budiarti Santoso Eky Erlanda Edel

Universitas Padjadjaran STBA Haji Agus Salim Bukittinggi Sumatra Barat

#### Abstract

As an important term currently, social entrepreneurship is an inseparable issue of national development which has been commonly applied in many practical pure business field as methods and techniques, such as in innovation, creativity, risk-taking, or marketing of business with its benefits. The latest studies have showed that the practice of social entrepreneurship improves both practical form and business innovation scale. On the other hand, the implementation of this idea is not properly applied yet by the sharia cooperatives.

Thus, this study is aimed to find out the practical form and business innovation of social entrepreneurship by sharia cooperatives 212 which have developed more than 160 shops of modern market through cooperative legal entities in Indonesia. By this study, it is hoped that the theoretical models and concepts of social entrepreneurship practice of sharia cooperatives can be expanded rapidly.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=350

315	ABS-96	Strategic Management, Entrepreneurship and Contemporary Issues
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#### Young Entrepreneurship Interest In Indonesia

Agus setyo pranowo and Hari mulyadi

Universitas Pendidikan Indonesia

#### **Abstract**

#### Abstract

This study aims to analyze the factors that influence the entrepreneurial interest of the young generation. This study is based on the phenomenon of the low interest of young generation entrepreneurs in Indonesia. In this research, writer will see entrepreneurship

interest of young genera ditinjuau from aspect of personality, keperceyaan self, social environment and family. Hypothesis in this research is there is influence between personality, confidence, social environment and family interest to entrepreneurship either partially or simultaneously. Data collection techniques in this study is to use quizers to 200 students of business management vocational schools in the city of Bogor Indonesia. The data has been collected then analyzed using multiple regression using SPSS version 23. The results showed that there is a positive and significant influence between personality, confidence and social environment and family interest to entrepreneurship either partially or simultaneously.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=96

316	ABS-353	Strategic Management, Entrepreneurship and Contemporary Issues
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### EXPLORATION OF THE FACTORS THE DECLINE IN THE NUMBER OF STUDENTS IN XYZ ELEMENTARY SCHOOL SURABAYA

LELYS CRISTINA

AIRLANGGA UNIVERSITY

#### Abstract

The world of education, growing selection of current school very much and competing to attract the attention of the public. XYZ Elementary school is the school that have been standing a little over 18 years. More new schools are springing up so the more a school also became competitors for XYZ Elementary School. XYZ is a elementary school can meet the quota the number of students has been set, but in more or less the last 4 years since 2014 XYZ elementary school undergone a decline in the number of students which means that the interest of the community to register XYZ elementary school undergone the downturn. The decline in the number of pupils is very concern because of the drop in pupils in XYZ elementary school will greatly affect the schools operating costs.

Departing from the above problem, then this study aims to explore the factors whatever be the cause of declining pupil in XYZ elementary school. The research approach used in this study is a qualitative approach. The type and source of the data used are derived from the results of observation, documentation and interviews from XYZ school employees and some customers and competitors. The analysis was performed using a diagram of the fish bone and validated by the method of triangulation.

The results showed that the factors that cause the decrease in the number of pupils in XYZ elementary school caused by two factors i.e., external factors and internal factors. As for the cause of the internal factors include: 1) Land limited, 2) lack of facilities and infrastructure, 3) declining teachers service quality, 4) promotional activities performed very rarely and less aggressive and 5) location is not strategic. While the cause of the external factors are: 1) the price of the expensive tuition fees, 2) growing number of competitors in the world of education that provides a more interesting deals with lower prices, and 3) the existence of school attendance with International labels.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=353

317	ABS-354	Strategic Management, Entrepreneurship and Contemporary Issues
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Influence of External and Internal Environment on the Application of Good University Governance (GUG) Principles at Higher Education Quality (Studies In Private Colleges In Bandung)

Eka Surachman, Agus Rahayu, Lili Adiwibowo

Universitas Pendidikan Indonesia

#### **Abstract**

The development of the number of private universities currently raises competition among universities in Indonesia. Bandung is one of the regions that has a lot of private universities so that the competition between private university is very high, but most of the private university in Bandung has not been accredited National Accreditation Board of Higher Education, thus indicating that private university in Bandung still have low quality. The external environment, internal environment and good university governance are expected to be the solution of the problem by implementing the external environment, internal environment and good university governance as a strategy to improve the quality of private universities in Bandung. This research uses descriptive and verifikatif method, where SEM (Structural Equation Modeling) is used to analyze data statistically. The unit of analysis in this study are the leaders of private university in Bandung as many as 142 people taken proportional random sampling. The results showed that the quality of universities is shaped by the external environment and the internal environment through intervening variable Good University Governance and Competitive Strategy. Increasing the leadership consideration to a good working environment is a supporting element of the formation of external environment and culture is a supporting element of the formation of internal environment need to get the attention of the leaders of the private university who if want to improve the quality of college.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=354

318	ABS-356	Strategic Management, Entrepreneurship and Contemporary Issues
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### INFLUENCE OF ENTREPRENEURIAL LEARNING ON SELF-ESTEEM AND ITS IMPACT ON MOTIVATION OF STUDENT ENTREPRENEURSHIP

Eded Tarmedi; Fitri Awaliani Setiadi; Ahim Surachim; Lisnawati

Universitas Pendidikan Indonesia

#### **Abstract**

The purpose of this study is to find out the description of confidence level and its impact on motivation of entrepreneurship that is influenced by entrepreneurship learning. This type of research used is, verifikatif. The method used was explanatory survey with simple random sampling techniques and sample number of 228 respondents. Data analysis technique used is path analysis with computer software SPSS 21.0. Based on the results of the research can be seen that simultaneously and entrepreneurship learning influence on confidence level and have an impact on motivation of entrepreneurship.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=356

319	ABS-362	Strategic Management, Entrepreneurship and Contemporary Issues
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#### **IDENTIFICATION ON STUDENTS ATTITUDES TO ENTERPRENEURSHIP**

Shinta Doriza dan Ernita Maulida

Universitas Negeri Jakarta

#### Abstract

320 ABS-108 Strategie	C Management, Entrepreneurship and Contemporary Issues
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### Realized Strategy and Financial Performance in Indonesia Banking Industry Aang Kunaifi, Muhammad Saiful Hakim, Berto Mulia Wibawa

Department of Business Management, Institut Teknologi Sepuluh Nopember Surabaya

#### **Abstract**

This study aim is to investigate the typology of realized strategy and financial performance in Indonesia bank-ing industry. Sample consist of 30 banking with specific characteristic as a strategy business unit (SBU). The result shown mixed result between analysis tools. Descriptive analysis indicates that bank with pure strategic typology (pure defender, pure analyzer, and pure prospector) will have more performance rather than banking with hybrid strategy (DA-Like and PA-Like). However, one-way ANOVA analysis shown that realized strat-egy perform equally well on performance in oligopolistic competition market.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=108

321	ABS-114	Strategic Management, Entrepreneurship and Contemporary Issues
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# The Effect Of Customer Demand And The Supplier Performance On Competitive Strategy (Study in Fixed Broadband Indonesia)

R. D. Pasaribu, A. Prasetio, O. O. Sharif

Universitas Telkom

#### **Abstract**

The performance of fixed broadband access penetration Indonesia is far below the average of the ASEAN countries and relatively stagnant. This poor performance condition is an indication that operators could have implemented competitive strategies that are not optimal. This study aims to investigate the effect of customer demand and the supplier performance on competitive strategy. Survey technique was used to collect data. The analysis units were 38 business units of the operators and the observation units were top management and customer of these business units. These data then analyzed using Partially Least Square SEM. The result showed that customer demand has negative significant effect to competitive strategy and supplier performance has positive significant effect on competitive strategy.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=114

322	ABS-370	Strategic Management, Entrepreneurship and Contemporary Issues
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### HUMAN CAPITAL TO EXCELLENCE COMPETING THROUGH DISTINCTIVE CAPABILITIES

Nizar Alam Hamdani; Didit Supriyadi; Galih Abdul Fatah Maulani

Universitas Garut; Universitas Pendidikan Indonesia

#### **Abstract**

This study aims to reveal how the influence of human capitak to competitiveness through through the capability distingtif. The method used is descriptive survey method and explanatory survey method. Unit of analysis in this research is coffee industry effort in Garut Regency Samples taken in research are perpetrator micro coffee industry with a total sample size of 34, with the technique used is Partial Least Square (PLS). The results of the hypothesis testing showed that the Human Capital and Distingif capability is good, this is evidenced by the amount of coffee Garut for national consumption and even exports. Testing verifikatif hypothesis shows that Human Capital has an influence on competitive advantage through the capability of distingif. Also Distinctive capabilities have an influence on competitiveness. So it can be said that the distingif as a partial intervening variable.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=370

323	ABS-121	Strategic Management, Entrepreneurship and Contemporary Issues
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### MANAGERIAL CAPABILITY OF SMALL BUSINESS ENTREPRENEURS: THE CASE OF BANDUNG DRESS KIOSKS OWNER

Rian Ahmad Syathari, Agus Rahayu, Ratih Hurriyati

Universitas Pendidikan Indonesia

#### **Abstract**

In the era of free trade, small business entrepreneurs face strategic challenges in running and managing their business enterprise which need them to find proper solution or they are not capable of advancing their business enterprise. Theortically, the entrepreneurs managerial capability is among the conditions of which they can cope and find proper strategic solution to challenges they face. This study addresses the problem dealing with the extent to which the small business entrepreneurs who operate dress trade business have the managerial capability of running their business enterprise.

The study was conducted by using a survey method to 120 dress kiosk owners in Bandung city big markets by distributing structured questionnaires in the form of rating scale. Data were analysed by using percentage and crosstabulation. Findings of the study indicatemost of the small scale business entrepreneurs who operate dress tradein Bandung big markets are a type of family business operated by the owners themselves and they have a moderate managerial capability. Most of them are Junior and Senior Secondary School gaduates with a small number of them are Primary School and College graduates. The higher their education background the more managerial capability they have.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=121

324	ABS-125	Strategic Management, Entrepreneurship and Contemporary Issues
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### Developing human capital industry through public private partnership: Is it Profitable?

I. Helvetikasari , I.D.A. Nurhaeni and D.G. Suharto

Magister Program of Public Administration Study , Universitas Sebelas Maret, Surakarta, Indonesia.

#### **Abstract**

The industry sector plays a strategic role in improving the development of the national economy and the wel-fare of society. The textile and garment industry sector is a non-oil and gas sector that had a big contribution to Indonesias GDP (Rencana Kerja Kementerian Perindustrian, 2017). Human resources are one of the most important and valuable assets in supporting industrial productivity. The partnership between the government and the private sector in creating skilled and competent workforce is expected to help the industry to meet the needs of the workforce in accordance with the needs of the industrial world. This article discusses partnerships between government and the private sector in human capital development in textile and garment industry. This research used a descriptive qualitative method. Primary data obtained through focus group discussion and observation. The research was conducted on the industrial partner of AK Tekstil Solo. The result of this research is a partnership between government and private sector have not been able to fulfill the requirement of human capital of textile and garment industry. The workforce that became an investment of a company does not have the expected soft skill although the hard skill is adequate. To further improve workforce productivity, it is expected to do soft skill coaching simultaneously with hard skill quality improvement.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=125

325	ABS-137	Strategic Management, Entrepreneurship and Contemporary Issues
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#### The Impact of Dynamic Capabilities and Environmental Turbulence Towards **Business Unit Performance**

Sir Kalifatullah Ermaya, Lili Adi Wibowo

Universitas Pendidikan Indonesia

#### Abstract

The good result of Business Unit Performance in a company is the final goal of all companies. However, the fast change of technology, markets, regulations and hyper competition have made business environment become more uncertain and unpredictable. These conditions are known as environmental turbulence.

Environmental turbulence might scrape the competitive advantage and cause a business unit difficult to preserve its competitive advantage. In order to defend competitive advantage in a turbulent environment, a business unit in companies requires to have dynamic capabilities, namely: capability to identify, to build, to integrate and to reconfigure companies activities to accommodate changes in an environment.

The purpose of this study is to discover the impact of dynamic capabilities and environmental turbulence towards business unit performance. This research was implemented in telecommunication organizations in Bandung which involved several business unit managers as the respondents. The method used was survey method, namely descriptive survey and explanatory survey. To test the hypothesis, the researcher used SPSS 22.

The result of this study gave several important findings. First, dynamic capabilities were the key factors to improve business unit performance in the telecommunication industry. Second, environmental turbulence affected positively towards business unit performance.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=137

326	ABS-156	Strategic Management, Entrepreneurship and Contemporary Issues
Organization Culture and Organizations Effectiveness		

Dian Ekowati; Jovi Sulistiawan; Egrina R. Triksina

### Department of Management Faculty of Economics and Business Universitas Airlangga

#### Abstract

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=156

327	ABS-162	Strategic Management, Entrepreneurship and Contemporary Issues
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### Surviving on Agricultural Sector : Comparison of Income Statement between Traditional Farmers and Agricultural Companies

Martino A. Adipraja

University of Airlangga

#### **Abstract**

Indonesia has a large agricultural land, but agricultural products in Indonesia are not enough to meet the needs of the people of Indonesia. A new breakthrough is needed for Indonesian agriculture to meet market demand. In this paper we will compare two different profit and loss statements in the drafting rules. The focus of this paper is on the ratio of margins gained in a given period, the risks involved, and the cost reduction by two different but interdependent entities in the continuity of their business. The existence of allegations of injustice in the phenomenon has become one of the authors interest to examine this, where one entity faces financial distress at harvest failure as if there is no "pity" from other entities.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=162

328	ABS-165	Strategic Management, Entrepreneurship and Contemporary Issues
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## The Intervening Effect of Market Orientation on Entrepreneurial Orientation, Operations Strategy and Business Performance

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#### Abstract

The small and medium enterprises (SMEs) are an important part to the economy of a country or region, therefore, its presence needs to get attention from the government and the business itself. There have been many studies conducted by experts using the variety of variables that influence the development of SMEs. Based on previous researches, this study examined the influence of entrepreneurial orientation, operations strategy, and market orientation to business performance

The objective of this study was to examine the influence of entrepreneurial orientation and operations strategy towards business performance through intermediaries which market orientation as an intervening variable or not. This study used a quantitative approach which focused on proving the hypothesis and generating some conclusions.

The sample required thirty owners of the SMEs of pottery / ceramics in Kasongan Yogyakarta from the existing population with a minimum provision have been in operation

for three years. The result was to provide evidence about the hypothesis that the entrepreneurial orientation and operations strategy significantly influenced business performance. The direct effect of the two independent variables of business performance was greater than if there was market orientation as the intervening variable.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=165

329 ABS-176	Strategic Management, Entrepreneurship and Contemporary Issues
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## Strategic Orientation and Absorptive Capacity on Suppliers Performance: The Moderating Effects of Empowerment Climate

Ratih Agustina, Badri Munir Sukoco, Andri Rianawati

Departement of Management, Universitas Airlangga

#### Abstract

The success of Astra group as the largest group of automotive companies in Indonesia can not be separated from the role of suppliers that contribute to buyer-supplier partnership. Suppliers seek to improve their quality by doing organizational learning that can be known using the concept of absorptive capacity. Learning outcomes by suppliers can be an important resource for creating value, in this case supplier performance Using a strategic orientation perspective, this study shows that suppliers who prioritize market orientation and entrepreneurial orientation will find it easier to absorb, process and utilize new knowledge (through absorptive capacity) because they are more sensitive to change and more risk-averse. On the other hand, Astra Groups consistent empowerment efforts to suppliers have become a corporate value. Supplier perceptions of Astra Group empowerment efforts, establishing an empowering climate that can strengthen or weaken the role of absorptive capacity towards supplier performance. This study uses a sample of 85 people who are suppliers of Astra Group in Java. To prove the relationship between variables, this study uses Structural Equation Modeling (SEM).

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=176

330	ABS-180	Strategic Management, Entrepreneurship and Contemporary Issues
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### Positioning of Corporate Branding in Turbulent Environment; A case study of SAMSUNG in Indonesia

Ira Murweni

School of Postgraduate Studies Indonesia University of Education

#### Abstract

Ansoff introduces the concept of environmental turbulence to describe the different environments. Ansoff classifies the different environments in which firms operate into five distinct turbulence levels. The purpose of this paper is to obtain an overview of corporate brand implementation in turbulent environment; a case study of Samsung company in Indonesia. These research that will be used is descriptive statistic method by using Confirmatory Factor Analysis (CFA) model calculation on corporate brand indicator based on consumer perception. The sample of this study will be taken using by random sampling method with a standard error = 0.05.

The results of this study will be used to discussed the implementation of Samsungs strategy in maintaining its corporate brand in a turbulent environment.

331	ABS-187	Strategic Management, Entrepreneurship and Contemporary Issues
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## High Impact Entrepreneurs: Do Not Measure The Size, But The Influence! Ika Suhartanti Darmo, Hari Mulyadi

Universitas Pendidikan Indonesia, Bandung, Indonesia

#### **Abstract**

Industrial revolution 4.0 gives an extraordinary impact on the rise of widespread digitalization of influence in modern entrepreneurship. This study held to find out the magnitude of business impact analysis (BIA) of the innovation and the new business model and initiated by business startup; especially the influence of the business new values to the community. This qualitative research relies on data validity of literature studies which supported by depth interview activities to 5 startup entrepreneurs in the creative industry in Jakarta, Indonesia. The results of this study indicate that most of success of entrepreneurial startup is not determined by firm or firm size, but is determined by how their business impact analysis (BIA) and innovation business models much influence the startup generates for the welfare of the society.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=187

332	ABS-198	Strategic Management, Entrepreneurship and Contemporary Issues
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# MANAGEMENT MODEL OF RESEARCH CLINIC-BASED CIASSROM ACTION RESEARCH ASSISTANCE ACCORDING TO THE NEED OF SOCIAL SCIENCE TEACHERS IN JUNIOR HIGH SCHOOL

Swidarto, Joko Widodo, Fahrudin, and Totok Sumaryanto

Doctoral Program in Educational Management, Postgraduate School, UniversitasNegeri Semarang, Indonesia

#### Abstract

#### **ABSTRACT**

This study aims to analyze and synthesize the management model of research clinic-based action research assistance according to the need for social science teachers in junior high school. The research method employed Research and Development design. Data were obtained from the action research assistance, need analysis, model test, and model validation. Data collection techniques used questionnaires, interviews, documentation studies, observations, and FGDs. Test validity used model validation from experts and practitioners. The qualitative descriptive analysis uses data display, data reduction, data verification, and conclusion. The result of research showed that the factual model is less good with percentage 52,32%; hypothetical model is essential with percentage 88.05%; the assistance model with the need-based clinical research approach is very feasible with the percentage 84.58%. The assistance has contributed to the improvement of teacher performance quality in conducting action research with percentage 32.20%. The results concluded that the assistance management modelis not good enough, it is still theoretical, it has not been based on the need and specific social science; The research clinic-based assistance model is essential and necessary, as it is supported by systemic performance and system components and clinical ways of identifying problems, diagnosis, prognosis, synthesis, treatment, and reflection.

333	ABS-199	Strategic Management, Entrepreneurship and Contemporary Issues
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# BUSINESS INCUBATOR MODEL WITH TECHNOLOGY BASED TO ENHANCE THE QUALITY OF LEARNING PROCESS

Ratih Hurriyati, Ana ,Kahirol Mohd Salleh, Lai Chee Sern.

Universitas Pendidikan Indonesia (UPI) Universiti Tun Hussein Onn Malaysia (UTHM)

#### **Abstract**

Systemically, business incubator is a vehicle of transformation of human-resource formation, which is less creative and productive become human resource having, motivation of creative, innovative, productive and cooperative entrepreneurs, as first step from entrepreneurship creation having competitive and comparative advantage and having vision and mission

The 2.0 business incubator paradigm is part of the new economy globally and the 4.0 industrial revolution, which occurs because of rapid and significant changes in technology, telecommunications and digitalization; the existence of deregulation and globalization. The change forces changes to every perpetrator-from the scale of the state, the organizations, and the individuals. Business incubator 2.0 is a form of industrial revolution 4.0, which is an era consisting of many phenomena interacting and having relationships in realizing goals

Web 2.0 technology-based business incubator under the management of universities in this case UTHM -UPI has a strategic value in applying the concept of link and match. Colleges that have a business incubator in their psychological environment will have an impact on improving the system of learning, perception, organizational effectiveness, and the creation of synergy. Applying business incubator has the meaning of understanding of university Tri Dharma integrally

The prototype 2.0 business incubator model that is designed and meets the use case of the learning system and other aspects. This model enables individual, acceleration, enrichment, expansion, effectiveness and learning productivity which in turn will improve the quality of education as a whole human-resource development infrastructure. Through this learning model, every student will be aroused to learn sustainable progress in accordance with the potential and skills possessed

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=199

334	ABS-200	Strategic Management, Entrepreneurship and Contemporary Issues
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### IMPROVING TEACHERS CAPABILITY IN AUTHENTICAL ASSESSMENT THROUGH CLINICAL SUPERVISION WITH PEER COACHING GROW ME APPROACH

Mamun Hanif, Joko Widodo, Joko Sutarto, Wahyono

Doctoral Program in Education Management, Postgraduate School, Universitas Negeri Semarang

#### **Abstract**

Research aims to analyze and synthesize clinical supervision model in authentic assessment with a feasible Peer Coaching Grow Me approach for MTs teachers in Brebes District. The research method used was Research and Development. The data were obtained from the results of clinical supervision, needs analysis, model testing, and model validation. The data collection techniques used were questionnaires, interviews, documentation studies, observations, and FGDs. The test validity includes model validation by experts and practitioners. Qualitative descriptive analysis employed display data,

reduction, verification, and conclusion. The results of the research are: (1) the latest factual model of clinical supervision was mediocre with 56.83%. (2) the hypothetical model of clinical supervision was very important with 84.45%; (3) the final model of clinical supervision was very feasible, proven by 85.00% score of model validation results, model book, and guidance. Clinical Supervision contributed to 26.67% of the teachers capability in authentic assessment. Conclusion: Clinical supervision has been categorized as mediocre, theoretical, has not reached practical level. The model of clinical supervision is very important, as it effectively and efficiently emphasizes the steps: goals, reality, options whats next? / Will, monitoring and evaluation. Clinical Supervision Peer Coaching Grow Me is very feasible. It can be implicated by principals and supervisors to help teachers who have difficulties in authentic assessment of the 2013 curriculum.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=200

335	ABS-203	Strategic Management, Entrepreneurship and Contemporary Issues
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### **Women Entrepreneurship Intensions In Indonensia**

Marwan Effendi, Suryana

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#### Abstract

The number of women entrepreneurs in Indonesia has increased significantly. Currently the number of women entrepreneurs in Indonesia is 14.3 million people. This number increased by 1.6 million from the previous number of only 12.7 million people. In addition to the number of business actors, the participation rate of women in the field of employment also increased from previous years, ie from 48.87% to 55.04%. Thus women have a very strategic role and contribution in building the nation, meaning that it can be predicted that women can be the key to the success of a nation in the field of national economic development. Can be said so because based on the lift shows the potential of entrepreneurs is large enough. More clearly in the Economic Census (SE) 2016 out of a total of 57.9 million units of entrepreneurs and 99.9% are MSMEs. Meanwhile, data released by International Finance Corporations (IFC) stated that one third of all MSMEs in Indonesia are owned by women.

Basically more and more people are able to run their own business, so the social problems such as unemployment rate will decrease and the income per capita of household will increase so that in turn poverty can then be staged and the crime rate can be suppressed. The Government through the Ministry of Women Empowerment has determined and established policies and strategies in an effort to improve womens economic productivity "Increasing Productivity of Womens Economics (PPEP)". These policies and strategies are the ministrys priorities for improving the quality of life of women in particular and the family economy in general, in addition, it is an effort to improve the quality of womens health, the quality of womens education, and the elimination of violence against women and children, trafficking of women and children. This priority setting is concerned with the consideration that poverty all over the world has always had an impact on women and children.

Support for women entrepreneurs in Indonesia has been shown by governments such as the Revolving-Cooperative Fund Management Institution, Micro, Small and Medium Enterprises (LPDB-KUMKM), with the program facilitating the financing of revolving funds to women entrepreneurs.

The diminution of the number of female entrepreneurs to men affirms that the business world is not identical with you men. A woman and / or housewife can play a role in the business world. Although a woman is a dual role in the family, ie as a mother, wife and as an entrepreneur, it is not a challenge in starting and managing a business.

Of these phenomena can be suspected several factors that are the triggers of a woman in doing his entrepreneurial activities. Such as an entrepreneurial attitude for a woman. One way for womens entrepreneurship development, is to build the values that are formed from the environment and the personality of a woman, the growth of women entrepreneurship is

as a result for the development of entrepreneurship in creating the business competitiveness of a business. entrepreneurship especially in the development of small and medium scale companies. It is from these values that it becomes the basis and can be processed for the progress of the business itself. The stronger the business in creating value, the stronger the business continuity. Not only the pursuit of financial gain but there is one that is expected is more to the value.

The entrepreneurial intentions are made up of a set of variable causal variables such as the entrepreneurs personal attractiveness, formed by the skills of the entrepreneur, the attitude of the entrepreneur formed by tradition, comfort, security, virtue values and self-concept of entrepreneurship. In this study will examine more about the variables that shape the intentions of a woman in entrepreneurship. This research will examine the variable of personal attractiveness, entrepreneurship attitude and self-concept to the intention of a woman in entrepreneurship done in some small and medium business in Indonesia. The results show that there is a positive influence in each of the studied variables on women entrepreneurial intentions. The results of this study are expected to provide a real picture of the dominant variable in shaping entrepreneurship intentions for women

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=203

336	ABS-205	Strategic Management, Entrepreneurship and Contemporary Issues
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### The Influence of Entrepreneurial Attitude toward Entrepreneurship Intention Female Students

Hari Mulyadi, Rd. Dian H. Utama, Yusuf Murtadlo Hidayat, Widiana Rahayu

Universitas Pendidikan Indonesia

#### Abstract

The purpose of research are desciption about entrepreneurial attitude, description about entrepreneurship intention, influence autonomy & authority on entrepreneurship intention, influence economics opportunity on entrepreneurship intention, influence self realization on entrepreneurship intention, the influence on perceived confidence on entrepreneurship intention, and the influence on entrepreneurial attitude toward entrepreneurship intention. Kind of research which is used is descriptive and verification research. Research method that is used is explanatory survey with simple random sampling technique and the number of sample that involves in this research is 145 student at Uninersitas Pendidikan Indonesia class of 2014. Data analysis technique used is path analysis with computer software SPSS 23.0 for Windows.

The outcome of this study indicate that the description of entrepreneurial attitude is in the medium category, the description of entrepreneurship intentions is in the medium category. Entrepreneurial attitude variables that have the highest influence on entrepreneurship intentions is the dimensions of autonomy & authority, while the lowest influence is the dimensions of perceived confidence, and entrepreneurship intention is affected by entrepreneurial attitude. Based on these results, it is suggested in terms of increase perceived confidence in order to increase entrepreneurship intention. So hopefully entrepreneurial attitude can be considered further by universities in improving students entrepreneurship intentions.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=205

#### **CILETUH GEOPARK TOWARD THE TOURISM INDUSTRY**

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#### Abstract

Geopark by nature is located in a remote area thus the infrastructure and other facilities development need to be fulfiled. Geopark areas consist of geological and biological varieties and also valuable potential of cultural variety. These varieties bring many attractions thus it is unavoidable for the area into becoming tourists attraction, which open the possibility for the local community to offer various kinds of services and goods needed to support the tourist industry which in the end will improve the welfare of the local community.

This study is aiming at looking the preparedness of the local community in receiving the status of geopark in Ciletuh Palabuanratu Indonesia. Using the descriptive method and qualitative approach, the data gained through interview to various stakeholders and local people involved in the development of the geopark.

The result shows various stakeholders have worked hand in hand promoting and preparing Ciletuh area to become the geopark area. However, the community have not yet prepared to receive the significant impact from the introducion of the Ciletuh as geopark area. Therefore, an effort in improving the local community capacity becomes a necessity because tourism activity is closely related to interaction between the local community and the tourists.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=215

338	ABS-218	Strategic Management, Entrepreneurship and Contemporary Issues
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# Does the Sentra Policy Influence the Performance of Small and Medium Industry (IKM)? (Case Study at Sentra IKM Footwear in West Java, Indonesia)

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- (3) Department of Management Science, Postgraduate Faculty, Universitas Pasundan Bandung, Indonesia

#### **Abstract**

This pre-research aims is to show the influence of the existence of Sentra in an effort to support the performance of IKM. Central policy by the Government of Indonesia has been started since 2007 with the aim of strengthening the performance of IKM. To strengthen the IKM innovation is needed which becomes the main capital of business development in supporting its performance. In this pre-research will be discussed the influence of External Collaboration, Technology and Research and Development on Innovation supported by the Sentra policy on the performance of IKM. The pre-research will analyze two things, they are: (1) literature review on IKM performance research in various countries and (2) empirical phenomena about IKM policies and Sentra performance in Indonesia. Qualitative model and research hypotheses will also be presented. The research will be conducted at Footwear Sentra in West Java covering Cibaduyut Bandung City, Ciomas Bogor City and Sukaregang Garut Regency. The results of this research will show the influence of the factors mentioned so that it can be a recommendation in the development of SMEs in the Sentra, especially the Footwear Sentra in West Java, Indonesia.

339	ABS-225	Strategic Management, Entrepreneurship and Contemporary Issues
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#### **QUEUE PERFORMANCE IN GOVERNMENT BANKS**

yetty dwi lestari

airlangga university

#### **Abstract**

banking services are always required to provide excellent service to their customers. The important services are tellers who often rated as professional standards by customers and their attitudes reflect bank services. The parameters used to assess whether the quality of service provided is good or not is the queuing system, that shows the quality of bank service delivery to customers. This study used multi case study on government banks to see queue phenomenom .

The interesting characteristics of government bank customers are due to the obligation of the relevant customer institution, so that the customer has an account at the bank because it is forced, and many transactions done by customer are still manual, so the queue on the teller service is still widely seen on the date and certain days, even if the bank already owns an ATM machine.

The purpose of this research is to analyze queue teller so , bank manager can identify the queue characteristic that happened, and can help them, make the right policy which decrease the queue time which finally increase the customer satisfaction.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=225

340	ABS-231	Strategic Management, Entrepreneurship and Contemporary Issues
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# Contribution of Entrepreneurial Characteristics to Business Performance: Study from Suci T-Shirt Production Region in Bandung

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Business Administration, Telkom University

#### **Abstract**

Along with the development of SME business in Bandung, the t-shirt producer, called Suci region is no longer the main choice because strong bargaining power from buyer. The author has conducted an interview to determine the condition of that region. Some entrepreneurs say that lack of motivation and undisciplined business can lead to unsuccessful attempts. To face the intense competition, required the proper entrepreneurial characteristics among entrepreneurs. This study was conducted to determine the entrepreneurial characteristics contribution to business performance in Suci region. This research method is quantitative with the number of respondents around 80 respondents with probability sampling technique. Based on the results of this study, there is a very strong relationship between self-confidence, results-oriented, risk-taking, leadership, originality and future-oriented to business success (49.7%), while the remaining 50.3% is explained by other variables not examined in this research, such entrepreneurial behavior, entrepreneurial interests and innovation.

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### Designing Business Strategy on Export Company PT. Victory Rottanindo

Anisa Shabrina

Universitas Airlangga

#### Abstract

PT. Victory Rottanindo is a company engaged in the manufacturing of raw materials processing into rattan furniture. The company exports its products to the United Kingdom by collaborating with three distributors in the country. But over time, the company experienced a decrease in sales in 2016. Through the analysis of external and internal factors using PEST, Five Porter Forces, and Value Chain. It can be concluded in the IE Matrix quadrant that PT. VR has position on cell 5 that is at condition of Hold and Maintan. In this condition, the company is advised to conduct market penetration and product development.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=234

342	ABS-238	Strategic Management, Entrepreneurship and Contemporary Issues
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# Effect of Strategic Orientation on Service Innovation Capability and Hotel Performance: Role of Learning Orientation and Environmental Context

Evo Sampetua Hariandja

Department of Management-Business School Universitas Pelita Harapan

#### **Abstract**

The hotel industry in Indonesia plays the leading role to enhance the economic growth especially in service economy. Currently, the service economy contributes to nearly 60% of the gross domestic product of Indonesia. Service innovation capability is a contributor to the hotel performance in the tight competition of hotel industry. Service innovation capability has been widely examined but received little research attention as a mediator in the strategic orientation and hotel performance. This paper proposes the role of learning orientation and environmental context as a moderator in the relationship between strategic orientation and hotel performance. This study seeks to develop a conceptual model that link three primary variables: strategic orientation, service innovation capability, and hotel performance. The context of this study in Indonesia hotel industry. The literature reviews from the previous scholars in strategic orientation, service innovation capability, and hotel performance will be explored. After that, the proposed model is discussed in the paper.

PermaLink: http://bme2018.upiconf.org/kfz/pages/abstract.php?id=238

343	ABS-242	Strategic Management, Entrepreneurship and Contemporary Issues
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Personal Attitudes, Family Background, and Contextual Elements as Antecedents of Students Entrepreneurial Intention: Case in Indonesia Higher Education

H.A. Rivai, H.Lukito, & A. Morhan

Management Department, Universitas Andalas

#### **Abstract**

This study aimed to analyze the antecedents of entrepreneurial intention of students in higher education context. Those antecedents can be viewed from personal attitudes, family background, and contextual elements (i.e. capital access, availability of information, social network). This study was conducted by using quantitative approach to answer proposed hypotheses. Four universities from West Sumatra Province, Indonesia participated as research objects. The total number samples in the study is 240 respondents of registered universities students. Data analyses using multiple linear regression. The study found that personal attitudes significantly affect entrepreneurial intention of university students. Intention to be entrepreneur was significantly influenced by family background of the students. The the study supported that contextual elements as significant determinant of entrepreneurial intention in the universities. It can be concluded that, all three variables: family background, and contextual elements, has significant impact on entrepreneurial intention of the students in higher education context. Implication of the study also was discussed in the paper.

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=242

344	ABS-252	Strategic Management, Entrepreneurship and Contemporary Issues
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## THE APPLICATION OF POLITE BUSINESS ENVIRONMENT AMONG YOUNG ENTREPRENEURS OF IMPORTED USED CLOTHES IN ROYAL PLAZA SURABAYA

Armuninggar, Aris

University of Airlangga

#### Abstract

The increasing competition in business world often requires businessmen to think out of the box. However, a number of businesses are only concerned about gaining profits without regard to the application of business ethics. After seeing some gains quite a lot, many businessmen are willing take some actions against business laws, and this trend seem to keep increasing. Therefore, it is necessary to perform the polite business environment that addresses business ethics in the world of commerce, including in the import-ed second-hand garment industry. Sales of imported second-hand clothes today are constantly increasing, and it has started to break into large shopping centres. It has became an issue, including in Royal Plaza Surabaya, where many imported second-hand clothes sellers conduct their businesses. This phenomenon can certainly invite a big question, whether the young entrepreneurs almost always forget about the application of ethics in their business?

**PermaLink:** http://bme2018.upiconf.org/kfz/pages/abstract.php?id=252

345	ABS-253	Strategic Management, Entrepreneurship and Contemporary Issues
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### THE APPLICATION OF FREEDOM OF CONTRACT PRINCIPLE IN THE AGREEMENT IN INDONESIA BUSINESS ENVIRONMENT

Armuninggar, Aris

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### Abstract

In this modern era, business has become the main activity for many people and many variety of business activities have been undertaken. Through business, many people have gained a lot of benefits and prosperity, although many of them also suffer from losses. Disputes can arise as a result of conducting business, and most of them are caused by the abuse of trusts or broken promises. Legal dispute can disrupt business activities of the

perpetrators and a lot must be sacrificed, including the company reputation. However, disputes can be minimalized through making agreements or contracts. The parties that make the agreement or contract will have the freedom to put whatever is deemed necessary to secure the their rights according to the content of the contract. Freedom possessed by the parties in making the agreement is based on the freedom of contract principle in legal agreements.

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