The 13th International Conference on Business and Management Research (ICBMR)

Leveraging Business and Management Knowledge in Digital Era

Universitas Indonesia
October, 21st-22nd, 2020
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Greetings from the committee

Distinguished scholars and presenters,

We are honored and delighted to extend a heartfelt welcome to each of you for attending the 13th International Conference on Business and Management Research (ICBMR).

This year ICBMR theme is Leveraging Business and Management Knowledge in Digital Era. The Digital era is closely related to automation and data exchange, replaces traditional work algorithms by providing smarter tools. Digitalization, automation and mobility will be implemented into workflow management and systems to improve productivity and quality. The digital era will not only reduce human resource costs but also bring many benefits including increased productivity, efficiency, quality, accuracy, reduced human error, centralized information, and data flow management that enables real time communication between various parties.

However, the conditions of the Covid-19 pandemic that hit most countries in the world, made this year ICBMR's event held differently due to the limitation of large-scale meetings, the implementation of online academic activities, and the Universitas Indonesia's policy that requires all conferences and seminars to be held virtually.

In this two-days conference, we have 106 papers from four countries that will be presented in parallel sessions in the field of finance, banking, including Islamic finance and banking, marketing, human resources management, general management, operations management, and economics. All presented papers will be published in the conference proceedings or in our supporting journals. This year we have a new activity, namely meet the editors. In this session the selected participants have the opportunity to present and get feedback from reputable international journal editors.

This large gathering of academicians would not be possible without the supports from our partners, PT. Bank Central Asia, PT Bank Rakyat Indonesia, Telin by PT Telekomunikasi Indonesia, and supporting journals/publisher.

Last but not least, we would like to express our gratitude to all the contributors: presenters, track chairs, reviewers, keynote speakers, and members of the organizing and scientific committees for their hard work and contributions. We are looking forward to an intellectually stimulating conference, thoughtful discussions, and an engaging experience with fellow attendees virtually.

Viverita, Ph.D
Scientific committee

Dr. Rifelly Dewi Astuti
Organizing committee
Greetings from the Acting Dean, Faculty of Economics and Business Universitas Indonesia

Distinguished speakers, ladies and gentlemen,

On behalf of the Faculty of Economics and Business, Universitas Indonesia, it is a great pleasure to welcome all of you to the 13th International Conference on Business and Management Research (ICBMR) 2020. This conference is organized by Management Research Centre, Department of Management, Faculty of Economics and Business, Universitas Indonesia. This event is conducted to provide an international platform for the academicians, researchers and budding students to share their research findings and to find international linkage for future collaborations.

As one of the leading business schools in Indonesia, Faculty of Economics and Business Universitas Indonesia (FEB UI) has always encouraged its academicians to improve their contributions in the economics and business fields to support various organizations in Indonesia. With such contributions, these organizations are expected to create sustainable innovations to support the economic growth, especially in the current situations, where changes occur in the world order caused by disruption of digital technology and the Covid-19 pandemic.

Finally, I would also like to express our sincere gratitude and appreciation to the leaders of Universitas Indonesia, our keynote speakers Dr. Jae Bin Ahn, Prof Riza Cassidy, and Prof Ian Phau for their tremendous contributions and supports. Our gratitude is also to the scientific and organizing committees for their hard work to make this event possible.

Even though this year, ICBMR is held virtually, I hope this event would still provide various insights in the field of business and management and beneficial for all the participants. May you have a wonderful experience in sharing your knowledge. Enjoy the conference.

Dr. Beta Yulianita Gitaharie
Acting Dean of Faculty of Economics and Business
Universitas Indonesia
Scientific Committee

1. Prof. Adi Zakaria Afiff – Universitas Indonesia
2. Prof. Agus W. Soehadi – Universitas Prasetiya Mulya
3. Prof. Balakrishnan Parashuraman – Universiti Malaysia Kelantan
4. Prof. Emilyn Cabanda – Regent University
5. Prof. Felix Mavondo – Monash University
6. Prof. Firmanzah – Universitas Indonesia
7. Prof. Irwan Adi Ekaputra – Universitas Indonesia
8. Prof. Law Siong Hook – Universiti Putra Malaysia
9. Prof. Mohamed Ariff – Sunway University
10. Prof. Rofikoh Rokhim – Universitas Indonesia
11. Prof. Rubi Ahmad – University of Malaya
12. Prof. Togar M. Simatupang – SBM Institut Teknologi Bandung
13. Prof. Zainal Abidin Mohamed – Universiti Putra Malaysia
14. Dr. Andreas Raharso – National University of Singapore
15. Dr. Antan Wachidin Widjaja – Universitas Indonesia
16. Dr. Arief Wibisono Lubis – Universitas Indonesia
17. Dr. Arviansyah – Universitas Indonesia
18. Dr. Budi Wibowo Soetjipto – Universitas Indonesia
19. Dr. Daniel Tumpal Hamonangan Aruan – Universitas Indonesia
20. Dr. Dewi Hanggraeni – Universitas Indonesia
21. Dr. Dony Abdul Chalid – Universitas Indonesia
22. Dr. Dwi Nastiti Danarsari – Universitas Indonesia
23. Dr. Elok Savitri Pusparini – Universitas Indonesia
24. Dr. Fanny Martdianty – Universitas Indonesia
25. Dr. Gita Gayatri – Universitas Indonesia
26. Dr. Hanny Nasution – Monash University
27. Dr. Imam Salehudin – Universitas Indonesia
28. Dr. Intan Awwaliyah – Universitas Jember
29. Dr. Ivan Butarbutar – Sampoerna University
30. Dr. John Walsh – RMIT Vietnam
31. Dr. Kanti Pertiwi – Universitas Indonesia
32. Dr. Lily Sudhartio – Universitas Indonesia
33. Dr. Lukas Setia Atmadja – Universitas Prasetiya Mulya
34. Dr. Maria Ulpah – Universitas Indonesia
35. Dr. Nur Dhani Hendranastiti – Universitas Indonesia
36. Dr. Nurmana – Universitas Indonesia
37. Dr. Ruslan Prijadi – Universitas Indonesia
38. Dr. Ratih Dyah Kusumastuti – Universitas Indonesia
39. Dr. Riani Rachmawati – Universitas Indonesia
40. Dr. Sari Wahyuni – Universitas Indonesia
41. Dr. Sigit Sulistyo Wibowo – Universitas Indonesia
42. Dr. Soebowo Musa – Swiss German University
43. Dr. Sri Rahayu Hijrah Hati – Universitas Indonesia
44. Dr. Sylvia Veronica Siregar – Universitas Indonesia
45. Dr. Tengku Ezni Balqiah – Universitas Indonesia
46. Dr. Viverita – Universitas Indonesia
47. Dr. Yosman Bustaman – Swiss German University
48. Dr. Zaäfri A. Husodo – Universitas Indonesia
49. Arga Hananto, M. Bus – Universitas Indonesia
50. Elevita Yuliati, MSM. – Universitas Indonesia
51. M. Budi Prasetyo, MSM – Universitas Indonesia
52. Ririen Setiati Riyanti, M.M. – Universitas Indonesia
53. Yeshika Alversia, M.Sc. – Universitas Indonesia
About Faculty of Economics and Business
Universitas Indonesia

The Faculty of Economics and Business, Universitas Indonesia (FEB UI) story commenced on September 18, 1950, when the Social-Economic Department of Faculty Law of Indonesia (FHUI) separated itself to become the Faculty of Economics and Business-UI (FEB UI). At the same time the National Academy student who also studied the Economics join the new faculty. They then become a first-generation student in FEB UI. Uniquely, the 300 students are taught by the number of teaching staff that was very limited, and any administrative affairs were handled by the students themselves. Starting from that, then September 18, 1950, is officially designated as the anniversary of FEB UI. It can be said that FEB UI is the oldest higher education institution of economics learning in Indonesia.

FEB UI is a modern, dynamic, and friendly campus as a place to forge knowledge for prospective national leaders. Located in two places, namely the Widjojo Nitisastro Depok campus and the Sumitro Djojohadikusumo Salemba campus, FEB UI is fully committed to providing excellent service for every learning process of higher education supported by adequate facilities and competent lecturers in their respective fields. FEB UI is leading in the experience and development of economics and business. FEB UI has succeeded in creating the best graduates of the country that have the potential to play an important role in the realm of Indonesian government.

The glory of FEB UI at the national level has become a trigger to continuously improve its quality and achievements in order to compete internationally. With the increasing number of research and scientific publications of FEB UI in international journals, FEB UI has proven track records of its research capability.

The international reputation of FEB UI provides opportunities for academic collaboration with several university partners including Australian National university, Melbourne University, University of Groningen, Kobe University, Hiroshima University, Yokohama National university, and Paris University of Nanterre-Paris X.

Armed with the spirit of integration, FEB UI is now ready to become part of the Universitas Indonesia towards World Class University by carrying out the Faculty of Economics and Business as a world class economics and business school.

For more information, go to http://www.feb.ui.ac.id/en/
The Management Research Center (MRC) was established in March 2006 under the Department of Management Faculty of Economics and Business Universitas Indonesia. The rationale for the establishment is due to the particular reason of relative weakness on management research in Indonesia. MRC is national research center dedicated to contribute the theoretical, empirical, and practical research in recent management issues.

The MRC is placed to assist local, regional, and international scholars, and other researchers that provide a congenial and stimulating intellectual environment, encouraging the fullest interaction and exchange ideas.

To achieve these aims, the MRC conducts a range of research programs; holds public lecturers, seminar, workshops, and conference; published research journals and books, support research facilities, including data, financial subsidy, and library collections.

Currently, MRC is publishing three nationally accredited journals where each journal has a particular scope of research. The current head of MRC is Dr Ratih Dyah Kusumastuti.

- The South East Asian Journal of Management (http://journal.ui.ac.id/tseajm)
- Indonesian Capital Market Review (http://journal.ui.ac.id/icmr)
- ASEAN Marketing Journal (http://journal.ui.ac.id/amj)
Collaborations

Sponsors

![BCA](image1) ![BANK BRI](image2) ![Telin](image3)

Journal partners

1. Journal of Strategic Marketing
   (https://www.tandfonline.com/toc/rjsm20/current)
2. Asia Pacific Journal of Marketing and Logistics (APJML)
3. International Journal of Business and Society (IJBS)
   (http://www.ijbs.unimas.my/)
4. International Journal of Economics and Management (IJEM)
   (http://www.ijem.upm.edu.my/)
Keynote Speakers

Professor Jae Bin Anh

Jae Bin Ahn is a professor of international economics at the Graduate School of International Studies (GSIS) at Seoul National University. Prior to joining GSIS in 2018, Professor Ahn was an Economist at the IMF, where he mostly worked at the Research department, covering issues on structural reforms, external sector assessment, and capital flow management measures. Professor Ahn's previous position at the IMF also includes a desk economist on Indonesia and Malaysia at the Asia and Pacific department. Before joining the IMF's Economist Program in 2011, Professor Ahn was a dissertation intern at the Federal Reserve Bank of New York. Professor Ahn's area of research includes international trade and finance, with particular interests in deriving macroeconomic implications from micro-level theory and evidence. Professor Ahn received his Ph.D. in Economics from Columbia University and his M.A. in Economics and B.S. in Materials Science from Yonsei University in Seoul, South Korea.

Professor Dr. Riza Casidy

Riza Casidy is an Associate Professor of Marketing at Macquarie University. Riza has had extensive experience as a marketing academic and consultant in Australia and overseas. Riza's teaching philosophy is grounded on the authentic teaching approach which incorporates industry-relevant cases, activities, and assessments in the curriculum. His main research interests are in the area of consumer-brand relationships and the effects of religion on consumer behaviour. He has published over 40 articles in peer-reviewed (ABDC-ranked) journals, including 20 papers in ABDC “A” and “A*” ranked journals. His works have been published in leading business journals including Journal of Service Research, Industrial Marketing Management, Tourism Management, and European Journal of Marketing. He is an associate editor in Journal of International Consumer Studies and Journal of Strategic Marketing, and serves as member of the editorial board for Australasian Marketing Journal and Asia Pacific Journal of Marketing and Logistics.
Professor Ian Phau

Professor Ian Phau is the Head of the School of Marketing and the Director of the Luxury Branding Research Cluster. He continues to maintain a high calibre profile in a wide range of industry sectors, where his extensive industry and research expertise have led to much success. Recent portfolios include AirAsia X, Shiseido, Prada, Gucci, Millbrook Winery, Nash Pearls, Department of Agriculture and Food, Gabriel Chocolate, Larry Jewelry and Araluen Botanic Park.

Within these collaborations, his research has focused on country image, luxury branding, brand counterfeiting and piracy, consumer animosity and advertising appeals. His publications appear in the Journal of Advertising, Journal of Advertising Research, European Journal of Marketing, Journal of Retailing and Consumer Services, Journal of Brand Management and Psychology and Marketing, amongst others. In addition, he is the Founding Editor of the Journal of Asia Pacific Marketing and is the current Editor-in-Chief for the Asia Pacific Journal of Marketing and Logistics (Emerald). This has subsequently led to him being awarded the Emerald Literati Network Awards for Excellence – Leading Editor Awards for outstanding editorship for Asia Pacific Journal of Marketing & Logistics in 2007. Further, he has been heavily involved in the supervision for Honours, Masters and PhD dissertations across several research areas and has had many successful students.
## Conference Program

### Wednesday, 21st October 2020

<table>
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<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>08.30 – 08.45</td>
<td>Opening Session</td>
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<tr>
<td>08.45 – 09.00</td>
<td>Greeting from the Organizing Committee</td>
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<tr>
<td></td>
<td>Dr. Rifelly Dewi Astuti</td>
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<td></td>
<td>Welcome Speech from</td>
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<td>Dr. Beta Yulianita Gitaharie</td>
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<td></td>
<td><em>Acting Dean</em>, Faculty of Economics and Business, Universitas Indonesia</td>
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<tr>
<td>09.00 – 10.00</td>
<td>Webinar Keynote Speech + Q&amp;A Session</td>
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<tr>
<td></td>
<td><strong>Professor Jae Bin Anh</strong></td>
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<td></td>
<td><em>Professor of International Economics</em></td>
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<td></td>
<td>Seoul National University, South Korea</td>
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<tr>
<td>10.00 – 12.00</td>
<td>Parallel Session 1</td>
</tr>
<tr>
<td>12.00 – 13.00</td>
<td>Lunch Break</td>
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<tr>
<td>13.00 – 14.00</td>
<td>Webinar Keynote Speech + Q&amp;A Session</td>
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<tr>
<td></td>
<td><strong>Professor Riza Casidy</strong></td>
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<tr>
<td></td>
<td>*Associate Editor of Journal of Strategic Marketing, and International</td>
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<td></td>
<td><em>Journal of Consumer Studies</em></td>
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<td></td>
<td>Macquarie University, Australia</td>
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<tr>
<td>14.00 – 16.00</td>
<td>Parallel Session 2</td>
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<td></td>
<td>Doctoral Colloquium Session 1 (Finance)</td>
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### Thursday, 22nd October 2020

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<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>09.00 – 11.00</td>
<td>Parallel Session 3</td>
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<tr>
<td>09.00 – 11.00</td>
<td>(UTC+7) Meet the Editors</td>
</tr>
<tr>
<td></td>
<td>Doctoral Colloquium Session 2 (Strategic)</td>
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<tr>
<td>11.00 – 12.00</td>
<td>Webinar Keynote Speech + Q&amp;A Session</td>
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<tr>
<td></td>
<td><strong>Prof. Ian Phau</strong></td>
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<tr>
<td></td>
<td>Editor in Chief of Asia Pacific Journal of Marketing and Logistics</td>
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<tr>
<td>12.00 – 13.00</td>
<td>Lunch Break</td>
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<tr>
<td>13.00 – 15.00</td>
<td>Parallel Presentation Session 4</td>
</tr>
<tr>
<td>15.00 – 15.30</td>
<td>Best Papers Award and Closing by Head of the Department of Management</td>
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<td>FEB UI</td>
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### Zoom Link

<table>
<thead>
<tr>
<th>Event</th>
<th>Date and Time</th>
<th>Details</th>
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<tbody>
<tr>
<td>Session</td>
<td>Short Link</td>
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## Parallel Session Schedule

**Parallel Session 1: Wednesday, 21 October 2020, 10.00-12.00 (UTC+7)**

<table>
<thead>
<tr>
<th>No</th>
<th>Title</th>
<th>Authors</th>
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<tbody>
<tr>
<td>2</td>
<td>The Role of Structural Empowerment and Innovative Behavior in Defining Business Process Innovation and Competitive Advantage to Cope with the Industry 4.0</td>
<td>Joshua Aritonang, Rofikoh Rokhim</td>
</tr>
<tr>
<td>3</td>
<td>Big Data Analysis of Paid and Free Applications in Google Playstore and Apple App Store to Know the Application Characteristic and Monetization Opportunities for New Startup in Indonesia</td>
<td>Bambang Sugiharto</td>
</tr>
<tr>
<td>4</td>
<td>Energizing PT Pos Finansial Indonesia to Participate in Current Digital Financial Services</td>
<td>Elok Savitri Pusparini, Komang Budi Aryasa</td>
</tr>
<tr>
<td>5</td>
<td>The Impact of Achievement Motivation towards Organizational Capabilities and Firm Performance in the Creative Industry</td>
<td>Lidia Monika, Kinsenary Tjendra-sa</td>
</tr>
<tr>
<td>6</td>
<td>Strategies to Revitalize Garuda Indonesia Route Profitability to Improve Financial Performance</td>
<td>Caroline Tjoeng, Fanny Martdianty</td>
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<tbody>
<tr>
<td>2</td>
<td>Work from Home during COVID-19 Outbreak: The Indonesian Experience</td>
<td>Nopriadi Saputra, Hesty Aisyah, Khanifatul Khusna, Bahri, Okta Karneli, Hayat, Farid Ardiansyah, Dyah Palupiningtyas</td>
</tr>
<tr>
<td>3</td>
<td>The Mediating Role of LMX on the Impact of Organizational Climate and Trust on Knowledge Sharing</td>
<td>Nopriadi Saputra, Hesty Aisyah, Khanifatul Khusna, Bahri, Okta Karneli, Hayat, Farid Ardiansyah, Dyah Palupiningtyas</td>
</tr>
<tr>
<td>5</td>
<td>Moderating Effect of Perceived Remaining Time on The Relationship between Job Demand and Job Stress</td>
<td>Luthfia Putri Rizki, Debora Eflina Purba</td>
</tr>
<tr>
<td>6</td>
<td>The Effect of Diversity Management on Organizational Citizenship Behavior: The Mediating Role of Organizational Inclusion, Affective Commitment, and Work Engagement</td>
<td>Caroline Tjoeng, Fanny Martdianty</td>
</tr>
<tr>
<td>7</td>
<td>Construct of Leadership Behavior Across Generational In Indonesia: An Initial Study</td>
<td>Dodi Wirawan Irawanto, Asri Laksni Riani, Yanki Hartijasti, Khus-nul Ro-fida Novianti</td>
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<tr>
<td>2</td>
<td>Financial Innovation and Restriction Hypothesis in Banking Industry: Evidence from ASEAN 5</td>
<td>Yosman Bustaman</td>
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<tr>
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<tr>
<td>2</td>
<td>Out-of-Sample Diversified Portfolio Performance with Minimum-Variance, Inverse-Variance, and Hierarchical Risk Parity Methods</td>
<td>Eko Agusta Bangun, Zaäfri Ananto Husodo</td>
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<tr>
<td>3</td>
<td>The Impact of Foreign Direct Investment Environmental Degradation in Developing Countries: The Role of Institution</td>
<td>W.N.W. Azman-Saini, Muhammad Ayub, Irwan Trinugroho, Indah Susilowati</td>
</tr>
<tr>
<td>4</td>
<td>Capital Buffer and Bank’s Risk Taking Behavior: Evidence from Indonesia Commercial Banks</td>
<td>Hatfan Hizriyan Syaidan, Dony Abdul Chalid</td>
</tr>
<tr>
<td>5</td>
<td>The Sustainability of Microfinance Institutions in Supporting Financial Inclusion in Asian Countries for the Period 2011-2018</td>
<td>Natasha Salim Sjarkawi, Liyu Adhi Kasari Sulung</td>
</tr>
<tr>
<td>6</td>
<td>Speed of Adjustment and Leverage Deviation - Cost of Equity Nexus: Evidence from Emerging Markets</td>
<td>Akbar Ardinio Karpates, Viverita</td>
</tr>
</tbody>
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**Parallel Session 1: Wednesday, 21 October 2020, 10.00-12.00 (UTC+7)**

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<tbody>
<tr>
<td>1</td>
<td>Analysis of Reward-Based Crowdfunding Success Factors based on Signaling and Word of Mouth in ASEAN-Five</td>
<td>Hendyana Tan, Liyu Adhi Kasari Sulung</td>
</tr>
<tr>
<td>2</td>
<td>Profitability Determinants of Indonesian Pharmaceutical Companies: a Reflection upon National Health Insurance Implementation</td>
<td>Harianto Lim, Rofikoh Rokhim</td>
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<td>3</td>
<td>Mergers and Acquisitions Disclosure and Earnings Quality</td>
<td>Puspita Rani, Darminto, Elvia R. Shauki, Ruslan Prijadi</td>
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<td>4</td>
<td>What Information Needs to Present in a Fundraising Campaign through Equity Crowdfunding</td>
<td>Chika Fajarini, Zuliani Dalimunthe</td>
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<tr>
<td>5</td>
<td>Analysis of Probability of Default for Non-Financial Public Companies in Asia’s Emerging, Developed and Frontier Countries</td>
<td>Arina Nada Kentjana, Zaäfri Ananto Husodo</td>
</tr>
<tr>
<td>6</td>
<td>The Effect of Credit Risk and Financial Performance to Financial Distress Prediction of Listed Bank in Indonesia</td>
<td>Bimo Ario Tejo, Dewi Hanggraeni</td>
</tr>
</tbody>
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**Finance and Banking 2**
Track Chair: Dr. Dwi Nastiti Danarsari

| Meeting ID: 889 6713 1816 |
| Passcode: ICBMR2020 |

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**Marketing 1**
Track Chair: Dr. Sri Rahayu Hijrah Hati, Bill Picket

| Meeting ID: 884 9178 2474 |
| Passcode: ICBMR2020 |

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<tr>
<td>1</td>
<td>The Effect of Addiction On Purchase Intention of In-App Features: Role of Perceived Values and Loyalty to PUBG Mobile</td>
<td>Nabila Giovanna Widodo, Tengku Ezni Balqiah</td>
</tr>
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**Human Resource Management 2**
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**Marketing 2**
Track Chair: Gita Gayatri, Ph.D

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**General Management 2**
Track Chair: Dr. Budi Wibowo Soetjipto

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Social Media, Stakeholder, and Social Performance of Publicly Listed Firms in Indonesia  
Yunieta Anny Nainggolan, Deddy Priatmodjo Koesrindartoto, Sita Deliyan Firmialy, Eneng Nur Hasanah, Anita Rosaria

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 Parallel Session 3: Thursday, 22 October 2020, 09.00-11.00 (UTC+7)

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 Meet The Editors
Track Chair: Prof. Ian Phau, Prof. Riza Casidy

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Track Chair: Prof. Dr. Irwan Adi Ekaputra

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### Human Resource Management 3
Track Chair: Mone Stepanus, Ph.D

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Marketing 3
Track Chair: Imam Salehadin, Ph.D

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2. Analysis of the Theory of Planned Behavior in Determining Consumer Behavior in Purchase of Dog and Cat Food Products
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3. Determinants of Eco-Conscious Consumer Behavior of Muslims in Indonesia Using the Theory of Planned Behavior
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4. The Role of Customer Networking Capability Effectiveness in Enhancing the Salespeople’s Performance in Small and Medium Enterprises
Ida Bagus Nyoman Udayana, Naili Farida

5. The Effect of Perceived Value and Mobile Game Loyalty on In-app Purchase Intention in Mobile Game in Indonesia (Case Study: Mobile Legend and Love Nikki)
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Track Chair: Prof. Dr. Rofikoh Rokhim

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#### Marketing 4

Track Chair: Dr. Tengku Ezni Balqiah

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**General Management 4**  
Track Chair: Dr. Anton Wachidin Widjaja

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| 2 | Financial Need Vs Core Business Focus: Which Are Essential In Divestiture? | Oktaviyani, Lily Sudhartio, Sari Wahyuni |
| 3 | Exploring the Antecedents of School’s Performance: Readiness, Innovation, Knowledge or Inertia? | Kasandika Ganiarsa, Lily Sudhartio |
| 4 | The Relationships of Trust, Product Attractiveness, and Technology Features towards Technology Acceptance Model In the Case of Vending Machine | Alwan Raihan Rabbani, Soebowo Musa |
| 5 | Business Opportunity for Wedding Photography in Bandung City using Porter’s Five Forces Analysis: Case Study of The Lunar Story | Raihan Nur Fadhlillah, Alvanov Zpalanzani M. |
| 6 | Central Counterparty (CCP) Service Expansion of PT Kliring Penjaminan Efek Indonesia Towards Over The Counter Market and Product | Haga Sudipta Kaban |

**Operation 1**  
Track Chair: Arviansyah, Ph.D

| 1 | Determining Important Criteria for Supplier Selection in the Indonesian Oil and Gas Industry using DEMATEL Method | Nur Habibah, Ratih Dyah Kusumastuti |
| 2 | The Application of Vehicle Routing Problem for Rice Distribution System in City of Bandung | Nova Indah Saragih, Riski Septian Rachman |
| 3 | Optimization of Badak LNG Inventory Planning & Management Based on Forecasted Demand | Zora Yuliardi |
| 4 | Analysis of Intention to Plan to Recycle Used Mobile Phones: Evidence from Greater Jakarta | Rahayu Safitri, Ratih Dyah Kusumastuti |
| 5 | Dynamic Capability, Organizational Agility and Firm Performance of Peer to Peer Lending Platforms in Indonesia | Fortune Nabhel Harmony, Soebowo Musa |
Parallel Session 1 – FIN 1

Financial Innovation And Restriction Hypothesis In Banking Industry: Evidence From ASEAN 5

Yosman Bustaman (yosman.bustaman@sgu.ac.id)
Swiss German University
Antonius P. Siahaan
Swiss German University
Margaretha TP Lingga,
Swiss German University
Viverita
Universitas Indonesia

ABSTRACT

This study investigates the financial innovation impact on bank market power in ASEAN banking countries during the period 2008 to 2018. It uses income diversification as representative of financial innovation development that creates the flow of fees to the bank. Additionally, to capture the impact of countries’ development of financial innovation on market power, this paper uses these measurements; the number of ATM, internet, and cellular phone users in each country. Using the static data panel regression, this study finds that diversified banks may enjoy higher market power. It relates to decreases in market power when the bank is more focus on selling loans. However, the source of market power is coming from non-traditional product’s revenue-generating. This result rejects the banking restriction activity hypothesis, which states the bank that diversifies its income stream results in increased competition. Countries financial innovation variables shows that having a higher number of ATM available and more internet user lower the percentage disparity of price and marginal cost earn by the bank and consequently more competitive the market. Nevertheless, an increasing number of cellular users in the country increases market power. Conjecturally it might because more people use the online bank platform on the cellular phone, which creates more flow of fees to the bank.

Keywords: ASEAN, Banking Competition, Diversification, Financial Innovation, Market Power, Restriction Hypothesis.
Out-Of-Sample Diversified Portfolio Performance With Minimum-Variance, Inverse-Variance, and Hierarchical Risk Parity Methods

Eko Agusta Bangun (ekoagusta@gmail.com)
Zaäfri Ananto Husodo (z.husodo@gmail.com)
Universitas Indonesia

ABSTRACT

This research aims to find a portfolio optimization method that has superior performance in out-of-sample simulation in the Indonesia equity market. The portfolio will be optimized utilizing 3 methods: Inverse-Variance, Minimum-Variance, and Hierarchical Risk Parity. Portfolio performance i.e. Sharpe Ratio is calculated using the actual return generated by the portfolio. The accuracy of the portfolio’s model is measured using the sum of squared errors and t-test between actual return and expected return of the portfolio in out-of-sample simulations. The out-of-sample simulations will be carried out in 3 scenarios of holding period and rebalancing at the end of the holding period. The simulation results suggest that the Hierarchical Risk Parity method outperformed the other 2 portfolio optimization methods, having the highest actual return, Sharpe ratio, and accuracy in predicting returns. This research concludes that a more sophisticated approach is required to build an equity portfolio that has better performance in Indonesia.

Type of Paper: Empirical

Keywords: Portfolio Optimization; Minimum-variance; Inverse-variance; Hierarchical Risk Parity; Out-of-sample; Simulation; Portfolio Performance.
The Impact of Foreign Direct Investment Environmental Degradation in Developing Countries: The Role of Institutions

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Irwan Trinugroho (irwan.trinugroho@gmail.com)
Faculty of Economics and Business, Universitas Sebelas Maret

Indah Susilowati
Faculty of Economics and Business, Universitas Diponegoro

ABSTRACT

This study investigates the effect of foreign direct investment (FDI) on environmental degradation with a special emphasis on the role of institutions in mitigating the environmental repercussion of FDI. A system generalized method of moments (GMM) estimator is applied to a panel of 63 developing countries using data for the 1984-2016 period. Interestingly, the results reveal that the impact of FDI on environmental quality is contingent on institution such that countries with better institutional quality are able to reduce the negative impact of FDI on the environment. This finding is consistent with the view that attracting FDI for improving economic growth will be harmful to the environment when a proper institutional framework is absent. This suggests that the positive externalities associated with FDI inflows is complex as it depends on the ability of policymakers to improve and regulate the efficiency of institutions. Moreover, the results are robust to various alternative indicators for institutional quality.

JEL classification: F21, O43, Q53, Q56

Keywords: Foreign direct investment; Environmental degradation; Institutions; Developing country; Panel data analysis.
Capital Buffer And Bank’s Risk Taking Behavior: Evidence From Indonesia Commercial Banks

Hatfan Hizriyan Syaidan

Universitas Indonesia

Dony Abdul Chalid (donny.abdul@ui.ac.id)

Universitas Indonesia

ABSTRACT

This study aims to discover the non-linear effect of capital buffer on bank risk-taking behavior in Indonesia. Risk-taking behavior is measured using the ratio of non-performing loans to gross loans (NPL). This study gathers data of 101 banks in Indonesia from the period of 2013 to 2018. This study used panel data quantile regression to capture the non-linear relationship of capital buffer on bank risk-taking behavior. This study grouped bank samples into large banks and small banks groups based on their capital size to show the importance of considering different bank characteristics in analyzing the relationship of capital buffer on bank risk-taking behavior. This study finds the non-linear relationship between the capital buffer and bank risk-taking behavior in Indonesia. An increase in the capital buffer will, at first, reduce bank risk-taking behavior to a certain point while adding buffer after that point will encourage banks to take excessive risk-taking. This study also finds that large banks groups are more sensitive to capital buffer changes than smaller banks.

Type of Paper: Empirical/ Review

Keywords: Bank Capital Buffer; Non-linear Relationship; Risk-taking Behavior
The Sustainability of Microfinance Institutions in Supporting Financial Inclusion in Asian Countries for the Period 2011-2018

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ABSTRACT
This study aims to determine the effect of financial inclusion on the sustainability of microfinance institutions shown by operational self-sufficiency. The total sample used in this research is 116 MFIs operating in 20 Asian countries which are registered in MIX Market. In constructing the analysis, this study uses the robust fixed effect (FE) balanced panel data with annual data for 8 years, which is in 2011–2018. The result shows that there is a significantly positive effect of financial inclusion shown by percentage of rural borrowers on microfinance institutions sustainability. Furthermore, this study also performs a robustness check by replacing the dependent variable with return on assets. The result of robustness check shows consistency in terms of the significantly positive effect which financial inclusion has on microfinance institutions sustainability.

Type of Paper: Empirical

Keywords: Financial inclusion; microfinance institutions sustainability; operational self-sufficiency; percentage of rural borrowers; return on assets
Speed of Adjustment and Leverage Deviation – Cost of Equity Nexus: Evidence from Emerging Markets

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ABSTRACT
This study aims to investigate the impact of leverage deviation on the cost of equity. Furthermore, we also analyzed the sensitivity of the cost of equity on leverage deviation. More importantly, we also observe the sensitivity of the cost of equity on the leverage speed of leverage adjustment. This study also considers the effect of the global financial crisis, when most of the firm experienced financial difficulties. This study found that if the debt deviates from the target leverage, then the cost of equity will increase. The results also show that the more sensitive the cost of equity is to the leverage deviation from the target, the faster the adjustment. However, firms will adjust their capital structure for a lower cost during the crisis.

Type of paper: Empirical

Keywords: Leverage Deviation, Cost of Equity, Speed of Adjustment.

JEL Classification: G32
Parallel Session 1 – FIN 2

Analysis of Probability of Default for Non-Financial Public Companies in Asia’s Emerging, Developed and Frontier Countries

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ABSTRACT

This research presents the probability of default profiles of non-financial public companies in Asia’s market. The investor may need to monitor the market which they want to invest in. In this case, the probability of default is used to represent the financial condition. Using the Merton model as a structural approach method, financial reports data and market capitalization are employed to provide the probability of default of respective companies. The market then classified further into three categories: developed market, emerging market, and frontier market. The probability of default profiles between those three categories has been compared in this research. This study reveals that countries in the developed market and emerging market does not have significant differences, while the liquidity of those three financial markets are significantly different. It indicates that the Merton model does not capture the liquidity of the financial market properly which results in a low probability of default in the frontier market. These findings can be considered by the investor in their decision making in this era of globalization.

Type of Paper: Empirical

Keywords: probability of default; developed market; emerging market; frontier market; liquidity; Merton model
Profitability Determinants of Indonesian Pharmaceutical Companies: a Reflection upon National Health Insurance Implementation

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ABSTRACT
This research aims to examine the factors affecting profitability of pharmaceutical company in Indonesia. While research and development has been the main discussed issues in pharmaceutical sector development, scant attention has been paid to profitability factors determined by financial ratio specifically. Panel data of ten pharmaceutical companies listed on Indonesia Stock Exchange covering the period of 2009 to 2018 were extracted from companies’ annual reports. The analysis is divided into two part 2009-2013 and 2014-2018, in order to ascertain the impact of Indonesia’s National Health Insurance policy (implemented in 2014) upon the company’s profitability. Pooled ordinary least squares regression and fixed-effects were used to analyze the data. The findings show strong positive relationships between liquidity and sustainable growth rate with profitability, and strong negative relationships with regards to firm size and market power. Company efficiency (as measured by assets turnover ratio) and sales growth have no significant relationship with profitability. Prior the National Health Insurance implementation period, only liquidity and firm size have significant relationships with profitability, both are positively correlated.

Type of Paper: Empirical

Keywords: Profitability, Pharmaceutical, Indonesia
Mergers and Acquisitions Disclosure and Earnings Quality

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ABSTRACT

This study aims to examine the impact of disclosure of M&A transactions on the corporate earnings quality post-M&A both in the short-term and long-term analysis. This study uses a sample of M&A cases conducted by companies in eleven Asian countries. Earnings quality is assessed from several indicators includes earnings persistence, earnings predictability, and earnings neutrality measured for one year until three years following M&A. Data were analyzed using a cross-sectional linear regression method. The research results show that the level of disclosure of M&A transactions after M&A has been proven to have a positive effect on the quality of post-M&A earnings in the short term and long term. Separately, the results show that M&A disclosure level has a significant positive effect on earnings persistence and earnings predictability in the short-term period post-M&A while for the earnings neutrality aspect, the M&A disclosure level is proven to enhance the long-term earnings neutrality following M&A.

Keywords: Mergers and Acquisitions, Disclosure, Earnings Quality
What Information Needs to Present in a Fundraising Campaign through Equity Crowdfunding

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ABSTRACT

This study aims to determine success factors on equity-based crowdfunding project fundraising in Asia. Three factors evaluated are characteristic campaign, human capital, and social capital. Firstly, the campaign characteristics factor is described by three variables; those are the provision of financial information, pictures, and video. Secondly, the human capital factor is described by four variables, namely the number of team members, education level, business experience, and experience in the field. Lastly, the social capital factor is described by two variables: social network and advisor—the study using the signaling theory approach. We evaluate the model using 201 project samples on various platforms from Indonesia, Malaysia, United Arab Emirates, Israel, and South Korea from January 2018 until December 2019. We used Ordinary Least Square (OLS) with standard error robust as the method of hypothesis testing. We concluded that the only important variable in the campaign characteristics factor is provision financial, while all variables in human and social capital have a positive and significant effect on the success of crowdfunding project fundraising in countries evaluated.

Type of Paper: Empirical

Keywords: Equity Crowdfunding, Campaign Characteristics, Human Capital, Social Capital, Asia
Analysis of Reward-Based Crowdfunding Success Factors based on Signaling and Word of Mouth in ASEAN-Five

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ABSTRACT

This study aims to analyze the factors that influence the success of reward-based crowdfunding by using two sources of information obtained from founders and backers through signaling and word of mouth study in 498 reward-based crowdfunding projects in five industries in ASEAN-Five sought in Kickstarter platform. To achieve this goal, researcher used logistic regression and odds ratio in processing data. Researcher also added sectoral analysis using OLS linear regression to enrich the study. This study proves the existence of a positive and significant influence on information sourced from founders, which are the number of images, video existence, homepage existence, and the number of updates against the dependent variable. In addition, word of mouth, explained by number of comments and backer sentiment, also shows a positive and significant effect on the dependent variable. The results of the study prove that the information originating from the founders and backers are very important in overcoming the information asymmetry experienced by the phenomenon of reward-based crowdfunding in the ASEAN-Five. The discussion of the results of the analysis was also enriched by the agreement and comments conveyed by the backers to deepen the understanding of each variable effect toward backers’ funding decisions.

Type of Paper: Empirical

Keywords: Crowdfunding; Signaling; Success Factors; Word of Mouth; Emerging Market
The Effect of Credit Risk and Financial Performance to Financial Distress Prediction of Listed Bank in Indonesia

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ABSTRACT

This study aims to look at the effect of credit risk and financial performance on the bank financial distress prediction, where the bank as a financial institution in the scope of its business in the form of fund raising and lending to debtors is exposed by several risks, the main ones discussed in this study are credit risk. In addition to credit risk, the bank's financial performance becomes a barometer that needs to be maintained, where banks, especially conventional commercial banks that are listed on the Indonesia Stock Exchange (“IDX”) which are the study population have responsibilities both to customers and the public as stockholders. In Indonesia, the Financial Services Authority (“OJK”) as a regulator has an important role in overseeing and regulating several regulations to maintain the financial quality of banks to avoid defaults. Both aspects, credit risk and financial performance, can have an impact on a condition that causes bankruptcy (financial distress) of a bank, which in this study researchers used the CAMEL rating as an indicator of financial distress predictions. The data used are secondary data obtained through the OJK website in the form of financial reports and financial ratios reported by each bank periodically. In this study, where researchers conducted an analysis of several banks in several periods (cross section and time series), this research used the panel data regression method to see the effect between these variables. The researchers also added several control variables to neutralize their effects on the dependent variable. From the data collected and successfully analyzed, it was found that the NPL indicator in the credit variable and ROE financial performance had a significant influence on the prediction of financial distress, but the ROA variable had no significant effect. While the control variable consisting of bank size and liquidity has a significant effect, time period does not have a significant effect on financial distress predictions as the dependent variable in this study.

Type of Paper: Empirical/ Review

Keywords: Bank, Credit Risk, Non-performing Loan, Financial Performance, Financial Distress, CAMEL
Parallel Session 1 – GEN 1

The Role of Structural Empowerment and Innovative Behaviour in Defining Business Process Innovation and Competitive Advantage to Cope with the Industry 4.0

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ABSTRACT

Researches about the impact of innovation towards competitive advantage have been widely discussed. One of the relevant innovation variables is business process innovation. Innovation does not suddenly appear within an organization. Some supporting factors are required, such as a climate that supports innovation and structural empowerment. Discussing further about the structural empowerment, some studies specifically tested its effect towards innovative behaviour. Connecting the dots, the relationship between structural empowerment and organizational performance has also been observed. In the current industrial context, companies are demanded to be more agile and creative in facing fierce and fast market competition. Furthermore, industry 4.0 trends also bring many changes to the pattern of competition in the market. Companies must be able to adapt to the new processes regardless of the industry. Structural empowerment is one of the most important things that is needed to improve organizational efficiency and problem solving agility. This study examines the relationships between structural empowerment, innovative behaviour and business process innovation, which ultimately lead to the level of competitive advantage of an organization. It connects the theories of structural empowerment and innovation, which have always been seen as something separated in regards to its influence towards competitive advantage. In conducting the empirical test, data from 66 managers or team leaders are taken through the online survey. PLS method is used to see the relationships that occur between constructs. The result shows a positive influence between structural empowerment, innovative behaviour, business process innovation, and competitive advantage.

Type of Paper: Empirical

Keywords: Structural Empowerment; Business Process Innovation; Competitive Advantage; Industry 4.0
Big Data Analysis of Paid and Free Applications in Google Playstore and Apple App Store to Know the Application Characteristic and Monetization Opportunities for New Startup in Indonesia.

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ABSTRACT
In this paper, we research the Apple App Store and Google Play Store performance in Indonesia. In this paper, we compare the distribution of each application category in their respective markets. Researchers are interested in application performance because of the increasing number of internet users and applications, especially Indonesians. The researcher examines the mobile app’s total download per day based on its rank in the respective market. The first ranked app on the Apple App Store Indonesia has a total daily download of 289 times. Simultaneously, the first ranked application on Google Playstore Indonesia has a total download of 17,106 times.

Type of Paper: Empirical

Keywords: Internet, Smartphone, Mobile App, Google Play, Apple App Store
Energizing PT Pos Finansial Indonesia to Participate in Current Digital Financial Services

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ABSTRACT

In the growing Financial Services industry, Pos Financial Services business is declining significantly. Outdated technology and service have been the cause of the declining revenue of Pos Financial Services business. PT Pos Finansial Indonesia or Posfin, a subsidiary of PT Pos Indonesia (Persero), is used to salvage the declining business by employing new digital technology and improved services to recapture and expand the missing market in the new Digital Financial Services environment. To assess the business situation, market potential, and business values, appropriate analyses are being done. Business competition is analyzed using Porter’s Five Forces, Value Rarity Imitability and Organization (VRIO), and Strength Weakness Opportunity and Threat (SWOT) frameworks. Competitors in the industry are being analyzed. Market sizes are calculated using Market Subsets Model. Business values are explored through: Financial Statements projection, Discounted Cash Flow (DCF), and Terminal Value (TV) calculations. The analyses show that the current Pos Financial Services is limited in time and place, technology is outdated, and service models are not developed. In the other side there are some strengths available that are very valuable to be utilized. Potential market that unique to PT Pos Finansial Indonesia is still available and significant in size. By using new digital technology, developed service models, and utilizing strengths, Posfin can recover and grow the business to get significant business values. Context modified banking can be long term strategic business direction to sustain and grow the business bigger.

Keywords: financial services; digital technology; unique market; service model; business values.
The Impact of Achievement Motivation towards Organizational Capabilities and Firm Performance in the Creative Industry

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ABSTRACT

Creative industry, a relatively new industry in Indonesia, shows great promise despite having problems, particularly in sustaining their competitive advantage. Creative industry, in its current state, is already contributing a significant amount to Indonesia Economy on exports and gross domestic product amounting to 13.77% and 7.44% respectively. Thus, Indonesia would clearly benefit from the development of its creative industry. This study aims to examine the relationship between achievement motivation and organizational capabilities, specifically knowledge creation, organizational creativity, entrepreneurial orientation, and organizational agility, as these capabilities play crucial roles in shaping the firm performance and support the development of the Indonesia creative industry. The research study was conducted based on 214 respondents who are in the creative industry. The results showed that achievement motivation has a positive relationship with most of those organizational capabilities, which in turn they are positively related to firm performance.

Type of Paper: Empirical

Keywords: creative industry; achievement motivation; knowledge creation; organizational creativity; entrepreneurial orientation; organizational agility; firm performance.
Strategies to Revitalize Garuda Indonesia Route Profitability To Improve Financial Performance

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ABSTRACT

PT Garuda Indonesia (Persero) Tbk (“Garuda Indonesia”) is an Indonesia flag carrier. In 2011, Garuda Indonesia issued a long term plan: The Strategic Milestones Quantum Leap 2011-2015. The strategy map aims to expand the business massively, including the number of aircraft in service. However, the world economy slows down, and overcapacity market directly impacted the massive expansion of the airline. The Company report losses in 2014. Since then, the company is struggling with fluctuated operating income.

This research conducted a Root Cause Analysis for the business problems using 5 Whys. The first result of the analysis is the situation where the number of passengers is reaching saturation point while the regional airline fleet is still expanding has caused intense price competition among airlines. The situation forces Garuda Indonesia to keep offering low Passenger Yield in International routes. The second result is the oversupply condition where the available seat capacity is bigger than the market size. These factors impact two out of three main aircraft types operate in the domestic area. The production is declining, and aircraft utilization is low, resulting in negative performance. This research aims to find solutions to issue by proposing the most suitable alternative scenario to reduce the impact of overcapacity on the financial condition using the Route Profitability (“RP”) Model. Calculation of the RP model has considered the effect of the COVID 19 pandemic on the aviation industry.

Type of Paper: Empirical

Keywords: Airlines; Fleet Utilization; RP Model, COVID 19
Parallel Session 1 – HRM 1

Work from Home during COVID-19 Outbreak: The Indonesian Experience

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ABSTRACT

For controlling the negative impact of Covid-19 outbreak, the Indonesia government instructs the citizen to work from home (WFH). Unfortunately, the WFH productivity is still questioned. This study is an attempt to elaborate WFH productivity and the impactful drivers of its. Does digital skill, digital collaboration, and perceived organizational support impact on WFH productivity significantly? This article study has conducted a quantitative research which involved 824 working citizens as the respondents from all over Indonesia. The respondents are mostly the first timers of WFH. They are working for government institution or for business organizations from various industries in Indonesia. Collected data was analyzed by partial least square structural equation modelling (PLS-SEM) and SmartPLS application version 3. This study concludes that digital skill of employee and perceived organizational support are the influential drivers of WFH productivity. Digital collaboration impacts on WFH productivity indirectly. Digital skill plays mediating role in relationship between digital collaboration and WFH productivity

Type of Paper: Empirical

Keywords: WFH productivity; digital skill; collaboration; perceived organizational support
The Mediating Role of LMX on the Impact of
Organizational Climate and Trust on Knowledge Sharing

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Abstract

The purpose of this research is to examine mediating role of LMX on the influence of organizational climate (OC) and trust (TR) on knowledge sharing (KS). Two dimensions of knowledge sharing were separately studied. The study was conducted in an oil and gas company and focused on the KS attitudes among the participants of specific program that have been developed to accelerate technical competency development. Questionnaire was used as research instrument and structural equation modeling (SEM) was used to analyze the data. This study found that almost all of dimensions have significant direct effect on knowledge sharing, except affiliation on knowledge collecting and affective trust on knowledge donating. Fairness and LMX have the most significant influence on knowledge donating. This research also found that affective trust and fairness had significant influence on knowledge donating and knowledge collecting through LMX. The finding showed that affective trust did not have any direct effect on knowledge donating, but it was proved that through mediation of LMX affective trust had significant effect on knowledge donating. The study also proved that affiliation had no direct nor indirect influence through LMX on knowledge collecting. Cognitive trust had no significant influence on KS through LMX. Based on this research fair treatment and quality of dyadic relationship between supervisor and subordinate should be increase to foster the effectiveness of knowledge sharing processes.

Type of Paper: Empirical

Keywords: Organizational climate, trust, leader-member exchange, knowledge sharing, knowledge donating, knowledge collecting
Entering Global Market: The Role of Work Autonomy and Individual Global Mindset as Antecedents of Innovative Work Behavior in Defining Employee Task Performance

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ABSTRACT

This study highlights one of the most anticipated topics in welcoming industry 5.0 to enter global market, that is innovative work behavior, and how it affects task performance. Main antecedents of innovative work behavior are discussed; work autonomy, individual global mindset, and how these two key factors will determine the degree of individual innovative behavior in a telecommunication company setting. The mediation effects of innovative behavior hypothesized can elevate individual task performance, and both work autonomy and individual global mindset can only affect task performance through the mediating effect of innovative work behavior. Using the Structural Equation Model with Lisrel protocols, as much as 300 datas were gathered resulting 288 datas proceed into the analysis stages. This study found positive and significant effect of work autonomy and individual global mindset against innovative work behavior. As a pivotal factor, innovative work behavior founded fully mediates the relationship between work autonomy and task performance, and partially mediates the relationship between individual global mindset with task behavior. Discussion regarding the results was developed, business implications and further research avenue were drawn.

Type of Paper: Empirical Research

Keywords: Work autonomy; individual global mindset; innovative work behavior; task performance
Moderating Effect of Perceived Remaining Time on the Relationship between Job Demand and Job Stress

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ABSTRACT

This study aims to investigate the moderating effect of perceived remaining time on the relationship between job demand and job stress. As personal resources need to be explored more in studying the relationship between job demand and job stress, I argue that perceived remaining time as employee's personal resource in the organization moderates the relationship between job demand and job stress. Using the Conservation of Resources (COR) theory to explain the moderation effect, we argue that the relationship between job demand and job stress is weakened by perceived remaining time. Data were collected using online survey on public sector employees from thirty-two government institutions in Indonesia (N = 220). Data were analyzed using Hayes’ PROCESS macro on SPSS software. Results showed that perceived remaining time moderated the relationship between job demand and job stress, such that the relationship was positive and higher when perceived remaining time was low than when perceived remaining time was high. Our study has established that perceived remaining time dampens positive relation between job demand and job stress. Theoretical and practical implications are further discussed.

Type of Paper: Empirical

Keywords: job demand, job stress, perceived remaining time
The Effect of Diversity Management on Organizational Citizenship Behavior: The Mediating Role of Organizational Inclusion, Affective Commitment, and Work Engagement

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ABSTRACT

This study aims to understand the effect of diversity management on Organizational Citizenship Behavior (OCB), taking into account the mediating role of organizational inclusion, affective commitment, and work engagement. The data for this quantitative study was collected using surveys to 263 employees who have worked for at least one year in FMCG companies operating in Indonesia. The data analyzed in Structural Equation Modelling showed that diversity management had no direct effect on OCB. The result also indicated that the causal relationship between diversity management and OCB was fully mediated by organizational inclusion and work engagement. However, affective commitment was not proven to be a mediator in the causal relationship of diversity management on OCB. This study reveals the importance of diversity management implementation within a company as well as courses of action to boost OCB of the employees.

Type of Paper: Empirical/ Review

Keywords: diversity management, organizational inclusion, affective commitment, work engagement, organizational citizenship behavior.
Construct of Leadership Behavior Across Generational In Indonesia:

An Initial Study

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ABSTRACT

This study attempt to identify the determinants factors of leadership behavior using the LDBQ XII for the Indonesian sample. The lack of country-specific leadership style was encouraged by cross-cultural scholars to acknowledge on how national culture plays an important role in making the leadership theory applied well in specific countries. For this initial study, we run a focus discussion group in the targeted sector using semi-structured interviews and a collaborative study of 30 business people. The LDBQ XII, 100 instruments also distributed and coded qualitatively resulting in a combination of perspectives on how the variance of LDBQ XII is applied to the population of the study. The study resulting factors that Indonesian prefer to have leaders that represent and emphasize production and most of the respondents disagree that leaders in Indonesia are associated with a superior orientation behavior. This study is part of the long-run quantitative project therefore limitations of this initial study are also discussed in this paper.

Type of Paper: Empirical

Keywords: leadership, behavior, generation, LBDQ
The Effect of Addiction, Playfulness and Good Price On Purchase Intention of In-App Features: Role of Perceived Values and Loyalty to PUBG Mobile

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ABSTRACT
Games industry is rapidly developing both globally and in Indonesia which results in a big revenue, one of them is towards PUBG Mobile. There are various source of income for a game, one of them is through selling in-app features that is also being done by PUBG Mobile. The purpose of this research is to know the influence of PUBG Mobile addiction and perceived values that consist of playfulness and good price towards loyalty to PUBG Mobile and purchase intention in-app features PUBG Mobile. This research is analyzed using multiple regression with SPSS, based on respondents data collected through questionnaire, that is being done through method of purposive sampling towards PUBG Mobile players, aged 16 and above, who lives in Indonesia and has never bought in-app features of PUBG Mobile. This research proves that there is a positive influence between PUBG Mobile addiction and playfulness towards loyalty to PUBG Mobile and purchase intention in-app features PUBG Mobile. However, for good price, there is only positive influence towards purchase intention in-app features PUBG Mobile and none towards loyalty to PUBG Mobile. This research suggest game developers to be responsible for the games they created, hire a public figure to promote the game and create a virtual survey for players to write their aspirations.

Type of Paper: Empirical

Keywords: Consumer behavior; In-app features; Loyalty; Online Mobile Games; Perceived Values; Purchase Intention.
Exploring the Intention and Resistance of the Customer in Adopting the Technology Innovation: A Qualitative Study on the NFC-Based Mobile Payment

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ABSTRACT

The present research explores the intention and resistance factors of adoption- in the context of the NFC-based mobile payment- as a form of customer reaction towards the IT product innovation. Conceiving both the factors, a marketer should gain comprehensive insight on how to address the customer’s willingness to adopt a product innovation, and, thus, might be able to develop its’ appropriate marketing strategy. However, most of the previous research investigates these two factors separately preventing a thorough understanding on the correlations between these variables.

This research explores the factors that influence the intention or resistance in adopting the NFC-based mobile payment in Indonesian context; it uses the phenomenology of in-depth interviews with six participants. The interview was conducted in Indonesia with non-NFC-based mobile payment users (e.g. 17yo/above, minimum education level -junior high school, and minimum monthly expenditure above US$35 (student) / US$100 (non-student); following the target customer criteria of the NFC-based mobile payment). Theory saturation was achieved with rich scripts from the participants through the emerged themes.

Preliminary analysis suggests existence of three intention and six resistance factors influencing the willingness to adopt the NFC Mobile payment, which is vital in new technology adoption. It also provides a fair understanding for the company that aims to introduce a new technology targeting Indonesian customers. This is the first known case to explore the dual factor concept, i.e. intention and resistance to adopt new innovation simultaneously. It advances the future measurement on the innovation-adoption research in the context of new technology.

Type of Paper: Empirical

Keywords: adoption of innovation behavior; consumer intention to adopt innovation; consumer resistance to adopt innovation; NFC-based mobile payment; dual factor concept
To Pay or Not to Pay: Understanding Users’ Perceived Aggressive Monetization of In-app Purchases in Mobile Games

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ABSTRACT
Worldwide In-app Purchase (IAP) revenues reached almost US$37 billion in 2017 and are expected to double in 2020. Although the portion of revenue from IAPs exceeds those from paid apps, only 5% of total app users make any IAPs. This paper investigates why users do not make IAPs. This paper also develops the concept of the user’s Perceived Aggressive Monetization of IAPs. Given the newness of IAPs, qualitative research is used to understand the phenomenon and develop a model to explain the decision to spend on IAPs. In total, 4,092 unique user-generated comments were collected from app user review sites and social media webpages where users discuss in-app purchasing. The analysis reveals recurring themes that potentially explain user unwillingness to make in-app purchases, such as conflicting meanings of free-to-play, perceived unfairness, and aggressive monetization of IAP by app publishers, as well as issues with self-control. Subsequent user interviews support the themes and suggest that IAP spending might be more impulsive.

Type of Paper: Empirical

Keywords: Freemium pricing; In-App Purchases; Willingness to Pay; Impulsive Buying; Perceived Aggressive Monetization; Qualitative.
Customer Orientation’s Vital Importance to Achieve Sales Effectiveness

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ABSTRACT
Previous studies have found sales management control, salesforce characteristics and salesforce performance are considered as key drivers of sales organisation effectiveness. There is a lack of studies emphasising the importance of market orientation in relation to sales organisation effectiveness, especially in the small and medium enterprises (SMEs) context. The research aims to investigate the relationship between market orientation components (i.e. customer orientation, interfunctional coordination, competitor orientation) and sales organisation effectiveness. The respondents for this study were managers of SMEs in charge of the sales team. A descriptive research design was used to collect data from SMEs across Australia. Path analysis was used to test the hypotheses. The results indicate that, for SMEs, customer orientation was found to be the key element of the three components of market orientation in terms of their impact on Sales Organisation Effectiveness. The results and managerial implications are discussed.

Type of Paper: Empirical

Keywords: customer orientation; interfunctional coordination; competitor orientation; salesforce performance; sales organisation effectiveness; SMEs
Revealing Past Identity of Upcycled Product: Can It Improve Product Perception?

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ABSTRACT

Story has become an important part in a product. Telling a story about the past identity of a product is believed to help improve the positive perception towards the product. Certain product has gone through transformation from its past identity to new and more valuable product, known as upcycled product. This study aimed to investigate whether there is difference in perception about product biography, product appeal, felt specialness, and purchase intention between people who receive simple narrative about past identity and those who are not aware of it. To test the hypotheses, a two-group between subject experiment involving university students was conducted. Two upcycled products (pouch and bag) with simple narrative were used as stimulus. The result revealed that people who are aware of the past identity of the product perceived that the product has a story and feel more special, unique, and recognized if they use the product. Contrary to the previous research, this study found no difference in perception about product appeal and purchase intention between two groups. The result of this study will be useful for marketer or upcycling business owner to provide some insights on how to promote their products.

Type of Paper: Empirical

Keywords: storytelling; narrative; upcycling; upcycled product; past identity; product story
Determinant Factors of Liquidity Risk Premium on Indonesian Government Bonds

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ABSTRACT

This paper aims to analyze the liquidity risk premium on the Indonesian government bonds. There are two liquidity risk premium proxies to be used, they are the difference between the yield to maturity and the theoretical yield of the obligation and the average bid-ask spread of the obligation. The research uses a regression analysis on the Random Effect panel data model to define the determinant factors of the liquidity risk premium. The result of this research shows that the liquidity risk premium of Indonesian government bonds is relatively small, affected by the bond's characteristics and the financial market condition. The determinant factors are bond's age, coupon rate, remaining life, issued amount, type (Sukuk or conventional), and the Indonesian stock market volatility. The researcher expects that the result of this research will enrich the understanding of the liquidity risk on Indonesian government bonds so that it can be used by the fiscal and monetary authorities and also investors in making decisions.

Type of Paper: Empirical

Keywords: Liquidity risk; Indonesian Government Bond; Risk Premium; Yield-Spread; Bid-ask spread.
The Analysis of Flight to Safety Phenomenon from Stocks to Government Bonds and Their Effects on The Risk-Return Trade Off in Indonesia Stock Exchange

Period March 2008 - May 2020

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ABSTRACT

This paper aims to analyze the relationship of Risk-Return Trade Off between excess return and excess return volatility on the stock exchange in Indonesia (in which both of them are already being conditioned by the macroeconomics factors) and see the effect of Flight to Safety on the relationship above. Stock Index (IHSG) is being used as the proxy for risky asset while government bond (10-year Indonesian Government Bond) is being used as the proxy for safer asset. This research found a negative relationship on the risk-return trade off in the IHSG which indicates that the greater the volatility of the stock index’s excess return, the smaller the excess return will be obtained. In addition, a negative relationship was also found between the Flight to Safety index (using 10-Year Indonesian Government Bond) to the excess return of the IHSG. This implies that if an indication of Flight to Safety is found from the IHSG to the other assets, the smaller excess return of IHSG will be obtained as well. In the end, the results of this study indicate that an indication of the Flight to Safety phenomenon also strengthens the negative relationship between Risk-Return Trade Off found earlier.

Type of Paper: Empirical research

Keywords: Flight-to-safety; Risk-return trade-off; Stock market; Investment.
THE INFLUENCE OF BANKING RISK ON SHARE PRICE AND THE MODERATING ROLE OF INFLATION RATE

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ABSTRACT

The development of business and activities of government banks in Indonesia increases the need of funding. Capital market is one of bank’s alternative in fulfill funding needs through the sale of shares. In fact, the share price that is important in share transaction is influenced by performance and risk level of the bank. Thus, this research will examine the relationship between banking risk and share price of government banks in Indonesia. Besides, this research will discuss also the role inflation as moderator of banking risks and share price. Multiple regression analysis using fixed effect model is employed to estimate the influence of banking risks on share price. This model is also applied to identify the role of inflation as moderator variable. The results of analysis reveal that liquidity risk has positive and significant influence on share price, while credit risk produces negative and significant effect on share price. Furthermore, inflation is successful to moderate the relationship between liquidity risk and share price. Meanwhile, this moderator variable fails to moderate the relationship between credit risk and share price. The findings in this research can provide a guidance for government banks in maintaining their risks. In addition, this research also can be a reference for banking authority in setting a policy that can affect the level of risk and bank’s share price.

Type of paper: Empirical

Keywords: bank risk, share price, inflation
ACTORS’ LOGICS IN LOAN RESTRUCTURING OF RURAL BANKS’ NON-PERFORMING LOANS

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ABSTRACT

This study aims to answer the phenomenon of changes in the behaviour of rural banks located in West Java Province in carrying out restructuring to save its non-performing loans. The study was motivated by the fact that there were 32.41% of BPRs in West Java did not carry out credit restructuring in the period 2013 to 2017 even though the Non-Performing Loans (NPL) ratio exceeds 5%. The mixed-method approach is applied in this study where primary data were gathered using two research instruments: the open-ended questionnaire and semi-structured interviews. Unit analysis of this research is managers or credit analysts in the BPR industry located in the West Java region. Institutional logics and isomorphism as two-dimensional institutional theory are the basis of this research. Theories were explored to observe the behaviour of actors in the financial institutions facing the pressures both from the internal and the external parts of the organization field. The results indicate that the conflict between regulation and profitability as multiple logics has led to differences in the behaviour of actors in deciding the restructuring of the problem loans in rural banks. Behaviour changes in conducting credit restructuring were due to pulling regulatory pressures and profitability so that BPRs need to do balancing based on external and internal perspectives. This study succeeded in uncovering factors that can reduce the tension between the two logics through increasing competence and incentives for managers or credit analysts. Specifically, the findings of this study explain the application of institutional logics that influence the individual orientation of actions, preferences, beliefs to do or not act.

Type of Paper: Case Study and Qualitative Research

Keywords: loan restructuring; non-performing loans, institutional theory; institutional logics, multiple logics; actors’ logics; and rural banks.
Exploring the Critical Factors Affecting Lender Trust to Invest in Online Peer-to-Peer Lending in Indonesia

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ABSTRACT
This study aims to evaluate critical factors that drive lender trust in the platform to provide lend through a Peer-to-Peer (P2P) Lending Platform. P2P lending is a financial technology that facilitates lending mechanisms between lenders and borrowers through the Internet without collateral and financial institutions' involvement. Thus, lenders should trust the platform to willingly making a transaction using the online lending systems. We hypotheses that perceived regulatory protection, service quality, and security protection build the lender's trust in the P2P lending platform and then investor willingness to invest through it. We test the model using empirical data from 180 participants experienced in Indonesia P2P lending using the structural equation (SEM) method. The results show that Willingness to Lend is significantly affected by Trust in Platform, while Perceived Regulatory Protection, Service Quality, and Security Protection are significant factors influencing lenders' Trust in Platform.

Type of Paper: Empirical

Keywords: Peer-to-Peer Lending, Online Lending, Perceived Regulatory Protection, Service Quality, Security Protection, Trust in Platform, Lender Trust, Willingness to Lend, Indonesia
EFFECT OF SHARIA FINANCING ON SHARIA INSURANCE PREMIUM GROWTH

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ABSTRACT

This research is to analyze and determine how the effect of sharia financing on sharia insurance premium growth, determine the influence of each sharia banking financing and formulate the strategies needed to increase the growth of general Islamic insurance premiums.

Specifically, this research uses Autoregression Distributed Lagged (ARDL) model to analyze whether sharia insurance is determined and influenced by sharia financing. This research uses sharia financing forms consisting of murabaha, musharaka, mudharabah, isthisna and ijarah as independent variables and sharia general insurance premium as dependent variable. This research uses monthly time series data from January 2014 to November 2019.

ARDL model findings show that financing is istishna and ijarah did not pass the test. Musharaka and mudharabah financing are proven as a positive influence. Murabaha financing, which is the largest financing in banking sector, seems not to have an effect, even of previous 3 periods had a slight negative effect on the growth of sharia insurance. The reasons could be due to small funding of ijarah and isthisna so that it did not have an impact on growth, capacity of sharia insurance still small and the lack of socialization of sharia insurance, as well as a premium's determinate cause of stopping of funding due to repayment or claims.

This research encourages the synergy of sharia insurance business with sharia banking, especially in sharia financing, sustainable sharia financial literacy and mutually supportive regulatory policies in the sharia financial industry and an increase in sharia insurance capacity so that all sharia financing can be covered in sharia insurance.

Keywords: Sharia, Islamic, Insurance, Bank, Financing, Premium, Growth
Parallel Session 2 – GEN 2
Analysis of Value-Added Intellectual Coefficient and Investment Opportunity on Firm Value in ASEAN-5

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ABSTRACT

This paper aims to investigate the relationship between Pulic's value-added intellectual coefficient (VAIC) and investment opportunity on firm value, measured in Tobin's Q, in ASEAN 5. The study also examines firm size as a moderating variable of VAIC on firm value. This study employs more than 700 corporate companies from 2013 to 2018 residing in Indonesia, Malaysia, Singapore, Thailand and Philippines. The result shows VAIC has a positive impact on firm value. The result indicates VAIC generates more market value for firms. Meanwhile, the study finds out that investment opportunity is not significant to firm value in ASEAN 5. The result shows firm size weakens the relationship between VAIC on firm value in ASEAN 5. This means ASEAN 5 companies need to reassess their assets to facilitate their performances with competitive advantage to win the industry.

Type of Paper: Empirical

Keywords: Value-Added Intellectual Coefficient, Investment Opportunity, Firm Value
Paradoxical Relationship of Organizational Routine and Agility in Mediating Copability and Adaptability to Improve Team Performance in Financial Service Industry

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ABSTRACT

In an academic or business environment, we often find theories that are logical when we look at the theory individually but not rational when we observe it simultaneously. The phenomena is called paradoxical relationship. This study will observe the paradoxical relationship of two conflicting, yet synergistic view. We will observe the factors which gives the organization to either internally cope with the change or adapt to external environment. After that, we also observe both factors impact on how do the organization operates and whether it will maintain the organization routine or to be agile and change their structure. We will then observe the overall impact on performance. In this research, we will observe the change in financial service industry, which operates under narrow regulatory corridor but required to create service differentiation between company, and even team members across one company. This study scope will stop in the variable operationalization. Data collection and result analysis is required on further stage of analysis.

Type of Paper: Review

Keywords: Paradoxical relationship, organization routine, organization agility, team performance, copability, cope-ability, adaptability, strategy, change
The Role of Agile Leaders in Enabling Resource Orchestration and Operational Capabilities to Unit Organizational Performance: Evidence from the Indonesia oil and gas sector

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ABSTRACT

With the environmental uncertainty, the extra roles from middle-level leaders in the field operations are becoming a driving force in mediating internal operational capabilities to improve field unit performance, particularly in developing countries. This paper aims to seize the understanding of the effect of field agile leader (FAL), external resources orchestration (ERO), and internal operational capabilities (IOC) on the field unit performance (FUP) in the Indonesia oil and gas sector. Research instruments were developed and distributed throughout field operation units in Indonesia oil and gas sector, resulting in 175 data from field operation leaders across operating oil and gas companies in Indonesia. Software Package for Social Sciences (SPSS25) and structural equation modeling (SEM) LISREL were used to examine the developed hypotheses. The results of the study show that FAL has significant positive effects on IOC and ERO (both p<0.05). Interestingly, IOC has significant positive effects on ERO and FUP (both p<0.05). These results indicate that FAL can gain more advantages by understanding the agility factors that lead to unit organization performance with IOC plays as a mediating role. Future research should replicate the study in more than one industry to validate the model.

Type of Paper: Empirical

Keywords: Field agile leader; internal operational capabilities; external resources orchestration; unit performance
The Influence of Service Quality on Customer Trust Based on Special Case of Chevrolet in Indonesia

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ABSTRACT

General Motors (GM) announced cease of Chevrolet vehicle sales in Indonesia and change of business model by continuing aftersales service only. The experience of public in Indonesia with several changes of local footprint strategies by the corporation in the last decade and the exit of another US brand Ford, had triggered questions in the public, on how GM would apply the new business practice which is uncommon in the history of automobile industry in Indonesia. The author suspected, trust would be fundamental for the continuity of the GM business and therefore service quality would become crucial. From this point of view, the purpose of this study is to explore, how far service quality of GM organization could influence customer trust in Indonesia and to develop business model based on the findings. The relationship and impact between service quality as independent variable with 5 dimensions (tangible, reliability, responsiveness, assurance and empathy) and customer trust as dependent variable with 3 dimensions (competence, integrity and benevolence) were tested in different period of car ownership and in different regions. This study applied quantitative analysis with data received from 352 Chevrolet owners who had experience with Chevrolet authorized workshops. Qualitative examination was conducted with selected Chevrolet owners, who were recommended by Chevrolet club and had expertise in Chevrolet aftersales service. Using combination of linear regression and in-depth interviews with the respondents, the study found significant correlation and impact of service quality delivered by Chevrolet on trust of their customers. The results were used as starting point to develop aftersales service strategy recommendation that emphasized the customer loyalty aspects, which is from the perspective of GM’s resources quick and feasible to execute and can be used as reference to build a more competitive business sustainability amid increasing dynamics in the automotive aftersales service industry.

Type of Paper: Case Study

Keywords: Service Quality, Customer Trust, Aftersales Service
Social Media, Stakeholder, and Social Performance of Publicly Listed Firms in Indonesia

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ABSTRACTS

Socially responsible investment has grown considerably in the last decade due to the raising concerns on environmental, social, and governance issues. This has pushed corporates to spend their resources on these issues. However, corporate should disclose this to the public to be valued by stakeholders. The social media has been used as a way to communicate to the public on corporate concerns and issues. This study extends previous study on social media and social performance by studying Indonesia market and investigating whether corporate with high social performance uses social media to communicate to their stakeholders. We find that Indonesian firms have not used social media effectively to communicate to stakeholders suggesting Indonesian firms have not concerned yet on the importance of communicating their values to the public.

Keywords: Social Media, Social Performance, CSR, SRI, Emerging market
Determinants Affecting Behavioral Intention among The Millennial Generation to Adopt Financial Technology

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ABSTRACT

The purpose of this research is to identify what factors could affect the millennials in using fintech. The idea of this research is based on the use of financial technology which has been increasing rapidly lately. Millenial generation is chosen as the object of research, because they have a rapid adaptability in using technology. The study used questionnaires that were distributed online. The analysis of this research used Partial Least Square (PLS) approach. Factors used in the intention to adopt fintech are performance expectancy, effort expectancy, and social influence. The results showed that these factors simultaneously affecting behavioral intention among the millennial generation to adopt fintech and based on partial test, each factors has positive significant effects to behavioral intention. Contribution of this research is moderation variable which is level of education. The result shows that all factors positively affect the behavioral intention of millennials who have education level which is lower than bachelor degree and bachelor degree. However, for the level of education which is higher than bachelor degree, effort expectancy and social influence are found having no effect on millenial generation to adopt fintech.

Type of Paper: Empirical/ Review

Keywords: education level; financial technology; millennial generation; UTAUT.
Parallel Session 2 – HRM 2

How COVID-19 Pandemic Change the Job Seeker Perception about Indonesia Giant Startup as Top Employer for Generation Z Perception

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ABSTRACT

The COVID-19 pandemic has caused some technology-based startups to collapse. In recent years, startups have emerged as the top employer in labor competition. Moreover, COVID-19 has pushed technology-based startups to reduce their employee. Enforcement Large-scale social restrictions have reduced the use of ride hailing or digital-based transportation about 75%. These conditions affect employer branding that has been built a long time ago. The organization need to manage its image to maximize recruiting effectiveness and attract job seeker or applicant. This research purpose of examining the impact of employer branding and corporate reputation on the intention to apply on Indonesia giant startups through a person-organization fit. This research conducted in 570 business students at the State University of Malang, Indonesia. This study tried to build the more completed dimension of employer branding than previous study. The result of this study confirmed the positive relationship between several dimensions of employer branding (work values, diversity, and salary and incentives) and intention to apply.

Type of Paper: Empirical

Keywords: Employer Brand, Corporate Reputation, COVID-19, Business Student, Gen Z.
The Effects of Leader-Member Exchange Quality on Turnover Intention: The Mediating Role of Organizational Identification Study Case on Indonesian Millennial Knowledge Workers

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ABSTRACT

This quantitative study aims to discover the effects of leader-member exchange quality, job embeddedness, and organizational identification on Indonesian millennial knowledge workers’ turnover intention. Research sample was obtained from 206 Indonesian millennial knowledge workers (born between 1982 and 2000) who have direct supervisors at work. Data analysis process is conducted using Structural Equation Modelling (SEM) method with Lisrel 8.80 software. Results from this research indicate that leader-member exchange quality affects job embeddedness positively, job embeddedness affects organizational identification positively and turnover intention negatively, job embeddedness mediates the relationship between both leader-member exchange quality and organizational identification alongside leader-member exchange quality and turnover intention, and organizational identification does not affect turnover intention nor mediate the negative relationship between job embeddedness and turnover intention. The theoretical contributions of this study include insights about the effects of leader-member exchange quality, job embeddedness, and organizational identification on turnover intention. This research also contributes practically to the issue of managing turnover intention of Indonesian millennials, specifically in the context of knowledge workers across industries.

Type of Paper: Empirical

Keywords: leader-member exchange quality, job embeddedness, organizational identification, turnover intention, knowledge worker, Indonesian millennials
Scrutinizing the Contribution of Management Innovation to Firm's Innovation Performance: the Moderating Effect of Environmental Dynamism

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ABSTRACT

This study contributes to management innovation research by advancing our understanding of how environmental dynamism which acts as a contingent variable in the relationship between management innovation and firm exploitative innovation performance as a result of firm’s existing knowledge base. We investigate further to what extent do findings found in developed countries might also apply to developing country (which indicates its growing importance in the world economy). Employing a-545 primary data collected from both online and offline survey to the TMTs, middle managers and business owners of firms operated in Indonesia and according to the conceptual framework and some hypotheses developed in this research, our study found that our data support our hypothesis that management innovation has an increasingly positive effect on firm’s exploitative innovations also highlighted that organizational size stands as a significant contextual variable in the relationship. This study provides an empirical important insights on how environmental dynamism (particularly in emerging economy) which performs as a contingent variable significantly affect the innovation performance of firms. The empirical results would function as a roadmap of literature for both scholars (academicians) as well as practitioners also as stimulation for further innovation research.

Type of Paper: Empirical

Keywords: emerging country, exploitative innovation, firm innovation performance, management innovation, Indonesia, environmental dynamism.
The Effect of Employee Engagement on Turnover Intention: The Case of Golden Tulip Jineng Resort Hotel Bali

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ABSTRACT

Employee turnover intention has been a serious problem for many companies, especially in hospitality business. Employees have turnover intention first before deciding to exit the company. Many factors influence the turnover intention, one of them is employee engagement. The low employee engagement will result in a high turnover intention on employees.

This study aims to determine the effect of employee engagement on the turnover intention at the Golden Tulip Jineng Resort Hotel Bali. The number of samples in this study was 67 respondents using the simple random sampling method. The data was collected by distributing questionnaires using a 5-point Likert scale to measure 23 statement items. The data analysis techniques used were descriptive statistics, simple linear regression analysis, t-test, and the coefficient of determination which were processed with the SPSS version 25 for windows program. The results of this study indicate that employee engagement contributes to the turnover intention by 66.9%, while the remaining 33.1% is influenced by other variables outside of this model. Companies are expected to provide rewards and increase incentives for high-performing employees to maintain employee engagement and can reduce employee turnover intention.

Type of Paper: Empirical

Keywords: employee engagement, turnover intention; hotel
The Role of Occupational Future Time Perspective As A Moderator In The Relationship Between Chronological Age And Work Engagement

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ABSTRACT

Studies on work engagement have been increased in the past two decades because it is related to various positive outcomes. Age-related factors, such as chronological age and subjective age, are one of the most important factors that influence work engagement. We extend the previous research by arguing the relationship between chronological age and work engagement is moderated by subjective age, namely occupational future time perspective (OFTP). The purpose of this study is to better understand the mechanism of variables by adopting the conservation of resources (COR) theory and Socio-emotional Selectivity Theory (SST) as frameworks. In accordance with frameworks used, OFTP was operationalized as social-motivational system and resources in order to be engaged. Data were collected using paper and pencil survey from healthcare employees at six private hospitals in Jakarta and its surroundings (N = 190). Using simple moderation test with Hayes’ (2008) PROCESS macro, results showed that the moderating effect of OFTP on chronological age-work engagement relationship was positive and significant, such that the relationship between chronological age and work engagement is positive and higher on high OFTP individuals than low OFTP individuals. The results of this study are able to show that organizations need to highlight variables related to age processes such as subjective age but do not neglect the role of the chronological age to really see the pattern of relationships between aging workforce and occupational well-being.

Type of Paper: Empirical

Keywords: chronological age, occupational future time perspective, oftp, work engagement
What Constitute Intention to Apply for The Job in The Indonesia Technology-Based Startups Companies?

An Empirical Study on Students from Generation-Z in A Leading University in Indonesia

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ABSTRACT

The Indonesia technology-based startups industry is experiencing significant growth over the last couple of years. With the agile business models characteristics, this industry draws significant attentions among youth generations and specially, those who were born under Generation Z demographic cohort. Motives that constitute their intentions to apply become a specific area continues to explore, and up to this days are consider lagging in their empirical evidences. Above all, the role of three antecedents against the intention to apply for jobs are explore, which are the job characteristics, employer knowledge, and organizational attractiveness. Using cross-sectional design, this study engaged with convenience sampling methods to collect primary data resulting 305 data from students of Generation-Z in a leading university in Indonesia. From the results of Structural Equation Model (SEM) method, this study finds that each of the determinant has a significant positive influence on the intention to apply job. As a part of theoretical contribution, this study finds that organizational effectiveness strongly mediates the relationship between job characteristics and employer knowledge with the decision to apply in a job in technology-based startups in Indonesia, while other causalities are strongly supported. Empirical contributions, research limitations, and invitations for further research avenues are explained.

Type of Paper: Empirical

Keywords: Job characteristics; employer knowledge; organizational attractiveness; intention to apply job; generations Z students
Parallel Session 2 – MKT 2

No Such Thing As A Free App: A Taxonomy of Freemium Business Models and User Archetypes

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ABSTRACT

The Freemium business model is becoming increasingly prominent in the current digital economy. In the mobile game market, total revenue from free to download apps is overtaking those from paid apps. The purpose of this article is to propose a taxonomy that examines and categorizes the various types of Freemium business models. This study uses the systematic, logical partitioning approach to generate a taxonomy of the Freemium business model, identifying advertisement and microtransaction as two primary sources of revenue. The taxonomy also reveals different types of in-app purchases, the most dominant form of Freemium business model in the mobile game market. Further discussion connects the taxonomy to related issues such as user archetypes and user flows. This paper also extends the existing archetypes of Freemium users by adding new categories, namely Remoras and Barnacles, to differentiate free users. Finally, it conceptualizes a novel framework of user flows between the free and the paying state, arguing for a nonlinear flow. These findings should be of interest to academics and policymakers as it provides the foundation for further investigation on the sustainability of the free to download apps.

Type of Paper: Review

Keywords: Freemium business model; Microtransaction; Monetization strategy; Mobile games; Classification schemes; Logical partitioning.
Effect of Perceived Personalization and Self Expressive Brand towards Perceived Quality and Brand Loyalty of Local Footwear Brands on Instagram

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ABSTRACT

Along with the increasing level of internet penetration in Indonesia, the current developments encourage people to familiarize and adopts variety of internet-based products and service especially Instagram as social media in Indonesia. Amidst these opportunities, businesses that are particularly preferred in current lifestyle like local footwear brand can take advantage by being present on Instagram to foster their relationship with their consumers through personalised advertisement. This quantitative research was aimed to analyse the effect of personalised advertisement by proposing key driver namely perceived personalization and self-expressive brands that predicts consumer brand engagement, brand attachment and its effect towards perceived quality and brand loyalty. A total of 386 respondents that are Instagram users and consumers of four local footwear brand were collected using purposive sampling method and analysed using Partial Least Squares – Structural Equation Modelling (PLS-SEM). The findings suggest that perceived personalization and self-expressive brand positively impact consumer's brand engagement and brand attachments. Where, consumer brand engagement and brand attachment play an important role on affecting the perceived quality. Lastly Brand attachment and perceived quality also found to influence brand loyalty.

Type of Paper: Empirical

Keywords: Personalised advertisement; Consumer Behaviour; Marketing Communication; Perceived Personalization; self-expressive brand; perceived quality; brand loyalty
Incentives and Food Blogger Influence on Customer Engagement through Instagram

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ABSTRACT

Indonesia’s food and beverage industry continues to grow and expected reach USD 3,221m market volume by 2024. This growth supported by emergence of various digital platform for business to market their product at online market. Utilization of social media as one of the platform to build engagement with customer is important for business to survive and create competitive advantage.

This study explore the influence of incentives as customer motivation to engage with food and beverage brand and food blogger endorsement in building customer engagement through social media Instagram. Incentives defined with monetary and non-monetary dimensions and food blogger defined with attractiveness, trustworthiness and expertise dimensions that represent food blogger’s credibility. This study was divided into three stages, pilot test, pre-test and main test. A structural equational model using AMOS was used to analyze 374 out of 440 data from Indonesian respondents that collected through online survey. The result of this study showed in three findings. First, incentives positively influence attitude toward engagement with brand through social media. Second, food blogger positively influence brand influence (attitude) which strongly affecting attitude towards engagement with brand through social media. Third, positive attitude towards engagement resulted in positive intention to engage that continues to intention to purchase through social media. This study findings provides empirical literature for food and beverage business (brand) on customer engagement using incentives and food blogger through social media Instagram.

Type of Paper: Empirical

Keywords: Incentive, Food Blogger, Customer Engagement, Instagram, Food and Beverage
Intervariable Influence Analysis of Hierarchy of Effect (HOE) Model in Cross-Border E-Commerce
(Study Case: Shopee and Lazada)

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ABSTRACT
Cross-border e-commerce (CBEC) is evolving significantly, it offers a different and new shopping journey designed for customers and buyers who want to commit themselves to a whole new global interaction and international transaction. In dealing with this phenomenon, sellers and providers in the e-commerce industry need to adapt to meet the needs and expectations of customers across the countries. Therefore, this study was conducted to analyze the intervariable influence within the stages of product cognition, platform emotion, behavior intention, and actual behavior in CBEC Shopee and Lazada. This research is based on the Hierarchy of Effect (HOE) model which consists of the stages of customer progression of learning and decision-making as a response of their shopping experiences. A total research data of 1,281 CBEC Shopee and 370 CBEC Lazada respondents who have shopped at both of CBEC in the last six months were collected through a structured questionnaire. The data are analyzed by using validity and reliability test, and then continued by Structural Equation Modeling (SEM) method. The findings of this study reveal that there is a significant positive influence between product description, platform enduring involvement, and platform situational involvement on perceived trust in the study case of CBEC Shopee and there is a significant positive influence between product description and platform situational involvement on perceived trust in the study case of CBEC Lazada. Furthermore, platform situational involvement and perceived trust have also been shown to have a positive effect on purchase intention. The high level of purchase intention influences the actual purchase of customers.

Type of Paper: Empirical

Keywords: E-commerce; cross-border e-commerce (CBEC); business to customer (B2C); online shopping; perceived trust; customer awareness; customer involvement; purchase intention; actual purchase; hierarchy of effect model (HOE)
The Drivers of Repurchase Intention during the Corona Pandemic: An Examination of Gender Difference

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ABSTRACT

The corona pandemic has affected daily life, business, and consumer behavior. This study aims to examine the drivers of repurchase intention which consist of consumption value and customer satisfaction. An online survey was conducted to collect data from customers who purchased food from restaurant using online application during the pandemic. A total of 214 respondents participated in this study. Structural Equation Modeling using multigroup analysis has been employed to test the proposed hypotheses. This study finds that repurchase intention is driven by perceived consumption value (functional value, social value, emotional value, safety value, information value) and satisfaction for all consumers. The result of difference test suggests that for female consumers, repurchase intention is directly affected by perceived consumption value and satisfaction. Meanwhile, for male consumers repurchase intention is not directly driven by perceived consumption value, unless they feel satisfied. Hence, the impact of consumption value on repurchase intention is not significant. Discussion of the results and managerial implications are offered.

Type of Paper: Empirical

Keywords: repurchase intentions; consumption value; customer satisfaction; gender difference; online food shopping
The Influence of Customer Engagement Experiences Between Satisfaction and Loyalty Relationships on Freemium Business Model

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ABSTRACT

The objective of this study is to develop a research framework based on customer’s engagement experiences framework including social facilitation, temporal experience, a utilitarian value, dan an intrinsic enjoyment on the freemium business model. In recent years, several software application providers have developed their business models by increasing large users’ databases, offering added value for users, and increasing the type of service. This business model is called freemium. Freemium allows its users to access its software applications for free and improve the features whenever they need. Although many users are satisfied, many companies fail to implement that model because many users do not want to pay more. In fact, user’s satisfaction does not always influence user’s loyalty under certain circumstances. On the other hand, user’s engagement can encourage long-term relationships between companies and users. The originality of this study is the moderating role of customer’s engagement experiences in the satisfaction – loyalty relationship of the freemium software application. This research uses a quantitative approach. The questionnaire was successfully distributed to 274 respondents. The data is analyzed by SEM. The results of this study indicate that social facilitation is one of the dimensions of customer’s engagement experiences which has the most encouraging factor on users to continue their intention to use and purchase.

Type of Paper: Empirical

Keywords: Freemium; Satisfaction; Loyalty Intention; Customer Engagement Experiences
Parallel Session 3 – FIN 4

Empirical Evidence of Mean-reversion in Stock Prices and Firm Performance of Politically Connected Firms in ASEAN

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ABSTRACT

This study examines whether a mean-reversion trend exists in the stock price of firms with political connections in ASEAN countries such as Indonesia, Malaysia, Singapore, and Thailand. In addition, it examines the impact of political connections on firm performance. The result shows that there is a mean-reversion trend in the stock price of firms with political connections in ASEAN countries. However, this study is unable to confirm that firms with political connection – except for Singaporean firms - exhibit better performance. This finding implies that firms in specific industries that are strictly regulated tend to exhibit benefits from having a board of directors with political connections, thus providing a positive signal to investors in regard to having a sound corporate governance.

Type of Paper: Empirical

Keywords: Mean-reversion; political connections; firm performance; ASEAN
Sentiment Analysis Twitter on Stock Performance in Indonesia

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ABSTRACT

This paper is aimed at investigating the correlation between social media Twitter and stock market performance by looking at industry-level perspective to specific companies incorporated in the. In the context of investment, Twitter has become an alternative source of information to answer the needs of investors to be able to keep abreast of news factually and practically. Therefore, we are interested in applying the same research objectives to the stock of several companies in Indonesia that are incorporated in the IDX30 index. This stock index is the illiquidity sub-category of the Headline Index, which contains companies that are used as a reference to describe the stock market conditions that meet the main criteria of having a high level of liquidity. To support this research, we collected some opinions obtained from Twitter as a source of streaming data using Python programming, and Thomson Reuters to obtain information on company performance in the form of stock prices, volumes, and market capitalization. Research models are built based on Amihud Illiquidity method and volatility calculation to measure the correlation between sentiment analysis and stock performance. This research shows that sentiment analysis of statements uploaded on Twitter has insignificant correlation to the liquidity and volatility of IDX30 stock in Indonesia. Nevertheless, this research has not been able to separate between tweets which are generated based on user opinion and tweets which are made based on requests from certain market participants to influence the value of shares by spreading biased information to provoke a public reaction.

Type of Paper: Empirical

Keywords: sentiment analysis; social media; risk investment; stock investment; volatility; liquidity; Amihud Illiquidity.
Industry Distress Level and Competitor’s Annual Stock Return

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ABSTRACT

Previous studies show that bankruptcy announcement has significant effect towards competitor’s stock return around bankruptcy announcement date. This study tries to fill the gap to investigate whether prior to bankruptcy, distressed firms already have significant effect to other players in the same industry. Thus, this research aims to examine the effect of industry distress level towards competitor’s annual stock return in the same industry. This study uses Altman Z Score to measure financial distress and categorized the firms as “distressed” and “non distressed” firms. Moreover, this study employs data panel regression test to 142 non-distressed firms in 2009-2018 listed in Indonesian Stock Exchange. The results suggest that the effect of industry distress level towards competitor’s annual stock return is significant. These findings contribute to the literature on financial distress, contagion effect, financing and investment.

Type of Paper: Empirical

Keywords: Financial distress, Intra-Industry Information Transfer, Contagion Effect, Financing And Investment.
Correlation Among Regional and World Major Stock Index with Jakarta Composite Index (IHSG) During Pre and Post 2008 Financial Crisis Period

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ABSTRACT

This paper studied the correlations between Regional and World Major Stock Index (Australia, United States, United Kingdom, Hongkong, Malaysia, Japan, Philippines, South Africa, Singapore, China, and Thailand) with the Jakarta Composite Index (IHSG) during Pre 2008 Financial Crisis period (1999-2007) and Post 2008 Financial Crisis Period (2009-2019). The results of the analysis, performed by Ordinary Least Square (OLS) method, show that only the PSEi Composite of the Philippines has a significant correlation with the IHSG during the pre-2008 Financial Crisis period. Meanwhile, there was a different pattern during the post-2008 Financial Crisis period where not only the PSEi Composite correlated with the IHSG but also FTSE Straits Times Index (STI) of Singapore and the Stock Exchange of Thailand SET Index. The correlation of those indexes with the IHSG was found significant.

Type of Paper: Empirical

Keywords: Stock Index, Jakarta Composite Index (IHSG), Pre 2008 Financial Crisis, Post 2008 Financial Crisis
Linkages Between Crude Oil and Islamic Stock Markets: Evidence From Islamic Stock Markets in Asian Countries

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ABSTRACT

In this paper, the impact of oil price shocks on the stock exchanges of Asian Countries - Saudi Arabia, Singapore, India, Pakistan, Philippines, Thailand, Indonesia, China, Taiwan, South Korea, Japan, and Turkey - was examined through GARCH BEKK method. For the research, daily data from the Islamic stock exchanges, and the oil price were collected between December 2011 – June 2020. According to the results, it is that oil market affects the rate of return of the several countries on the daily data. The full period of daily data shows that some countries have volatility spillovers such as China, South Korea, Thailand, Philippines, Singapore, Taiwan and Turkey. For the normal period, only four countries have volatility spillovers, such as Saudi Arabia, Philippines, Taiwan and Turkey, and during the COVID-19, all countries have volatility spillovers to oil market. For Philippines, Taiwan and Turkey have volatility spillovers for all periods. When COVID-19 period, volatility spillovers increased. To stabilize their stock prices, these countries should decrease their dependences to oil market.

Type of Paper: Empirical

Keywords: MGARCH-BEKK; Volatility; Crude Oil; Islamic Stock; Spillover
A Comparative Study of Banking Performance and Stability: Before and After Islamic Banking Business Unit Spin-Off in Indonesia

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ABSTRACT

Banking Act No. 21 year 2008 has forced the Islamic Bank Business Unit (IBBU) to spin-off from its conventional parent company. The benefit of spin-off from IBBU to Islamic Commercial Bank (ICB) is not quite clear yet. The purpose of this study is to understand the impact of spin-off toward financial performance and stability of ICB in Indonesia. The financial performance assessment that used in this study is a combination of profitability and liquidity. This research use 4 spin-off ICB as treatment group and 20 IBBU as the control group, from 2005 to 2019. The method used is this study is difference-in-difference (DID) that compare before and after spin-off with eliminating the other factor that could make the result biased. The result shows that ROA, ROE, and FDR are significantly decreasing and BOPO is significantly increasing. The stability is insignificant but it shows development through years after spin-off. The conclusion is that the ICB samples profitability and liquidity is changing due to the spin-off and the spin-off did not affecting the stability of the ICB samples.

Type of Paper: Empirical

Keywords: DID; Islamic Bank; Spin-off; Profitability; Liquidity; Stability
Parallel Session 3 – GEN 3

Application and management of communication integration technology in Medical Ventilator

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ABSTRACT

Humans may lose their breath due to illness. At this time, it is very important to use ventilator to maintain life. However, medical hospitals are facing the dilemma of shortage of medical manpower. Sufficient physiological information and respiratory information parameters are very important for medical staff to make emergency medical treatment and care. This article will focus on the communication technology Wi-Fi, using the Wi-Fi interface to capture, integrate and store respiratory parameter data, improve the overall information grasp of medical care, and immediately take the most appropriate medical measures to avoid or prevent patient’s bad result or injury.

Key Word: Management, technology, Ventilator
“Toilet Matters”: Qualitative Study About The Importance Of Toilet In Decision Making In The Context Of Nature-based Tourism In Indonesia

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ABSTRACT

Purpose- This study aims to explore the importance of toilet in decision making from the tourists perspectives in the context of nature-based tourism in Indonesia. Various studies suggest that facilities are important thing to consider in tourism development. However, prior research is still limited specifically discussing toilet as part of the facilities that would affects the tourists' behavior in tourism, which includes the decision making section. Method- The research was conducted qualitatively by FGD and in depth interviews to several participants that were selected by purposive sampling method. Results- The results of research indicate that among several factors, age of tourists and expectation of the tourism destinations are the top factors affecting the consideration of toilet as that important in nature-based tourism. The research also indicates that the existence of toilets can also affect tourist behavior in exploring or enjoying the nature-based tourism. Moreover, experiences related to toilet as a source of disease for tourist is significantly affecting the tourism decision. Conclusion- Toilet has been a significant consideration for certain tourists in making decisions, especially for tourists which is highly concern with comfort and health. In addition, toilet has a significant role in decision making for several tourists in executing a tourism decision, either for a first visit, how to behave during the tour, revisit, and even to recommend a tourism destination.

Type of Paper: Empirical

Keywords: Toilet; tourism; nature-based tourism; decision making; tourist behavior; Indonesia
Exploring Empowerment as Predominant Role on Turnover Intention and Job Life Satisfaction

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ABSTRACT

Having a sustainable business is currently the objective of each company in today’s competitive environment. This will not happen, without having competent workers that willing to stay in the company for longer period and give solid contribution to the company. Focusing on worker retention and general satisfaction should give positive impact on cost reduction and at the same time increase workers effectiveness, motivation which contribute to company performance and dynamic capability. The purpose of the study to explore main predictors of turnover intention and job-life satisfaction by doing empirical study of garment industry workers in Indonesia. Despite as one of the main contributors in Indonesia economy and employment, Indonesia garment industry face challenges to find, recruit and maintain the competent workers, as shown by high turnover rate compared to others. This study based on quantitative research that was undertaken by University of Indonesia, Tufts University and Realtime Analytics Vietnam. There are 543 garment workers from 52 companies who participated in this study. The data processed using Structural Equation Modelling. The results indicated that turnover intention in garment industry can be reduced by improving empowerment, job satisfaction and reducing burnout and conflict which apparently can result to have better worker retention and life satisfaction among the workers. However still these are not the all factors, the company still need to explore and adjust other aspects that may have impact to the turnover intention and life satisfaction, in order to meet their goal of improving workers retention and life satisfaction.

Type of Paper: Empirical

Keywords: Empowerment; Job Satisfaction; Life Satisfaction; Turnover Intention; Burnout; Work Life Conflict; Garment Industry
Research on Work Performance
Well-being and self-help tourism

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Abstract

The main purpose of this study is to understand the relationship between overseas independent travel, happiness and work performance. Firstly, I will investigate the impact of overseas independent travel on travelers’ happiness, and then examine the impact of happiness on work performance and finally explore whether overseas independent travel is an indirect impact factor on job performance.

This study will do survey on people who are currently employed and have self-help tourism experiences as my research subjects in order to understand the state of inner feelings, happiness and job performance generated after their overseas independent traveling. 324 valid questionnaires are collected through online questionnaires distributed to the research subjects. The methods of descriptive analysis, reliability analysis, PLS research model analysis and difference analysis are used to examine the collected data. The analysis results are listed as follows:

1. Self-help tourism has a positive impact on well-being.
2. Well-being has a positive effect on work performance.
3. Overseas independent travel has a positive and indirect impact on job performance.
4. Most of overseas independent travelers with different backgrounds do not have a significant impact in the way that they do their overseas independent travels, happiness and work performance. However, I discover that the independent travelers’ job positions have a significant impact on happiness.

Finally, based on my findings, this research would like to recommend for employers and employees in their existing workplace. No matter from the perspective of either employers or employees, I strongly suggest that overseas independent travel can enhance job performance.

Keywords: work performance, self-help tourism, well-being
Towards Industry 4.0: Does Indonesia's Manufacturing Industry Ready to Transform?

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Abstract

Industry 4.0 focuses on technology that can improve efficiency and solve problems in the production process. Therefore investment in R & D activities and ownership of a researcher that has capability becomes a necessity. This study provides an overview of aspects that can affect the readiness of Indonesia’s manufacturing industry towards Industry 4.0. These aspects are limited to the R & D expenditure, and researcher, based on the medium and large scale.

By using the results of an assessment survey about the readiness of the manufacturing industry towards industry 4.0 conducted by the Ministry of Industry and the R & D survey of the manufacturing industry by the Ministry of Research and Higher Education (now Ministry of Research and Technology), this study through descriptive analysis found identification of aspects towards Industry 4.0. In the end, this study produced an overview related to aspects that need to be considered in strengthening the readiness of the Industry towards industry 4.0.

Keywords— Industry 4.0, R&D expenditure, Researcher, Manufacturing.
The Effect of Work Stress on Front Office Employees Performance: A Case Study at Inaya Putri Bali Hotel

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ABSTRACT

This study aims to determine the effect of work stress on the performance of the front office employees of the Inaya Putri Bali hotel. The number of samples in this study was 45 respondents. Data was collected by distributing questionnaires to all front office employees of the Inaya Putri Bali hotel using a 5-point Likert scale to measure 20 statement items. The data analysis technique used is descriptive statistical analysis, simple linear regression analysis, coefficient of determination analysis, and t-test.

The results of this study indicate that work stress contributes to the employee performance by 26.8%, while the remaining 73.2% is influenced by other variables outside of the model. The regression value of the work stress variable is positive 0.409, which means that for each increase in work stress by 1 point, there is an increase in employee performance by 0.409 points. The result of the t-test shows the value of t count 3.964 > t table 2.016, which means that work stress has a significant effect on employee performance. The results of the analysis show that job stress has a positive and significant effect on employee performance. The company is expected to implement a program to control employee stress to reduce work stress experienced by employees and to further optimize the employee’s performance.

Type of Paper: Empirical/ Review

Keywords: work stress; employee performance; hotel
Occupational Future Time Perspective and Organizational Citizenship Behavior: The Mediation Role of Job Complexity

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ABSTRACT

This study aims to investigate the mediating effect of job complexity on the relationship between the Occupational Future Time Perspective (OFTP) and Organizational Citizenship Behavior directed at organizations (OCBO) and Organizational Citizenship Behavior directed at individuals (OCBI) by using conservation of resources (COR) theory and social exchange theory (SET). Data were collected by convenience sampling method from healthcare workers in public hospitals in Makassar (N = 311). Different sources of data collection method were employed to minimize common method bias, wherein the predictor and mediator variables were collected using self-report surveys, and outcome variables were collected using a peer-rating survey. Data were analyzed using Structural Equation Modeling with the SmartPLS 3 application. Results showed that job complexity significantly mediated the relationship between OFTP and OCBO, and job complexity did not mediate the relationship between OFTP and OCBI. Theoretical and practical implications were discussed.

Type of Paper: Empirical

Keywords: Job Complexity, Occupational Future Time Perspective, Organizational Citizenship Behavior, and OCBI, OCBO
Does Work Engagement Matter in 
Muhammadiyah’s Hospitals as 
The Prominent Faith-Based Organization in Indonesia?

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Abstract

The research on work engagement in faith-based organization is so limited. This study is an attempt to examine work engagement in Muhammadiyah as the leading faith based organization in Indonesia. This study involved 587 supervisors and managers from 50 hospitals which owned and managed by Muhammadiyah. This study is cross sectional research which used PLS-SEM as statistical analysis approach. This study found that individual performance of people in faith-based organization is influenced by organizational culture and work engagement. Organizational culture and authentic leadership are influential factors for work engagement. By developing organizational culture and strengthening work engagement, it impacts on individual performance.

Keywords: work engagement, authentic leadership, organizational culture
The Effect of Work-Life Balance on The Work Productivity of Housekeeping Employee: The Case of The Royal Beach Hotel, Seminyak Bali

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ABSTRACT

Employee productivity must always be considered because if employee productivity is low it will cause problems in the company. One of the problems with work productivity can be affected by work-life balance. Employees who do not achieve a work-life balance will find it difficult to work properly, resulting in a decrease in work productivity. This study was conducted to determine the effect of work-life balance on the work productivity of housekeeping employees at The Royal Beach Seminyak Bali.

Data collection techniques used in this study were questionnaires, interviews, and documentation studies. Respondents in this study were 46 housekeeping employees with saturated sampling. The data analysis method used was the validity test, reliability test, simple linear regression, t-test, and determination coefficient test which was assisted by SPSS version 23 for Windows.

The results of this study indicate that work-life balance has a significant effect on work productivity. This is evidenced by the t-test, where the value of t-count > t-table = 13.399 > 1.680 with a significance of <= 0.000 < 0.05. Based on the coefficient of determination test, the work-life balance variable has a very strong contribution of 80.3% to work productivity and the remaining 19.7% is influenced by other variables not used in this study. This research is expected to be used as consideration for The Royal Beach Seminyak Bali to take policies to increase the productivity of employees of the Housekeeping department by increasing work-life balance.

Type of Paper: Empirical

Keywords: work-life balance; work productivity, housekeeping
Predicting the Effect of Work Autonomy, Workplace Spirituality and Work Engagement on Millennial Generation Employees’ Task Performance: The Mediating Role of Innovative Work Behavior

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ABSTRACT

This study aims to examine the effect of work autonomy and workplace spirituality on innovative work behavior and work engagement to further consider the impact of work engagement on task performance through mediating innovative work behavior. Data were collected through an online questionnaire and analyzed using Structural Equation Modelling (SEM) to test the overall fitness of model and causality between each construct. A total of 716 Millennial employees in various industries in Indonesia participated as a research sample. The results of this study revealed that workplace spirituality had a positive effect on innovative work behavior of employees, both direct and indirect through work engagement. However, work autonomy had no significant direct effect on innovative work behavior. Thus, it can only be affected indirectly through work engagement. Moreover, there was significant effect between work engagement and task performance through innovative work behavior both directly and indirectly. This study indicated that high level of work autonomy and workplace spirituality would improve the level of work engagement and encourage innovative work behavior, which ultimately enhances the task performance of employees. Managerial implications related to work autonomy, workplace spirituality, innovative work behavior, and task performance will also be discussed in this study.

Type of Paper: Empirical Research

Keywords: Innovative Work Behavior; Task Performance; Work Engagement; Workplace Spirituality; Work Autonomy; Indonesia; Millennial Employees
Stakeholder Engagement in Collaborative Innovation Platform: Case Study in Batik Tourism

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ABSTRACT

Tourism industry acknowledged as a major economic driver in Indonesia, along with agriculture and fisheries. In facing challenges, tourism stakeholders will need to work together to generate synergies. It has been acknowledged that stakeholder engagement holds an important role in supporting innovation in tourism industry. Within an innovation process, each stakeholder’s engagement will vary over time, some may wish to engage, and the others may drop out. All engaged actors are seen to be part of a platform. In Indonesia, the concept of collaboration is already developed, but the issue is there is the synergy among stakeholders in creating innovative product/service in tourism remain low. Qualitative study is conducted in batik tourism located in Bogor City, West Java. Interviews have done with batik tourism destinations’ owner and their loyal customers. This paper extends current understanding of engagement and illuminates stakeholder engagement in innovation process. How can stakeholder engagement necessary for innovation activities? And to what extent stakeholders engage within the innovation process? Our study finds important antecedents of stakeholder engagement in the study of batik tourism, including self-representation, resource dependence, trust, common goal, institutional arrangement, financial incentive, and non-financial benefit.

Type of Paper: Empirical

Keywords: innovation platform; stakeholder engagement; collaborative innovation; batik tourism.
Proposed PT PLN (Persero) Marketing Capability
To Realizing Induction Stove as A Preferable Option
For LPG Substitution and Electrifying Lifestyle Growth

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ABSTRACT

The Government of Indonesia has concerned about LPG subsidy burden since the supplies from domestic refineries are limited. Meanwhile, it can be freely bought by all segments instead of poor people only. Therefore, the government formulates a program to replace LPG with induction stove, dimethyl ether (DME), and city gas network. Since 2017, PT PLN (Persero) has been appointed by the government to socialize the use of induction stoves. The optimistic target is to reach 18% of households switching to induction stove in 2050. In 2018 and 2019, the follow-up program through increase power limit discount to encourage households to switch to use induction stove had a minimum impact. Some barriers are customer perceived that induction stove and the fuel (electricity) are expensive, worried about electricity outage, accessibility, compatibility, durability and security of stoves, etc. Thus, this target is so challenging and hard to reach because the baseline data predict the growth will merely reach 2% in 2050. However, this business potential is promising that could reach 6.44% revenues in 2050. To realize it, PT PLN (Persero) has a good opportunity to reach a large market if penetrate the market massively before 2022. To overcome this problem, PT PLN (Persero) formulates alternatives business solutions to reach the target through internal and external efforts. Those solutions include defining the penetrated market and customer profiling, strengthening marketing capability, proposing the Government regulation, encourage innovation of induction stove to the producer of an induction stove, and collaboration promotion program.

Type of Paper: Case Study

Keywords: LPG subsidy burden; marketing capability; induction stove; electricity; electrifying lifestyle; clean cooking.
Analysis of the Theory of Planned Behavior in Determining Consumer Behavior in Purchase of Dog and Cat Food Products

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ABSTRACT

This research study was conducted to analyze the influence of the constructs contained in Theory of Planned Behavior that determine the consumer behaviour of dog and cat food products. The constructs used are based on a theoretical model consisting of the constructs of attitude, subjective norms, perceived behavioral control (PBC), intention, and behavior. This research is expanded with the inclusion of the self-identity and social norms constructs in the theoretical model. Data collection was conducted to 300 dog and cat owners through a questionnaire distribution using an online platform. Data obtained were analyzed using Structural Equation Modeling (SEM) using LISREL 8.8 Full Version software. Data analysis shows that there is an influence of attitude, subjective norms, perceived behavioral control (PBC), self-identity and social norms on intention of dog and cat food products consumer. In addition, the intention to buy dog and cat food products tends to influence consumer purchasing behavior. The study supports the alignment of the theory of planned behaviour (TPB) adherence to the marketing of dog and cat food products, extending the understanding of the behaviour of the dog and cat food consumers.

Type of Paper: Empirical

Keywords: Dog food; Cat food; Theory of planned behavior; Self-identity; Social norms; Purchasing behavior.
Determinants of Eco-Conscious Consumer Behavior of Muslims in Indonesia Using the Theory of Planned Behavior

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ABSTRACT
Islam has taught its followers to be mindful of others, including the environment. Increasingly diverse environmental problems can change consumers’ perspectives towards consumption. This shapes consumers to have ecologically conscious behavior. Indonesians, the largest Muslim population in the world, believe that religion plays an important role in their life, including how to be mindful of the environment. This study aims to analyze the determinants of eco-conscious behavior of Indonesian Muslim consumers by using the Theory of Planned Behavior, with the incorporation of several additional variables namely intrinsic religious orientation, green trust, and environmental concern. The analysis used for this research is Partial Least Square Structural Equation Modeling (PLS-SEM) using SmartPLS software. The results show that intrinsic religious orientation influences the eco-conscious behavior of Indonesian Muslims directly and indirectly through attitude toward green products. Furthermore, environmental concern influences the eco-conscious behavior of Indonesian Muslims directly and indirectly through subjective norm and perceived behavioral control as mediators. Meanwhile, green trust does not directly influence the eco-conscious behavior of Indonesian Muslims. The managerial implications of this study are also discussed.

Type of Paper: Empirical

Keywords: Eco-Conscious Behavior; Environmental Concern; Green Trust; Intrinsic Religious Orientation; Theory of Planned Behavior.
The Role of Customer Networking Capability Effectiveness in Enhancing the Salespeople’s Performance in Small and Medium Enterprises

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ABSTRACT

Purpose of the research: This research examines the research gap between adaptive selling and the salespeople’s performance. There is an inconsistency of research results among marketing researchers. This study extends the previous marketing literature to customer network-based marketing.

Sales performance is one of the key indicators for the success of an organization. To improve the salesperson performance, these efforts can be realized in the form of improving customer interaction quality, enhancing the ability to perceived interpersonal skill, increase adaptive selling, and optimize the customer networking capability about the needs and desires of the customer.

Design/Methodology: The research data were collected from 300 salesperson in the field of small and medium enterprises. A purposive sampling technique was used to take samples, and the questionnaire was tested first to get valid and reliable data. Then it is followed by a test model by paying attention to the values of cutoff points. The data analysis used a structural equation model and Sobel tests were used to test the roles of the variables.

The findings of the research: Research findings show that the effectiveness of customer networking capability functions as an intervention between adaptive selling and salespeople’s performance. Adaptive selling, interaction quality, and perceived interpersonal skills have a significant positive effect on the effectiveness of customer networking capability and salespeople’s performance. Based on these findings, the researchers draw conclusions and their implications, including the importance of the company to improve the quality of relationships and interpersonal skills in the long term.

Keywords: Adaptive selling; Effectiveness of customer networking capability; Interaction quality; Perceived interpersonal skill, Salespeople’s performance
The Effect of Perceived Value and Mobile Game Loyalty on In-app Purchase Intention in Mobile Game in Indonesia (Case Study: Mobile Legend and Love Nikki)

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ABSTRACT

Mobile game market is the fast-growing game market and accounted for more than a half of the global game market’s revenue. Because of the promising future many game developers develop monetization strategy to gain more profit from the mobile game market. Thus, by knowing what drivers that influence gamer’s purchase and loyalty expected to help game developer to expand their market share. Then, this study uses conclusive descriptive to gain insight by analyzing effect of perceived value and game loyalty toward in-app purchase intention. Moreover, this study also aims to investigate the effect of game loyalty toward user’s intention to make in-app purchase. This study uses male dominated game Mobile Legend and female dominated game Love Nikki as case study because previous study found that there are differences in gaming behavior based on gender. This research used judgment sampling and involved 591 Mobile Legend gamers and Love Nikki gamers in Indonesia. Data is processed with SEM using LISREL software version 8.8. In Mobile Legend’s case perceived playfulness, perceived connectedness, perceived good price, and perceived reward are significantly influence loyalty. While in the case of Love Nikki, loyalty is driven by perceived playfulness, perceived access flexibility, perceived connectedness, and perceived reward. In both game economical value for the game and connectedness are significantly influence in-app purchase intention. Mobile game loyalty also found to have positive effect on in-app purchase intention in both games.

Type of Paper: Empirical

Keywords: Perceived value, mobile game loyalty, in-app purchase intention, mobile game
Collaborative Marketing Innovation: How SMEs Energizing its Social Capital

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ABSTRACT
Entrepreneurial network is one of prominent strategic resource for every business. Despite the fact that SME faces several challenges in liabilities of smallness, however, SME has advantageous over its personal network ties. This study aims to propose novel conceptual model that exhibit collaborative marketing innovation in SME’s network. In total of 150 SMEs from various industries are participated in the field-survey using questionnaires. Resource Advantage Theory of Competition (RAT) emphasizes the dynamic nature of competition in provoking disequilibrium through collaboration with other organizations. The result shows that SME can rely on their social network ties in enhancing business performance. The study also indicates that Collaborative Marketing Innovation has become the most salient variable that accelerate time-to-market and enhance SME Performance.

Type of Paper: Empirical

Keywords: social capital; network ties; collaborative marketing innovation; small medium enterprise; Indonesia
Does pop-up store affect the consumers’ willingness to pay and brand loyalty?

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ABSTRACT

As the competition in Indonesia retail industry increases, modern retailers are expected to have their own competitive advantages to be able to compete. Since consumers expect the shopping activity could be more fun, retailers also come up with experiential marketing ideas that combines emotional binding efforts, interactive elements, and sensory experiences in engaging consumers. One of the strategies is Pop-up store experience which perceived by its uniqueness, scarcity, and hedonic shopping value. By using the SOR theory framework, this study aims to see the effect of pop-up store experience on consumer’s willingness to pay and brand loyalty. This study used SEM method with 286 respondents in Indonesia. This study found that pop-up store experience (Stimulus) affect perceived uniqueness, scarcity, hedonic shopping value (Organism) and also willingness to pay (Response) directly and indirectly. However, there is no direct effect to brand loyalty (response), except mediated by the organism factors.

Type of Paper: Empirical

Keywords: Pop-up Store Experience; Brand Loyalty; Willingness to Pay; Perceived Uniqueness; Scarcity; Hedonic Shopping Value.
A Comparison Between Brand Level and Donation Proximity toward Consumer Evaluation on CRM Online Campaign: An Experimental Study

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ABSTRACT

Cause-related marketing (CRM), a widely used marketing strategy, is becoming increasingly popular, as social media growth enables the business to communicate information and marketing content to numerous target audiences. CRM is a form of Corporate Social Responsibility (CSR) program that assists a particular cause when customers purchase products through the CRM campaign. Successful implementation of CRM benefits the company in a favorable attitude and reputation while also the helping cause and the consumers themselves. Therefore, CRM implementation becomes more competitive amongst brands; thus, marketers need to consider strategies when developing an efficient CRM program. This research examines how luxury brands and non-luxury brands conduct strategies in performing CRM, including the proximity of donations to consumer assessments in the context of brand attitude, willingness to publish, and intention to refer. The research approach used is an experiment with a factorial design of 2x2, involving brand level (luxury vs. non-luxury) x proximity to donation (national vs. international). It also measures the effect on customer responses of perceived quality and brand familiarity. ANCOVA and MANCOVA used to measure the differences in responses between 4 stimulus combinations. The results revealed that there were variations in the effects of applying proximity strategies to donations and brand level to customer evaluations. The results found that a stimulus combination of luxury brand strategy and national donation generates the highest value of brand attitude, willingness to publish, and referral intention.

Type of Paper: Empirical

Keywords: CRM; Luxury Brand; Non-luxury; Donation Proximity; Brand Attitude; Willingness to Publish; Referral Intention
The Impact of Celebrity Trust toward Advertising, Brand, and Corporate Credibility: National or International Celebrity Endorser

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ABSTRACT

Companies are currently facing advertising clutter that encourages them to plan marketing strategies creatively and effectively to increase consumers’ awareness and influence favourable attitudes. One of the strategies is celebrity endorsement. Based on the signalling theory, companies use credible signals from endorser to inform the characteristics of the brand or company. This study aims to determine the effect of celebrity trust based on the cognitive and affective aspects of consumers’ trust in the advertising, brand, and corporate credibility. This study distinguishes these effects on local and international celebrity endorsers in Indonesia. This study collected data from 1550 respondents, and the data is analyzed using Structural Equation Modelling (SEM) with multigroup analysis using IBM AMOS 22 software. Empirically this study found that celebrity trust had significant effects on advertising credibility, brand credibility, and corporate credibility. The result showed that celebrity endorsers type had a have a weaker moderation effect on the relationship of celebrity trust to corporate credibility. However, national celebrity endorsers are known to have stronger effects on brand and corporate credibility.

Type of Paper: Empirical

Keywords: Celebrity endorser; advertising credibility; brand credibility; corporate credibility; multigroup analysis; national endorser; international endorser; celebrity endorser type
Parallel Session 4 – FIN 5

Corporate Governance, Board Structure, Country Law System, And Cost of Debt in ASEAN-5

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ABSTRACT

This study aims to investigate the effect of corporate governance on the cost of debt of non-financial firms in the ASEAN-5 countries, namely Indonesia, Malaysia, Singapore, Thailand, and the Philippines, by using panel data regression. This study uses ASEAN Corporate Governance Scorecard to measure Corporate Governance. This study also classifies result into three groups based on the corporate governance categories, the country law system, and the structure of the company’s board. The result shows that there is a significant effect of corporate governance on the cost of debt in ASEAN-5 in weak corporate governance firms. Corporate governance also has a negative and significant impact on both the one-tier and two-tier board structure. On the other hand, based on the country law system, corporate governance positively affects the cost of debt in civil law system. This result implies that corporate governance is not the main factor that affects the cost of debt in both common and civil law system. Each corporate governance sub-indices, which are shareholder rights, the role of stakeholders, and disclosure & transparency, also affects the cost of debt in ASEAN-5. Likewise, other factors, such as firm age, size, performance, and inflation rate, are also considered as important factors that affect the cost of debt by debtholders in ASEAN-5 countries.

Type of Paper: Empirical

Keywords: Corporate Governance, Cost of Debt, Board Structure, Country Law System
Does NFVA support from venture capital companies and acquisition activities affect funding for start-up companies?

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ABSTRACT

Venture capital financing for a start-up is mostly provided along with non-financing supports as non-financing value added activities (NFVA). NFVA comes in the form of internal support and external support. This research aims to evaluate whether NFVA provided by VCFs affects a start-ups’ growth and the funding provided. Moreover, acquisitions are acknowledged as a critical measure to accelerate the growth of a start-up; thus, we also evaluate whether acquisition activities mediate the relationship between the NFVA and start-ups growth and funding generated. This research collected data from 64 start-up companies in Indonesia who received funding from venture capital firms. The method used in this research is PLS-SEM. We found a significantly positive relationship between internal support and start-up’s growth, and a significantly positive relationship between external support and start-up’s growth. Then, we found a positive relationship between start-up companies’ growth and the funding obtained by start-up companies. This finding means that the relationship between internal and external support for company funding can occur directly or mediate by company growth. However, we did not find a significant relationship between start-up acquisition activities with start-up growth and also did not find a significant relationship between a start-up acquisition activity with funding generated.

Type of Paper: Empirical/ Review

Keywords: Start-up; Venture Capital; Value-Added; Acquisition; Firm Growth; Funding
The Effects of Macroeconomics on Probability of Default for the Micro Business Segment

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ABSTRACT

This research explains the influences of macroeconomics on the Probability of Default (PD) for the micro business segment in Indonesia. The model used to measure credit risk indicators is based on Days Past Due (DPD) and collectability to calculate the PD in accordance with the company’s internal historical data. Then, multiple linear regression was performed to find out whether changes in macroeconomic variables consisting of Gross Domestic Product (GDP), inflation, the IDR exchange rate against the USD, and unemployment rate can affect the PD for the micro business segment in Indonesia. In light of the results of statistical tests, it was found that macroeconomic changes, especially macroeconomic variables, such as inflation and the IDR exchange rate against the USD, have significant effects on the PD for the micro business segment for each loan bucket. The results of this research are expected to provide an overview of Indonesian banks in expanding loans, especially for the micro business segment, and be of use as a reference in developing credit risk measurement policies in order to improve the principle of prudence.

Type of Paper: Empirical

Keywords: Credit Risk; Default; Probability of Default; Macroeconomics; Gross Domestic Product; Inflation; Exchange Rate; Unemployment Rate; Micro Business Segment.
Harnessing International Market Power of Migrants’ Remittances for Economic Growth: Evidence from Asia

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ABSTRACT

Numerous studies have investigated on remittances and economic growth. However, there is a scant in research literature of remittance inflows (RI) and economic growth, with Customer Price Inflation (CPI) and Gross Domestic Product (GDP) as variables examined in Asian context. Thus, this study investigated the trends in migrants’ remittance inflows among Top Asian Remittance-Recipient States (TARRS) with RI, CPI, Real GDP and share of GDP in percentage as variables examined in the years 2010-2017, 2018 and 2019. This study used Descriptive Statistics, Multiple Linear Regression Analysis and Pearson’s Correlation Analysis. Results of descriptive statistics revealed the emerging trends in migrants’ remittances inflows among top Asian remittance-recipient states (TARSS), trends in CPI, trends in real GDP and trends remittance as a share of GDP in percentage in the years 2010-2017, 2018 and 2019. Results for One Way ANOVA revealed statistical significant difference of IR in terms of GDP and CPI in 2010-2017. This implied that migrants’ remittance inflows significantly impact rates of growth of real GDP and CPI in 2010-2017. Results for regression model coefficients implied that even though CPI in 2010-2017, 2018 and 2019 have no significant impacts on RI in 2010-2017, 2018 and 2019 respectively, the real GDP in 2010-2017, 2018, 2019 have statistical significant influence on migrants’ remittance inflows in 2010-2017, 2018 and 2019 respectively. Finally, results for multiple correlation coefficients revealed that there are statistical significant positive relationships among the dependent variable (RI) and the predictors GDP and CPI in 2010-2017, 2018 and 2019.

Type of Paper: Empirical

Keywords: Remittance Inflows, Gross Domestic Product (GDP), Customer Price Inflation, Top Asian Remittance-Recipient States
Asian Emerging Market Government Bond Portfolio Optimization Using Mean-Variance Analysis In the Presence of Duration Constraint

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ABSTRACT
This study applies Markowitz’s mean-variance optimization method (1952) by setting duration constraint for investment portfolio consisting of Asian emerging market local currency government bond indexes. The historical return data used in this study are obtained from daily bond indexes of Indonesia, Malaysia, Thailand, the Philippines, and Korea provided by an index provider (with permission) for the period of 2010-2019. This study shows that the portfolio composition strategy resulting from the optimization provides the highest Sharpe ratio from January to June 2020 (out-of-sample) compared to several other strategies without any duration constraint, such as capitalization-weighted and equally-weighted, as well as other strategies with duration constraint. End-of-month performance monitoring between January 2020 and June 2020 indicates that the Sharpe ratio of the optimal strategy began to increase after market volatility due to COVID-19 pandemic anxieties which peaked around March 2020. The optimization strategy in this study would be an alternative strategy for conservative investors to perform asset allocation as a long-term investment policy to have exposure to Asian emerging market before adding other asset classes, such as Asian emerging market corporate bonds and stocks.

Type of Paper: Empirical

Keywords: Asian Emerging Market Local Currency Government Bond; Bond Indexes; Mean-Variance Analysis; Duration Constraint; Sharpe Ratio
The Effects Of E-Banking Technology Innovation Adoption On Performance with IT Governance Effectiveness as Modering Variables

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ABSTRACT

Empirical studies regarding the effects of adoption of e-banking technology innovations have been carried out, but they still provide mixed results. There is still very limited research that considers the role of moderation variable that can strengthen the influence of e-banking technology innovation adoption on bank performance. This study aims to empirically examine the effect of e-banking innovation technology adoption on the performance of commercial banks in Indonesia with the effectiveness of information technology governance as the moderating variables. The population in this study is the commercial banks registered with Bank Indonesia during the period 2010-2016. The samples are chosen based on the purposive sampling technique. In this study, the observation of data using a panel data set with parameter estimation using GLS-RE Method. The results of the study show that: (i) the use of e-banking technology innovation adoption has positive effect on financial performance ((ii) the effectiveness of information and technology governance strengthens the positive effect of the use e-banking technology innovation adoption on financial performance. This research contributes both methodologically and conceptually, by providing empirical evidence of the role of information technology governance in moderating the relationship between adoption of e-banking technology innovation and bank performance.

Type of Paper: Empirical

Keywords: e-banking, corporate governance, IT governance, performance
Parallel Session 4 – FIN 6

Operational Risk Loss Reserve Analysis of a Non-Financial Industry Company: A Case Study of PT. KLM

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ABSTRACT

The purpose of this research is to analyze the operational risk of a car rental company and whether it can be applied within the company to measure the risks. This research is conducted by measuring the Operational Value at Risk (OpVaR) of PT KLM. The data used in this research is the operational losses in PT KLM for the past 26 months starting from January 2018 to February 2020. This research uses loss distribution approach-aggregation method in measuring the operational risk. The results indicate that the value of OpVaR of PT KLM is valid after backtesting of the 1-year period from January to December 2019 with the lowest OpVaR value of IDR91,053,721 and the highest OpVaR value of IDR104,550,879. This research is expected to provide additional understanding of operational problems and the amount of risk that might be faced by car rental companies, so that can be used in planning, as well as providing mitigation alternatives that can be applied to minimize potential operational losses.

Type of Paper: Empirical

Keywords: Operational Risk; Loss Reserve; OpVaR; Advance Measurement Approach; Loss Distribution Approach; Car rental company
The Moderating Effect from Female Directors on Earnings Management and Annual Report Readability

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ABSTRACT

This study was motivated by the attention of regulators and academicians regarding the level of companies' annual report readability. The purpose of this study is to examine the influence of earnings management on the readability of yearly reports while also exploring the moderating role of a female director. In particular, the readability of the company's annual report will be seen from the management perspective using the FOG Index on the annual reports of companies listed on the Indonesia Stock Exchange during 2015-2018 (excluding the financial sector). This research proves that companies that conduct earnings management can involve company’s annual reports that are difficult to read as those companies tend to hide earnings management practices. Thus, making the users of annual reports find it challenging to identify these practices. This study confirms the mathematical theory of communication that annual reports become a communication tool for companies and therefore must be free from financial manipulation such as earnings management because this action will give a wrong signal. Moreover, the moderating effect of a female director not proven. This implies that female directors in Indonesia have not been able to give an influence on the readability of the annual report, one possibility might be due to the composition of female directors which is relatively small. The sample used in this study is limited to the presence of female directors by excluding their expertise, position, and education background.

Type of Paper: Empirical

Keywords: Females Directors, Earnings Management, Annual Report Readability, and FOG Index.
Impact Amendment Coal Contract of Work (CCoW) Toward Mining Companies’ Financial Performance Case Study in Indonesian Mining Companies

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ABSTRACT

Government Indonesia issued new mining law No. 4 tahun 2009, Undang-undang Pertambangan Mineral dan Batubara (UU Minerba) on 12 January 2009. This new mining law is to overrule Undang-undang Pertambangan No. 11 Year 1967 about Ketentuan-ketentuan Pokok Pertambangan which was considered no longer compatible with development of mining practices both domestically or internationally. Article 169 of new UU Minerba, cites that any existing Coal Contract of Work (CCoW) has to be in conformity with the new mining regulation within one year after UU Minerba released. Accordingly Government then called Indonesian coal mining companies operated under CCoW concession to amend their CCoW. At the beginning coal mining industry was not in favor with the amendment CCoW because it will change their underlying regulations for mining operation. It impact their CCoW in 6 strategic issues: 1. License for mining operation, 2. Domestic processing obligation, 3. Domestic purchase obligation for material and services, 4. Divestment obligation, 5. Size of area concession, 6. State revenue. The amendment CCoW can create adverse impact to Indonesian coal mining companies as losing some privileges, damage to financial performance and create uncertainty to their return to long investment. Therefore, presumption in coal mining industry is that amendment CCoW has unfavourable impact to their financial performance. This circumstances have been dragging the renegotiation of amendment CCoW since 2019 until end of 2017 and just enacted effectively since 1 January 2018. This research is to determine whether amendment CCoW has unfavourable impact to Indonesian coal mining companies’ financial performance.

Type of Paper: Empirical

Keywords: Amendment coal contract of work; financial performance; coal mining companies; production cost; companies’ profitability; 6 strategic issues.
Business Model and Non-performing Loan in Peer-to-Peer Lending

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ABSTRACT

Peer-to-peer (P2P) lending has been promoted to become a solution for unbanked people to get a loan. The number of P2P lending platforms has been significant growth, and the regulator has given license to some of them. This research explores the relationship of the business model that is applied in a P2P lending platform and non-performing loan. Collecting data from the interview and P2P lending platform website, we classified 54 Indonesian registered P2P lending platforms based on who makes the decision the project that will be financed through P2P lending, either the lender (client-segregated account-model/ C2C) or the platform (notary model/ B2C). The result of this research is a platform that gives the lender access to choose the loan application to have lower non-performing loans than the platform that makes their own decision. This research will contribute to the regulator and P2P lending platforms to consider their business model.

Type of Paper: Empirical

Keywords: Peer-to-Peer lending; Business Model; Non-performing loan; Notary Model; Client-segregated Account Model
Influence on Sales Tax on Luxury Goods Increase on Consumer Spending on Motor Vehicles

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ABSTRACT

The purpose of this research is to analyse the influence on sales tax on luxury goods on consumer spending on motor vehicles. This research approach is quantitative by using existing statistic data as well as other supporting data. The results of the study indicate that there was a substantial decrease in consumer spending before and after the introduction of the higher rate tax for luxuries. This would indicate that consumers used arbitrage by adjusting their behaviour as a result of the new higher rate. This research is expected to provide input for the government, especially Directorate General of Finance Institutions and also for taxpayers, as study material related to the sales tax on luxury goods. This research is expected to provide information and be a reference material in sales tax on luxury goods and provide an overview on the influence on consumer spending on motor vehicles.

Type of Paper: Research Paper

Keywords: Sales Tax on Luxury Goods, Consumer Spending, Motor Vehicles
The Association between Halal Assurance System and Risk of Product Material on Financial Performance

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ABSTRACT

The purpose of this study is to see the association between Halal Assurance Systems (HAS) and risk of product material on company's financial performance. The focus of this research is on the level of HAS implementation and product risk categories which is audited by Food, Drug and Cosmetics Assessment Institute (Lembaga Pengkajian Pangan, Obat-obatan dan Kosmetika (LPPOM)) The study uses data from open manufacturing companies in Indonesia from 2014-2018 after the issuance of Law Number 33 of 2014 concerning Halal Product Assurance. This study shows that the product risk category and the level of halal assurance status have an association on company earnings.

Type of Paper: Empirical

Keywords: Halal, Assurance System, Financial Performance
Implementation of Enterprise Risk Management (ERM) to Improve Risk Culture Awareness in Alienco Photo

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ABSTRACT
This research is a report of business coaching conducted on the Alienco Photo. The researcher will discuss the implementation of Enterprise Risk Management (ERM) to improve risk culture awareness in the Alienco Photo. The absent of risk awareness will cause a lot of problems to the business such as operational disruptions, potential losses, and even bankruptcy. Therefore, risk awareness is essential not only for the business owners but also his employees. This research uses qualitative method by using risk matrix in mapping the company risks and formulating its risk mitigation. The result of this research shows that the most frequent risks are operational risks and business risks in which both of them are in the red zone. This research aims to help the business owners and his employees to be aware of and try to mitigate the risks. The recommendation on risk mitigation in this research can also be used to reduce the negative impacts that have occurred and will be occurred in SME.

Keywords: SMEs, Enterprise Risk Management, ERM, Risk, Business Coaching
Financial Need Vs Core Business Focus: Which Are Essential in Divestiture?

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ABSTRACT

The purpose of this paper is to review existing research on industrial divestment to identify the reasons for divesting. This study reports literature as well as examples of divestment cases that occurred in several developed countries. The finding in this study that divestment decisions about finance and efficiency don't always underlie their implementation, strongly imply that the divestment motivation influence of the similarity of the target asset divestment strategy tends to reflect the management of the acquirer's managerial dominance. Gaps in this research can be potential for future research. This literature review systematically analyzes the findings of 15 journal articles about divestment, identifying the main thematic categories according to the main topics of this paper. This review offers a comprehensive synthesis of how the motives divestment. The factors such as environmental conditions and entry mode strategies are important in determining divestment of subsidiaries.

Type of Paper: Review

Keywords: Divestment, Divestiture Motives, Management Strategy.
Exploring the Antecedents of School’s Performance: Readiness, Innovation, Knowledge or Inertia?

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ABSTRACT
This paper aims to study the relationship between strategic inertia, school’s readiness, innovation, and knowledge management to school’s performance. Inertia is oftentimes mentioned as a factor that hinders change attempt, which negatively affect performance. However, several studies also argue that inert organizations are actually capable of doing continuous change, leading to superior performance compared to its competitors. School is an interesting context to test these arguments as it has high level of inertia. Meanwhile, school’s readiness is a relatively novel concept and used to measure how ready school to face changes. This study also explores the relation between readiness to innovation and knowledge management, which are often cited as factors that support school performance.

Type of Paper: Empirical

Keywords: Strategic Inertia; School’s Readiness; Innovation; Knowledge Management; School’s Performance
The Relationships of Trust, Product Attractiveness, and Technology Features towards Technology Acceptance Model

In the Case of Vending Machine

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ABSTRACT

Technology has influenced businesses in various ways by providing a tool for business to develop its activities further level. In retail industry, one of the technology developments is business automation through software integration enabling retail stores to become fully automated providing convenience for their customers. The most well-known retail automation is vending machine with the application in retail for selling food and beverages that has been used in many countries. However, in Indonesia, the development of vending machine is still considered low. Scholars argue that such low development is due to people’s ignorance on how to use the system. This study makes an attempt to examine this low utilization of vending machine for selling food and beverages by looking at the external factors such as product attractiveness, technology features, and trust towards Technology Acceptance Model (TAM). The study was conducted based on total of 220 respondents JABODETABEK area. The result of this research confirms that technology features has the most significant relationship with the acceptance of vending machine for selling food and beverages in Indonesia; while trust has a positive partial relationship with TAM.

Type of Paper: Empirical

Keywords: Vending Machine, Product Attractiveness, Trust, Technology Features, TAM, Perceived Usefulness, Perceived Ease of Use, Intention to Use, Actual Usage
Business Opportunity for Wedding Photography in Bandung City using Porter’s Five Forces Analysis: Case Study of The Lunar Story

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ABSTRACT

The Lunar Story is a newcomer of the wedding photography industry, was established at 2018 and located in Bandung, providing photo and videography services, specializing in wedding journalism by storytelling as their signature style.

This research attempts to analyse factors to determine competitive advantage of companies which are widely used approaches to develop strategies in Wedding Photography Industry especially in Bandung City, using qualitative research method, and the data according to personal experience of The Lunar Story’s team. All data will be interpreted by using Porter Five Forces Analysis Model.

This research will provide information for new entrants about business opportunity in wedding photography industry. The results showed there are various factors that can affect and could be a challenge to maintain and develop business to remain sustainable based on experience of The Lunar Story.

Keywords: The Lunar Story, Wedding Photography, Porter’s Five Forces Analysis, Bandung City
Central Counterparty (CCP) Service Expansion of PT Kliring Penjaminan Efek Indonesia Towards Over The Counter Market and Product

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ABSTRACT

The global financial crisis in 2007 until 2009 was inseparable from the case of defaulting on bilateral transactions involving Lehman Brothers and AIG where they were two major participants of derivative contracts position. The lack of transparency of these large positions and collateral inadequacy were deemed the cause of it. G20 member leaders responded it by instructing structural reform and transparency of the Over The Counter (OTC) derivatives market comprising of standardized products, trading on the exchange or trading platforms and clearing through the Central Counterparty (CCP). Indonesia as one of the G20 members responded it through the central bank which then declared the possibility of CCPs in Indonesia to expand their business. PT Kliring Penjaminan Efek Indonesia (KPEI) as the only CCP in the Indonesian capital market industry acknowledged well this opportunity expecting that the market is attractive. However, KPEI’s achievements limited to the capital market industry which is driven by securities companies while nonstandard OTC products are stirred by mostly banks.

This study uses a qualitative methodology through observation, interviews, content analysis, and internet sources to collect internal and external conditions of PT KPEI. It used PESTEL and Porter’s Five Forces as an external environment analysis tool and VRIO as an internal environment analysis tool. Both serve as a reference for the appropriate strategy formulation which uses the Strategy Diamond and Business Model Canvas for PT KPEI to enter the OTC market with consideration of considering global practices and input from potential clearing members.

Type of Paper: Empirical

Keywords: business model, business strategy, Central Counterparty (CCP), clearing service, OTC products
Parallel Session 4 – MKT 4

Impact of Firm Created Content and User Generated Content to Consumer Perception in Grab-And-Go Coffee Brands

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ABSTRACT

Social media platform nowadays is numerous and have many different features to aid the communication conducted by individual or groups. At the same time, it has an implication in how marketing communications conducted and how consumers perceive brands thus determine the purchase intentions. The research investigated 92 data set to scrutinised the impact of Firm-created Content (FCC) and User-generated Content (UGC) towards Brand Equity, Brand Attitude and Purchase Intention in the Grab-and-Go coffee business as the new trend among urban dwellers and mostly used social media communication. PLS Structural Equation modelling were employed to analyse the impact of FCC and UGC as social media communication in that new trend. The empirical findings shown that FCC and UGC only influencing Brand Attitude and no influence on Brand Equity. Brand Attitude and Brand Equity shown to be influencing Purchase Intention. This result hope to be beneficial for marketers who manage and whose target markets in this kind of business.

Type of Paper: Empirical

Keywords: Social Media; Brand Attitude; Brand Equity; Purchase Intention; Firm-created Content; User Generated Content.
M-Wallet Adoption and SMEs Performance: The Mediating Role of Internal Process Collaboration

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ABSTRACT

The development of information and communication technology that has a stronger positive impact on lifestyle changes for businesses and consumers. The importance of starting digital transformation, seeing that the use of technology can increase productivity and improve the competitiveness of Indonesian SMEs. Research on the use of digital payment instruments in SMEs is still relatively limited. The analytical method used in this study is Structural Equation Modeling (SEM). Based on the results of the analysis several conclusions are obtained including the first ability to run a business and the adoption of technology has a positive and significant influence on internal process collaboration. Second, the ability to run a business and technology adoption significantly affect business performance. Third, internal process collaboration is able to mediate the influence of entrepreneurial skills and technology adoption on the performance of SMEs. In subsequent studies, it is recommended to use other variables such as perceived benefits, perceived comfort, impact of infrastructure, etc. to make a more significant contribution to business performance, and to be able to explain variations in the performance of SMEs more comprehensively.

Type of Paper: Empirical

Keywords: mobile wallet, technology, entrepreneurial
Life Insurance Customer Loyalty: Perspectives of Agent Character, Relational Selling Behavior, and Relationship Quality

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ABSTRACT

As the global insurance rises for recent years, the opportunity of life insurance tends to be growing as well. However, life insurance in Indonesia shows the contrary situation with the declining number of customer loyalty. Hence, there were some pressures for the insurance companies to highly focus on the quality of insurance agent that still play crucial role in retaining the customers of life insurance. The previous studies are still lacked to present the focus of the insurance agent to influence customer loyalty in life insurance sector. Thus, this research aims to analyze the influence of agent character and relational selling behavior intermeditated by relationship quality on customer loyalty to 100 customers of life insurance product in Jakarta. Using the quantitative analysis, this research utilized Partial Least Structural Equation Modelling (PLS-SEM) with SmartPLS version 3.2.7 to analyze the data. The findings signify that there’s positive and significant relationship between variables. Similarly, the agent character and relational selling behavior have positive and significant influence on relationship quality. Thus, the relationship quality has positive and significant influence on customer loyalty. This study presented the implications towards life-insurance companies to educate the agent to be more customer focus.

Type of Paper: Empirical/ Review

Keywords: Life Insurance, Agent Character, Relational Selling Behavior, Relationship Quality, Customer Loyalty.
The Effect of Brand’s Official Instagram Account toward Offline Purchase Intention: Study in High and Low Involvement Product

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ABSTRACT

The phenomenon of omnichannel in retail industries made activity in social media, such as creating content in social media as new ways to engage with their customers. This study aims to understand the application of Stimulus - Organism - Response (SOR) theory in which social media environments such as content quality and brand interactivity are stimuli (S) that can produce emotional or cognitive reactions, namely hedonic, utilitarian motive, and consumer engagement (O) so that in the end it encourages behavioural responses in the form of brand awareness and offline purchase intention (R). The sample in this study amounted to 797 respondents analyzed using structural equation modelling with AMOS 26. Also, this study conducted a multigroup analysis based on High and Low involvement product. The results of this study indicate that the higher the quality of content and consumers’ brand interactivity of brands’ official Instagram account could enhance the hedonic and utilitarian motives significantly, except for brand interactivity relations to utilitarian motives. Furthermore, this relationship strengthens consumer engagement of a brand and increases brand awareness and also offline purchase intention. The result also found that there were significant model differences between high and low involvement product groups.

Type of Paper: Empirical

Keywords: Content quality; brand interactivity; hedonic motive; utilitarian motive; consumer engagement; brand awareness; offline purchase intention; product involvement; Instagram; multigroup analysis
Marketing in Political Realms: Factor That Influenced Voters in Determining Political Parties Preference in Indonesia

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ABSTRACT

Politics is a topic that Indonesian people are very interested to discuss, there are many points of view in discussing political themes including marketing points of view which have been the subject of study by academics in recent years. The purpose of this paper is to study political topic about Indonesia General Election using Marketing theory and perspective. This Research aim to test factor Political Campaign (PTC), Leader Brand Image (LBI), Political Brand Trust (PBT), and Political Brand Meaning (PBM) that influenced intention to vote of Indonesian voters towards political parties candidate in Indonesia General Election. Using descriptive research method with sample collecting using convenience sampling techniques and 5-point Likert scale structured questionnaires. The data collected from sample of 451 people with requirement the sample was participated in 2019 Indonesia General Election. Result show that the variable political campaign significantly influence the political brand trust and political brand meaning of political parties, but political campaign do not have significant effect on voters intention to vote. Other independent variable which is leaders brand image do not have effect on political brand meaning and voters intention. Political brand meaning and political brand trust is significantly effect to influence voters intention to vote in general election.

Type of Paper: Empirical/Descriptive

Keywords: Political Marketing, Leader Brand Image, Political Campaign, Political Brand Trust, Political Brand Meaning, Voters Intention, General Election.
The Analysis of Internal and Relational marketing toward Customer Loyalty through Customer Satisfaction in Bank KalSel Sharia

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Abstract
This research aims to observe how do and how far internal and relational marketing influence on customer satisfaction and its effect toward the customer loyalty of Bank KalSel Sharia in Banjar-masin City, Indonesia. This research is an explanatory research in which the population is the customers of Bank KalSel Sharia that are chosen by using Non-Probability Sampling. 135 customers are chosen as samples. The data are collected by using questionnaires and then analyzed by using SmartPLS (Structural Equation Modeling). The results of this research show that: (1) Relational marketing is not capable of directly and significantly influencing customer loyalty. However, it does have indirect and significant influence towards customer loyalty through customer satisfaction. (2) Internal marketing is capable of significantly influencing customer satisfaction and customer loyalty. (3) Relational and internal marketing are capable of significantly influencing customer satisfaction. (4) Customer satisfaction is capable of significantly influencing customer loyalty. (5) Internal Marketing is capable of significantly influencing relational marketing. The results of this research show that customer satisfaction can be used as a booster of Relational and internal marketing for customer loyalty.

Keywords: Internal Marketing; Relational marketing; Customer Satisfaction; Loyalty; and SmartPLS
Determining Important Criteria for Supplier Selection in the Indonesian Oil and Gas Industry using DEMATEL Method

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Abstract

One of the important things in the sourcing process is the supplier selection. In many cases, the oil and gas companies in Indonesia are not focusing on the supplier performance in the beginning of the sourcing process until the performance issue is raised during the implementation of the work. This research aims to identify the main criteria of supplier selection in oil and gas industry in Indonesia and their relationships by using the DEMATEL method. Based on the literature review and discussions with experts, ten supplier selection criteria have been identified and used as the basis of questionnaire development. The questionnaire was distributed to 57 respondents representing supply chain management and other divisions in eight oil and gas companies in Indonesia, with 51 valid responses. The data was collected during at the period of August – November 2018, and analyzed using DEMATEL method. The results showed that out of 10 criteria (product quality, product price, technology ability, service, delivery performance, stable delivery of goods, lead time, reaction to demand change in time, production capability, and financial situation), product price was the most important criterion, while technology ability was the least important criterion. Moreover, six criteria (product quality, product price, technology ability, service, production capability, and financial situation) were identified as the causes and require more attention compared to the other four effects (delivery performance, stable delivery of goods, lead time, and reaction to demand change in time).

Key words: Supplier Selection, Oil and Gas Industry, DEMATEL Method, Indonesia
The Application of Vehicle Routing Problem for Rice Distribution System in City of Bandung

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ABSTRACT

Central market of Caringin is one of the central markets in city of Bandung that serves traditional markets in the city, including rice commodity. Transportation system used by the central market of Caringin to distribute rice to the traditional markets is direct trips. Unfortunately, direct trips cause high transportation cost. The difference of transportation cost between direct trips and tour trips can reach 19.5%. The method used in this study is the optimal method by formulating the problem as an integer linear programming (ILP) model of vehicle routing problem (VRP). The model is solved using LINGO 12.0. The results of this study are feasible vehicle routes and more efficient transportation cost. The transportation cost of direct trips is Rp41,069,529 meanwhile the transportation cost of tour trips is Rp33,988,890. The efficiency of transportation cost obtained from this study is Rp7,080,639 or 17.24%.

Type of Paper: Empirical

Keywords: direct trips; distribution system; logistics; tour trips; transportation system; vehicle routing problem
Optimization of Badak LNG Inventory Planning & Management Based on Forecasted Demand

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ABSTRACT
In the process of producing LNG, Badak LNG performs Maintenance, Repair, and Overhaul (MRO) activities to ensure the reliability, safety, and productivity of the facilities equipment. Currently, the equipment required to produce LNG product is less in number since the decreasing of upstream feed gas supply. This condition has brought a massive challenge to reduce the inventory value. The effort to reduce the inventory value had been started since 2014 by implementing write-off and impairment strategy. The effort has successfully decreased the value, but it has not reached the allowable level. According to best practice released by Society for Maintenance and Reliability Professionals (SMRP), the allowable inventory value to support MRO activities is typically 1.5% of Replacement Asset Value (RAV). In case of Badak LNG, to achieve that level, the inventory value should be reduced by USD 5.5 million. Departing from this value, the company is now attempting the reduction through the evaluation of forecasting process. As a pilot project, the evaluation will be focused on Instrumentation parts with the reduction target of USD 2.32 million. The evaluation was performed to 46% of consumable parts category covering 246 items taken as samples. As the result, the forecasting process improvement of those samples gives only USD 242 thousand reduction with 28.05% forecasting accuracy. Accordingly, it is concluded that improvement of forecasting process cannot reduce the inventory value effectively. It is suggested to afford another improvement through the segregation of replenishment strategy of consumable parts with the other spare part categories.

Type of Paper: Review

Keywords: Badak LNG; MRO; inventory; RAV; write-off; impairment; forecasting
Analysis of Intention to Plan to Recycle Used Mobile Phones: Evidence from Greater Jakarta

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ABSTRACT

This study aims to determine the factors that can influence a person to plan the recycling of used cell phones by using a modified theory of planned behavior approach. The sample in this study is residents in Greater Jakarta who work as students and/or employees and have mobile phones. This study uses multiple linear regression analysis which data is processed with the help of SPSS Statistics 23. The results of this analysis indicate that a person's intention to plan to recycle is not influenced by an individual's attitude towards recycling behavior and is not influenced by the benefits that individuals will get either. However, factors such as perceived control, subjective norm, and sense of duty positively influence individual intentions to plan the recycling. Thus, it can be concluded that individuals do not consider their personal assessment of a behavior, and it is precisely the factors originating from outside the individuals which further encourage them to perform the behavior.

Type of Paper: Empirical/ Review

Keywords: Extended TPB models, mobile phone waste, reverse supply chain
Dynamic Capability, Organizational Agility and Firm Performance of Peer to Peer Lending Platforms in Indonesia

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ABSTRACT
The purpose of this research is to explore how dynamic capability facilitates the development of organizational agility to improve firm performance in the context of peer to peer lending platforms in Indonesia. To achieve this purpose, we propose that dynamic capability has a positive relationship towards organizational innovativeness, organization task environment and customer relationship management which in turn has a positive relationship towards organizational agility and then firm performance. A quantitative, descriptive, and cross-sectional analysis was used in this research. Our findings indicate that dynamic capability relies on organizational innovativeness, organization task environment and customer relationship management to generate organizational agility which in turn has a significant effect on firm performance. This research contributes to the literatures on dynamic capability by revealing that competitive advantages and improved organizational performance are not only based on dynamic capability itself, but also on the resource frameworks they develop. Theoretical and practical implications are discussed.

Type of Paper: Empirical

Keywords: Dynamic capabilities; organizational agility; firm performance; organizational innovativeness; organization task environment; customer relationship management.
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