The 4th Sebelas Maret International Conference on Business, Economics, and Social Sciences

SMICBES

The 1st Sebelas Maret International Conference on Social Sciences

SMICSOS

“BUSINESS INNOVATION, GLOBAL MARKETS, AND SOCIAL CHANGES”

9 - 10 August 2017
Solo, Indonesia

organized by

UNIVERSITAS SEBELAS MARET

HIPIIS

supported by

INTERNATIONAL CENTER FOR EMERGING MARKETS RESEARCH

Assistan Program Doktor Manajemen Indonesia

Center for Governance Banking & Finance Universitas Sebelas Maret
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Excellencies, distinguished speakers, ladies, and gentleman.

It is a great pleasure to welcome you, on behalf of Universitas Sebelas Maret (UNS), to the joint conference of the 4th Sebelas Maret International Conference on Business, Economics, and Social Sciences (SMICBES) and the 1st Sebelas Maret International Conference on Social Sciences (SMICSOS). We are indeed pleased that a number of distinguished speakers as well as many scholars participate in this particular conference.

This conference is made possible by supports from some collaborating institutions. I, therefore, would like to thank our partners which are HIPIIS (The Indonesian Association for the Advancement of Social Sciences) and APDMI (the Alliance of Indonesian Doctoral Programs in Management). Our gratitude also goes to the journals’ partner for supporting and making this conference more attractive and stronger.

Our university is fully aware that every successful conference requires adequate academic exercise as well as sufficient complementing resources. Indeed, the collaboration among committed collaborating institutions results in better outcome in term of making the conference well-prepared, better managed, more accountable, as well as in providing valuable policy recommendations and academic publications.

Universities Sebelas Maret (UNS), including the Faculty of Economics and Business, is growing fast and has a range of achievement to meet the vision to be a world-class university. It occupies 4th for top Indonesian universities awarded by the International Colleges and Universities (ICU) in 2017. We are also included in the list of top 10 universities released by the Indonesian Ministry of Research and Higher Education in 2015 (UNS is the youngest among those 10 universities). The government encourages us to compete in the international environment. Currently, we have 10 schools and a graduate school supported by more than 1,600 lecturers and more than 1,500 administrative staffs.

This conference takes place in Solo or Surakarta which is known as the cultural heartland of Java. This city is famous for its refined, highly polished aesthetic, and sophisticated Javanese art.

In concluding I wish you two days of very fruitful discussions and hope that you find your visit to Solo worthwhile.

Professor Ravik Karsidi
Rector, Universitas Sebelas Maret
Ladies and gentlemen, distinguished participants.

We would like to convey to all of you participating in this conference our heartfelt welcome.

First of all, on behalf of the Faculty of Economics and Business, Universitas Sebelas Maret (FEB UNS), we thank you very much for your participation in the 4th Sebelas Maret International Conference on Business, Economics and Social Sciences (SMICBES). We also thank our keynote and invited speakers as well as journals’ partner and conference partners (HIPIIS, APDMI, ICEMR and CGBF). Their excellent contribution has made this conference successful until now.

Second, we would like to report some important parts of this conference. We have received more than 440 paper submissions. Finally, 235 papers will be presented in this conference. We have also selected 5 best papers which are 1) Best Paper in Accounting and Auditing, 2) Best Paper in Management, 3) Best Paper in Economics and Social Sciences, 4) Best Paper in Banking and Finance, and 5) Best Paper for Young Scholar.

Second, let us briefly introduce the FEB UNS. In line with the UNS’ long-term vision to be a world class university, our school has designed a roadmap for internationalization strategy. We have built mutual partnerships with a number of overseas universities in the US, Europe, Asia and Australia. Some other internationalization policies and strategies have also been implemented.

This conference is also part of our internationalization program. To make the conference attractive and stronger in term of academic outputs, we collaborate with international association and reputable journals. We collaborated with the Journal of Financial Stability (JFS) and the Asian Finance Association (Asian-FA) in 2013 and 2014, respectively. In 2015 and 2016, we collaborated with the Indonesian Finance Association (IFA) and Academy for Global Business Advancement (AGBA), respectively. This year, we collaborate with HIPIIS (The Indonesian Association for the Advancement of Social Sciences) and APDMI (the Alliance of Indonesian Doctoral Programs in Management) and bring a number of reputable journals in this conference.
In concluding, let us reiterate our sincere hope that this conference is worthwhile for you. We also strongly expect that this forum will lead to some mutual collaboration in the future.

Linggar I. Nugroho, M.Ec.Dev
Chair - Organizing Committee

Dr. Irwan Trinugroho
Chair - Steering Committee

Dr. Hunik Sri Runing Sawitri
Dean - FEB UNS
- Prof. Iftekhar Hasan - Fordham University USA
- Prof. Kose John - New York University USA
- Prof. James E. Owers - Harvard University USA
- Prof. Amine Tarazi - University of Limoges, France
- Prof. Rezaul Kabir - University of Twente, Netherlands
- Prof. Ali Fatemi - DePaul University USA
- Dr. Renataz Kisyz - University of Portsmouth, UK
- Prof. Charles Rarick - Purdue University Northwest USA
- Prof. Hemant Merchant - University of South Florida St. Petersburg
- Prof. Bruno Sergi - University of Messina, Italy
- Prof. Thomas Lagoarde-Segot - Kedge Business School, France
- Prof. Alistair Milne - Loughborough University, UK
- Prof. Siong Hook Law - Universiti Putra Malaysia
- Prof. Ali Kutan - University of Southern Illinois USA
- Prof. Mak B. Arvin - Trent University, Canada
- Dr. Evan Lau - Universiti Malaysia Sarawak, Malaysia
- Prof. Leo Paul Dana - Montpellier Business School, France
- Dr. Marleen Dieleman - National University of Singapore
- Prof. Mehmet Huseyin Bilgin - Istanbul Medeniyet University, Turkey
- Dr. Zaafri A. Husodo - University of Indonesia
- Prof. Chaiporn Vitessonthi - Sunway University Malaysia
- Dr. Arifin Angriawan - Purdue University Northwest USA
- Dr. Hunik Sri Runing Sawitri - Universitas Sebelas Maret, Indonesia
- Dr. Fathyah Hashim - Universiti Sains Malaysia
- Prof. Catherine Baron - Science Po, Toulouse, France
- Dr. Mochammad Doddy Ariefianto - Indonesia Deposit Insurance Corporation
- Dr. Irwan Trinugroho - Universitas Sebelas Maret, Indonesia
- Dr. Irwan Adi Ekaputra - University of Indonesia
- Dr. Muhammad Agung Prabowo - Universitas Sebelas Maret, Indonesia
- Dr. Yunieta Anny Nainggolan - Institut Teknologi Bandung, Indonesia
- Dr. Doddy Setiawan - Universitas Sebelas Maret, Indonesia
- Prof. Tulus Haryono - Universitas Sebelas Maret, Indonesia
- Dr. Emmanuelle Nys - University of Limoges, France
- Dr. Lukman Hakim - Universitas Sebelas Maret, Indonesia
Founded along with the establishment of UNS, the Faculty of Economics and Business (FEB) of UNS offers high-quality education at undergraduate, master and doctorate levels. FEB UNS currently has 13 degree programs consisting of 6 diploma (associate degree) programs, 3 bachelor (undergraduate) programs, 3 master programs and 1 doctoral program. FEB UNS enrolls more than 1,000 students annually and have delivered more than 7,500 undergraduate and 500 graduate degree. Supported by qualified 157 full-time faculty members and 8,000-strong alumni networks, this school has a significant role in the national development.

Based on the regulation, this business school is a part of the university (UNS), therefore it is structurally administered under UNS. However, the school has a number of autonomies especially in the forms of curriculum and teaching/learning, strategic planning, human resources development, budget allocation as well as management of facilities and equipment. In line with the vision and policy of UNS to compete in the international environment, FEB UNS has also established its vision to be an internationally recognized school of economics and business.

The Master of Management Program of FEB UNS has been accredited by ABEST21 (The alliance on Business Education and Scholarship for Tomorrow) in 2016. This school has also successfully held a number of international prestigious academic events such as “The 8th Conference on Risk, Banking and Financial Stability” in collaboration with the Journal of Financial Stability in 2013 and the “Asian Finance Association (AsianFA) Annual Conference 2014” in 2014.

The FEB UNS offers 13 degree programs consisting of 6 diploma (associate degree) programs, 3 undergraduate (bachelor) programs, 3 master programs and a doctoral program. 10 programs have the A rank for the national accreditation while the rest are granted B rank for their latest accreditation assessment. All the programs are located in the main campus (Kentingan, Surakarta).

FEB UNS has developed mutual partnership with a number of reputable overseas universities and institutions such as Purdue University USA, University of Limoges France, University of Twente Netherlands, University of Portsmouth UK and Curtin University Australia. FEB UNS is a member of the AACSB (Association to Advance Collegiate School of Business).
SPEAKERS’ PROFILE
James Owers is Director of the Economics Program in the Harvard University Summer School and a Professor in the Program. He is a former Associate of and Visiting Scholar in the Department of Economics at Harvard University, and is Professor of Finance Emeritus in the Robinson College of Business at Georgia State University. Since graduating with his Ph.D. from The Ohio State University in 1982, he has also served on the faculties of the University of Massachusetts, the Massachusetts Institute of Technology (M.I.T.) and the University of California. He has visited at Universities in Europe, New Zealand, Central and South America, and the Middle East.

Prior to his academic and consulting career, Jim was an accountant and treasurer in the financial sector. He has extensive experience in managing financial and real estate investments and operations. Born in New Zealand, he holds dual USA/New Zealand citizenship. Dr. Owers has taught in undergraduate, masters and Ph.D. programs, including regular and Executive MBA programs ranked in the top 10 nationally.

He was one of the original researchers into the issues associated with the restructuring of firms and is an international authority in this area. Professor Owers has written more than 100 articles on restructuring and other financial topics. His groundbreaking paper on Spin-Off Restructuring in the Journal of Financial Economics has now been cited in over 1,000 research papers. In 2017, SSRN rates the downloads of his research papers as being in the top 10% of all Financial Economist researchers.

Prior to his academic and consulting career, he was an accountant and treasurer in the financial sector, and worked with a subsidiary of HSBC. Jim has a deep knowledge of financial relationship and how to interpret and apply these to generate C-suite and executive insights that deliver both divisional and overall organization results. Jim’s insights on contemporary developments in finance are frequently quoted in media outlets including some of the most prominent publications such as The Wall Street Journal, The Financial Times, The London Times and various broadcast media.

Reflecting both academic and professional work in the communications and media industries, he is co-author of Media Economics: Theory and Practice (now in its third edition). Jim has broad experience in consulting and executive programs in the U.S., Europe, Asia, New Zealand, the Middle East, and Central and South America. He has conducted numerous Executive programs for organizations such as the American Bankers’ Association, and open enrolment audiences. Additionally, he has delivered programs tailored to the specific needs of many individual firms.

This has involved consulting, executive programs, and financial seminars for firms such as AT&T, Cisco Systems, CVS, IBM (USA, Europe, Asia), Technitrol/Pulse (USA, Asia), BellSouth, Ceridian Inc., Cingular, Comcast, CVS, GCI Group, Grupo Aessor (Mexico), Hilton Hotels, Honda, LIMRA, Lucent Technologies, MCI/Worldcom, NationsBank/Bank of America, PDVSA (the National Oil Company of Venezuela), Pepsico, SAS, Scientific Atlanta, Southern Company, Inc., U.S. BankCorp/NOVA, Verizon, and Worldspan.
Ali Fatemi is the Chairman Emeritus of the Finance Department at DePaul University where he also holds a position as a professor. Previously he held positions at Kansas State University and Wichita State University, and has been a visiting scholar at UCLA and at University of Maastricht. He also has had teaching assignments at Ritsumeikan University, Erasmus University, Tilburg University, Justus Liebig University, Johann Wolfgang Goethe University, Europa Universitat Viadrina, Bahrain Institute of Banking and Finance and the Czech Management Center. He is a graduate of Oklahoma State University, where he received his PhD (1979) and his MBA (1975).


His current research deals with issues related to sustainable finance, socially responsible investing, mergers and acquisitions, dividend policy and corporate governance. He is a past President of Midwest Finance Association, and has served the profession as the editor of Journal of Applied Finance (2000-2007), and as a member of the editorial board or a reviewer for a variety of domestic and international finance journals, including European Financial Management, Global Finance Journal, The International Journal of Finance and Managerial Finance.

Professor Fatemi is listed in Who's Who Among America's Teachers and in the International Directory of Business Management Scholars and Research. He has served as a member of the Board of Directors of Agilex, a Florida-based mutual fund, and as a member of the Investment Advisory Committee of Kansas State University Foundation. He is currently a member of the Economic Club of Chicago, FEI, the Executives Club of Chicago, Chicago Council of Global Affairs, the Bond Club of Chicago, and is a member of Board of Directors at the National Iranian-American Council. He also serves a member of Board of Advisors for Greenleaf Advisors.
Professor Amine Tarazi is appointed as full Professor since 1994, promoted to First Class in 1999 and Outstanding Class in 2009. He is a professor of Economics and Finance at the University of Limoges (France) where he is currently the Director of a research center, LAPE, and Head of Master and PhD programs in Banking and Finance. He served as a Vice-President in charge of Research and President of the Scientific Board of the University and as head of the Economics Department and head of international affairs. He earned his Ph.D. in Economics from the University of Limoges in 1992 and holds a MSc in Money, Banking and Finance from the University of Birmingham (UK). He also served as a research consultant for ACPR (French Prudential Supervisory Authority), where he is currently a member of the Scientific Committee, and has visited universities in many countries.

He has coordinated several European Commission backed research projects and other international research programs and grants. In particular, he has acted as the global coordinator of a European Commission Program (ASIALINK/B7-301/2005/105-139) involving various universities in Europe and Asia. He serves as an associate editor of the Journal of Banking and Finance, the European Journal of Finance and other Finance and Economics Journals.

Bruno S. Sergi is a co-founder and Scientific Director of the International Center for Emerging Markets Research at RUDN University - Moscow. He is also an Associate at Harvard University's Davis Center for Russian and Eurasian Studies, where he focuses his research and lectures on the economics of Russia, China, and other emerging markets. He also teaches at the University of Messina and has taught at New York University. He is an Associate Editor for The American Economist (an official publication of Omicron Delta Epsilon, The International Honor Society in Economics) and his area of expertise is in the economics of emerging markets. Dr. Sergi's extensive academic career, publications, and advisory roles have established him as a frequent guest, contributor, and commentator on the matters surrounding the contemporary developments in political economy and emerging markets throughout a wide range of media outlets. He has done research at the IMF and at multiple national central banks' research departments in Western and Eastern Europe.

He has been a Fellow at the Contemporary Europe Research Centre (1999-2009) and an Honorary Fellow at the School of Social and Political Sciences at the University of Melbourne (2010-2011), as well as a Marie Curie Actions' Senior Research Fellow (EU's 6th Framework Programme). economics from the University of Greenwich Business School - London.

He has published numerous books, the most recent titles being Economic Dynamics in Transitional Economies (Routledge 2003); Global Business Management (Ashgate 2007); The Political Economy of Southeast Europe from the 1990 to the Present (Continuum 2008); and Misinterpreting Modern Russia: Western Views of Putin and His Presidency (Continuum 2009).

Mehmet is a professor in Istanbul Medeniyet Üniversitesi. Prof Bilgin is also an editorial board member in International Journal of Governance and Financial Intermediation, from 01.10.2016; Yayın Board Member in Journal of Economics, Faculty of Economics, “Goce Delcev” University - Stip, 01.01.2015; Editor in Journal of International Financial Markets, Institutions & Money Editorial, 01.01.2015 and in Equilibrium: Quarterly Journal of Economics and Economic Policy from 10.11.2014; and Assistant Editor in Singapore Economic Review, from 01.05.2014. He is also a member in various scientific organizations, among others: East Asian Economic Association (EAEA), Euro-Asia Forum in Politics, Economics and Business, Istanbul Chamber of Certified Public Accountants, and Istanbul Economic Research Association, Eurasia Business and Economics Society. Professor Bilgin has research interest in Economic.
Evan Lau is currently servicing as a senior lecturer at the Faculty of Economics and Business, Universiti Malaysia Sarawak (UNIMAS) and Managing Editor of International Journal of Business and Society (IJBS). He teaches both the undergraduates and the graduate courses and actively involves in research covering the areas of Applied Macroeconomics. He servicing as a senior lecturer since 2008 and the Managing Editor of International Journal of Business and Society (IJBS), an internationally refereed journal indexed in SCOPUS.

Apart from that, his biography was selected to be listed in the 29th Edition of Who’s Who in the world for 2012. He also indeed contributed to society in terms of economic research studies. Thus, an invitation was extended to him for interviews in several special programs on Budget (2006, 2011), post budget 2013 and live radio interview in 2012 on the Malaysian broadcasting station. His profile is also made available at SCOPUS, RePEc, Research Gate, Google Scholar, and Academia where he was among the highly cited authors in UNIMAS.

Ravik Karsidi is a full professor and the Rector of Universitas Sebelas Maret Surakarta. Currently, he is the head of the Indonesian Association for the Advancement of Social Sciences (HIPIIS). Previously, he also holds the position as the head of Indonesian Rector Forum, and the head of Communication Forum for ESQ Alumni. He received a badge of award from the President of the Republic of Indonesia in 2013 for his service in the education field. His research interest is in the field of counseling and communication of development/community empowerment in non-formal education and industry.

As part of recognition and internationalization, he was listed as Top 10% economists in Malaysia since 2008 and Top 12% in Asia since 2012 by the Research Papers in Economics RePEc database. He was also cited as Top 10 Most Productive Malaysian Based Authors in Arts, Humanities and Social Sciences for the year from 2001 to 2010, published by the Malaysian Citation Centre (MCC), Ministry of Higher Education (MOHE) in 2012.
He is a Full Professor of Finance at Sunway University Business School. He received a B.B.A. in Finance and Banking from Assumption University and earned an M.A. in Economics from Western Illinois University. He received Lizentiat der Wirtschaftswissenschaften (abbreviation: lic.oec.HSG) and an M.Sc. in International Management from the University of St. Gallen. He earned his doctorate degree (Doktor der Wirtschaftswissenschaften, abbreviation: Dr.oec.HSG, equivalent to Doctor of Business Administration) from the University of St. Gallen. He has taken an inter-disciplinary approach by aiming at integrating different fields of knowledge in teaching, research and consulting.

His areas of specialization are asset pricing, corporate finance, commercial banking, financial economics, international finance, international monetary economics, and strategic management. His articles have been published in peer-reviewed journals such as Journal of International Financial Markets, Institutions and Money, Journal of Multinational Financial Management, and Journal of Asia Business Studies. During 2015-2016, he had been ranked in Top 100 Young Economists in the world by RePEc.

In addition to serving as the “Finance and Accounting” Area Editor of the Journal of Asia Business Studies, he has been a reviewer for a number of journals, such as Emerging Markets Finance and Trade, Journal of International Financial Markets, Institutions & Money, and International Journal of Emerging Markets, as well as for a number of major conferences, such as Southern Finance Association, Academy of International Business, European International Business Academy, and Academy of Management.

Dr. Wooi is a senior lecturer at the School of Management USM. He was born in Georgetown, Penang. He joined the university after completing his PhD in international finance at the University of Malaya. He is actively involved in research where he has published 4 books and more than 60 articles in refereed journals, and has won several awards and medals for his research.

He has also serves as reviewer for more than 20 refereed journals since 2006, where 8 are from ISI journals including Applied Economics, Economic Modelling, Emerging Market Finance and Trade, Emerging Market Review, and Review of International Economics.

Since 2009, he has served as the co-editor for Asian Academy of Management Journal of Accounting and Finance (AAMJAF), a Scopus cited journal. He was a visiting scholar at Columbia Business School of Columbia University from Sep2005 to May2006; at Faculty of Business and Economics of Monash University in May 2010; and at Economics Department of Chinese University of Hong Kong in Aug/Sep 2011.
The 4th Sebelas Maret International Conference on Business, Economics and Social Sciences (SMICBESS)

The 1st Sebelas Maret International Conference on Social Sciences (SMICSOS)

9-10 August 2017
Venue: Best Western Premiere Hotel, Solo, Central Java, Indonesia

Day 1, Wednesday, August 9th, 2017

Room: Ruby 1 (Plenary Session) and Violan 1-10 (Parallel/ Concurrent Session)

<table>
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<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>07.30 am - 08.00 am</td>
<td>Registration and Morning Coffee Break</td>
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<tr>
<td>08.00 am - 08.15 am</td>
<td>Welcome Greetings and Opening Remark:</td>
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<tr>
<td></td>
<td>Vice Rector of Universitas Sebelas Maret (Prof. Widodo Muktiyo)</td>
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<tr>
<td>08.15 am - 08.30 am</td>
<td>Signing MOU</td>
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<tr>
<td>08.30 am - 09.30 am</td>
<td>Keynote Speech 1:</td>
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<td>Prof. James E. Owers (Harvard University, USA)</td>
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<tr>
<td>09.30 am - 11.00 am</td>
<td>Plenary Session &quot;Getting Your Papers Published in Reputable Journals&quot;</td>
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<td>(Editor Perspectives):</td>
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<tr>
<td></td>
<td>1. Dr. Evan Lau (Universiti Malaysia Sarawak – Managing Editor of</td>
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<td>International Journal of Business and Society)</td>
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<td>2. Prof. Chaiporn Vithessonthi (Sunway University – Associate Editor</td>
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<td>of Journal of Asia Business Studies)</td>
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<tr>
<td>11.00 am - 12.00 pm</td>
<td>Keynote Speech 2:</td>
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<td>Prof. Ali Fatemi (DePaul University, USA – Editor in Chief: Global</td>
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<td></td>
<td>Finance Journal - Elsevier)</td>
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<tr>
<td>12.00 pm - 01.00 pm</td>
<td>Lunch Break</td>
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<tr>
<td>01.00 pm - 03.00 pm</td>
<td>Parallel Session 1</td>
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<tr>
<td>03.00 pm - 03.30 pm</td>
<td>Afternoon Coffee Break</td>
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<tr>
<td>03.30 pm - 05.30 pm</td>
<td>Parallel Session 2</td>
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<tr>
<td>06.30 pm - 10.00 pm</td>
<td>Gala Dinner</td>
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Gala Dinner, Wednesday, August 9th, 2017

Room: Ruby 2

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<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>06.30 pm - 07.00 pm</td>
<td>Registration</td>
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<tr>
<td>07.00 pm - 07.10 pm</td>
<td>Traditional dance</td>
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<tr>
<td>07.10 pm - 07.30 pm</td>
<td>Welcome greetings:</td>
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<tr>
<td></td>
<td>1. Conference Committee (Dr. Irwan Trinugroho)</td>
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<tr>
<td></td>
<td>2. Dean of FEB UNS (Dr. Hungk Sri Runing Sawitri)</td>
</tr>
<tr>
<td>07.30 pm - 07.40 pm</td>
<td>Signing MOU</td>
</tr>
<tr>
<td>07.40 pm - 08.00 pm</td>
<td>Performance by Sierra Soetedjo (Jazz singer)</td>
</tr>
<tr>
<td>08.00 pm - 08.10 pm</td>
<td>Best Paper Award Announcement (2 best papers)</td>
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<tr>
<td>08.10 pm - 08.25 pm</td>
<td>Traditional Dance</td>
</tr>
<tr>
<td>08.25 pm - 08.40 pm</td>
<td>Best Paper Award Announcement (3 best papers)</td>
</tr>
<tr>
<td>08.40 pm - 09.30 pm</td>
<td>Performance by Sierra Soetedjo (Jazz singer)</td>
</tr>
</tbody>
</table>
Day 2, Thursday, August 10th, 2017

Room: Ruby 1 (Plenary Session) and Violan 1-10 (Parallel/ Concurrent Session)

<table>
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<tr>
<td>07.30 am - 08.00 am</td>
<td>Registration and Morning Coffee Break</td>
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<tr>
<td>08.00 am - 09.00 am</td>
<td>Keynote Speech 3: Prof. Amine Tarazi (University of Limoges, France – Associate Editor of Journal of Banking and Finance - Elsevier)</td>
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</table>
| 09.00 am - 10.30 am| Plenary Session “Economic Update and Social Development in Emerging Markets”:  
1. Prof. Bruno Sergi (Harvard University USA and University of Messina, Italy)  
2. Prof. Mehmet Huseyin Bilgin (Istanbul Medeniyet University, Turkey)  
3. Prof. Ravik Karsidi (Universitas Sebelas Maret, Indonesia)  
4. Prof. Hooy Chee Wooi (Universiti Sains Malaysia) |
<p>| 10.30 am - 12.30 pm| Parallel Session 3                                                      |
| 12.30 pm - 01.30 pm| Lunch Break                                                            |
| 01.30 pm - 03.30 pm| Parallel Session 4                                                     |
| 03.30 pm - 04.00 pm| Afternoon Coffee Break                                                 |
| 04.00 pm - 06.00 pm| Parallel Session 5                                                     |
| 06.00 pm - 06.30 pm| Break                                                                  |
| 06.30 pm – 08.30 pm| Parallel Session 6                                                     |</p>
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<tr>
<th>Room (Violan)</th>
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<td>Wednesday</td>
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<td>August 9th</td>
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<td>01.00 pm</td>
<td>03.30 pm</td>
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<td>06.30 pm</td>
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<td>- 03.00 pm</td>
<td>- 05.30 pm</td>
<td>12.30 pm</td>
<td>- 03.30 pm</td>
<td>- 06.00 pm</td>
<td>- 08.30 pm</td>
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<tr>
<td>2</td>
<td>Corporate Finance 1</td>
<td>Islamic Finance 1</td>
<td>Corporate Finance 3</td>
<td>Islamic Finance 2</td>
<td>Monetary Economics 2</td>
<td>International Economics and Global Business</td>
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<tr>
<td>3</td>
<td>Banking and Financial Intermediation 1</td>
<td>Behavioral and Personal Finance 1</td>
<td>Behavioral and Personal Finance 2</td>
<td>Monetary Economics 1</td>
<td>Banking and Financial Intermediation 2</td>
<td>Economics 2</td>
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<tr>
<td>4</td>
<td>Strategic Management</td>
<td>Tourism Management 1</td>
<td>Economics 1</td>
<td>Entrepreneurship</td>
<td>Financial Accounting and Taxation</td>
<td>Auditing 2</td>
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<tr>
<td>5</td>
<td>Marketing 1</td>
<td>SME 1</td>
<td>Innovation Management</td>
<td>Agribusiness and Agriculture Economics 2</td>
<td>Corporate Governance 2</td>
<td>SME 2</td>
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<td>6</td>
<td>HRM and OB 1</td>
<td>Auditing 1</td>
<td>Technology Management</td>
<td>Operation Management 2</td>
<td>Tourism Management 2</td>
<td>HRM and OB 6</td>
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<tr>
<td>7</td>
<td>Agribusiness and Agricultural Economics 1</td>
<td>Operation Management 1</td>
<td>Corporate Social Responsibility 1</td>
<td>Corporate Social Responsibility 2</td>
<td>Public Sector and Behavioral Accounting</td>
<td>Financial Accounting and Disclosure</td>
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<tr>
<td>8</td>
<td>Corporate Governance 1</td>
<td>Marketing 2</td>
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<td>10</td>
<td>Public Management and Public Policy</td>
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Session: Financial Markets 1 (FM1)
Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 1
Chair: Dr. Mamduh M. Hanafi (Universitas Gadjah Mada)

1 ANALYSIS OF FACTORS AFFECTING SUKUK CREDIT SPREADS IN INDONESIA PERIOD 2015-2016
Helmi Qasthari Fauzi, Institut Teknologi Bandung
Ahmad Danu Prasetyo, Institut Teknologi Bandung

2 TRADING PERFORMANCE OF FOREIGN AND DOMESTIC INVESTORS: EVIDENCE IN INDONESIA IN THE CRISIS AND RECOVERY PERIODS
Mamduh M. Hanafi, Universitas Gadjah Mada

3 ARE THERE ANY PRICE MANIPULATION EFFORTS? SOME EMPIRICAL EVIDENCES IN MICRO FOUNDATION ON TRADING BEHAVIOR IN INDONESIA
Aurelius Aaron, Institut Teknologi Bandung and Tokyo University of Science Japan
Deddy P. Koesrindartoto, Institut Teknologi Bandung
Ryuta Takashima, Tokyo University of Science Japan

4 PHENOMENON AND DETERMINANT OF UNDERPRICING, FLIPPING ACTIVITY AND LONG-TERM PERFORMANCE: AN EMPIRICAL INVESTIGATION OF SHARIA IPOIN INDONESIA
Ahmad Rodoni, Islamic State University (UIN) Jakarta
Rama Febriyanti, Islamic State University (UIN) Jakarta
1. **ASSESSING THE ADDED VALUE ON PRICE PER SHARE BEFORE AND AFTER INVESTMENT PLAN OF PT PRAKARSA ENVIRO INDONESIA**
   Evan Kurniawan, Institut Teknologi Bandung
   Mandra Lazuardi, Institut Teknologi Bandung

2. **RELATED PARTY TRANSACTIONS AND THEIR IMPACT ON MINORITY SHAREHOLDERS: A STUDY OF LISTED FIRMS ON THE INDONESIAN STOCK EXCHANGE**
   Hety Budiyanti, Universitas Negeri Makasar
   Eduardus Tandelilin, Universitas Gadjah Mada
   Suad Husnan, Universitas Gadjah Mada
   Mamduh M. Hanafi, Universitas Gadjah Mada

3. **CALCULATING ADDITIONAL VALUE AFTER EXPANSION OF RACHMA HUSADA HOSPITAL USING VALUATION METHOD**
   Dea Pinkan Anggraini, Institut Teknologi Bandung
   Mandra Lazuardi, Institut Teknologi Bandung

4. **THE POWER OF CASH MISCELLANEOUS INDUSTRY SECTOR AT INDONESIA STOCK EXCHANGE**
   Gendro Wiyono, Universitas Sarjanawiyata Tamansiswa
   Rizal Rinofah, Universitas Sarjanawiyata Tamansiswa

5. **POST-IPO PERFORMANCE AND POLITICAL CONNECTION OF INDONESIAN IPOS**
   Albert Eka Saputra, Institut Teknologi Bandung
   Yunieta Anny Nainggolan, Institut Teknologi Bandung
Session: Banking and Financial Intermediation 1 (BFI 1)

Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 3
Chair: Dr. Mochammad Doddy Ariefianto (Indonesia Deposit Insurance Corporation)

1. MICROFINANCE ORIENTATION ON GROUP LENDING STRATEGY
   Ali Sakti, Universitas Indonesia
   Viverita, Universitas Indonesia
   Zaäfri Ananto Husodo, Universitas Indonesia

2. MICROFINANCE AND ITS IMPACT ON INDONESIAN SMALL TO MEDIUM SIZE ENTERPRISE PRODUCTIVITY FOR DEVELOPMENT
   Yosua Christanto, Institut Teknologi Bandung
   Ahmad Danu Prasetyo, Institut Teknologi Bandung

3. MODELING THE COMPETITIVENESS OF REGIONAL BANK: EMPIRICAL EVIDENCE FROM SUMATERA, INDONESIA
   Kamaludin, University of Bengkulu
   Muhammad Nashsyah, University of Bengkulu

4. BANKING DEVELOPMENT AND FIRM ACCESS TO FINANCE: EVIDENCE FROM INDONESIA
   Rosita Mei Damayanti, Universitas Sebelas Maret
   Irwan Trinugroho, Universitas Sebelas Maret
REDESIGN OF ENVIRONMENTAL PERFORMANCE CAUSED THE OPERATION ABILITY, MARKETING ABILITY AND ENVIRONMENTAL MANAGEMENT PRACTICE
Anwar Hamdani, STIE Adi Unggul Bhirawa
Mulyanto, STIE Adi Unggul Bhirawa
I Gusti Putu Diva Awatara, STIE Adi Unggul Bhirawa

LINKING THE DIMENSIONS OF ENTREPRENEURIAL ORIENTATION TO FIRM PERFORMANCE: THE MODERATING ROLE OF PROACTIVE STAKEHOLDER ENGAGEMENT
Ismi Darmastuti, Diponegoro University
Indi Djastuti, Diponegoro University

SYSTEM ADVANTAGE PROPOSAL AS A FUTURE ULTIMATE STRATEGY FRAMEWORK
Ade Muhammad, Institut Teknologi Bandung
Utomo Sarjono Putro, Institut Teknologi Bandung
Manahan Siallagan, Institut Teknologi Bandung

BUSINESS ENGAGEMENT IN ADAPTATION TO CLIMATE CHANGE IN DEVELOPING COUNTRIES: A CASE STUDY BASED ON BEHAVIORAL PERSPECTIVE
Mehedi Islam, Universiti Malaysia Sarawak
Rohaya Mohd-Nor, Universiti Malaysia Sarawak
Session: Marketing 1 (MARK 1)
Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 5
Chair: Dr. Popy Rufaidah (Universitas Padjadjaran)

1. **ELECTRONIC SERVICE QUALITY ON MOBILE APPLICATION OF ONLINE TRANSPORTATION SERVICES IN INDONESIA**
   Abu Amar Fauzi, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya

2. **IMPROVING SERVICE OF QUALITY USING QFD**
   Ratna Ekasari, Maarif Hasyim Latif University
   Nurul Aziza, Maarif Hasyim Latif University
   M. Adhi Prasnowo, Maarif Hasyim Latif University

3. **FACTORS INFLUENCING PATIENTS’ DECISION IN SELECTING RUMAH SAKIT UMUM DAERAH (REGIONAL PUBLIC HEALTH) BENGKULU CITY**
   Muhartini Salim, Universitas Bengkulu
   Syamsul Bachri, Universitas Bengkulu

4. **CONSUMERS INTENTION TO EAT LOCAL FRUITS**
   Heru Irianto, Sebelas Maret University
   Emi Widiyanti, Sebelas Maret University
   Anggarda Paramita Imawati, Sebelas Maret University

5. **THE IMPLICATION OF CUSTOMER SATISFACTION: STUDY ON LOCAL ENTERPRISE WATER SERVICES**
   Ahmad Shalahuddin, University of Tanjungpura
   Nur Afifah, University of Tanjungpura
   Ilzar Daud, University of Tanjungpura
Session: Human Resources Management and Organization Behavior 1 (HRM OB 1)
Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 6
Chair: Dr. Willy Abdillah (Universitas Bengkulu)

1. EFFECT OF SAFETY CULTURE, SAFETY LEADERSHIP, AND SAFETY CLIMATE ON EMPLOYEE COMMITMENTS AND EMPLOYEE PERFORMANCE PT. PELINDO III (PERSERO) EAST JAVA PROVINCE
Beni Agus Setiono, University of 17 August 1945 Surabaya
Ida Ayu Brahmasari, University of 17 August 1945 Surabaya
Siti Mujanah, University of 17 August 1945 Surabaya

2. EFFECT OF LEADERSHIP AND ORGANIZATION CLIMATE THROUGH WORK ENGAGEMENT TO ORGANIZATION CITIZENSHIP BEHAVIOR
Angki Wibisono, University of Padjadjaran

3. THE MEDIATING EFFECT OF MOTIVATION ON THE INFLUENCE OF DISCIPLINE AND INCENTIVES TOWARD EMPLOYEES PERFORMANCE WHICH MODERATED BY ORGANIZATIONAL CULTURE
Saparso, Krida Wacana Christian University, Jakarta
Melitina Tecualu, Krida Wacana Christian University, Jakarta
Rudolf Lumbantobing, Krida Wacana Christian University, Jakarta

4. THE EFFECT OF HUMAN RESOURCE COMPETENCE, ORGANIZATIONAL COMMITMENT AND SYSTEMS QUALITY ON INDIVIDUAL USE OF ACCRUAL BASED ACCOUNTING SYSTEM APPLICATION AT STATISTICS INDONESIA (BPS)
Willy Abdillah, Universitas Bengkulu

5. REDESIGN IMPROVED EMPLOYEES PERFORMANCE OF CORPORATE TEXTILE
Anton Respati Pamungkas, Universitas of 17 Agustus 1945
Ida Ayu Brahmasari, Universitas of 17 Agustus 1945
Siti Mujanah, Universitas of 17 Agustus 1945
Session: Agribusiness and Agricultural Economics 1 (AAE 1)
Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 7
Chair: Dr. Suryanto (Universitas Sebelas Maret)

1. **DIFFERENCES IN CATTLE FARMERS’ INCOME FROM PARTNERSHIP AND NON-PARTNERSHIP SYSTEMS**
   Sitti Nurani Sirajuddin, Hasanuddin University
   Ahmad Ramadhan Siregar, Hasanuddin University
   Palmarudi Mappigau, Hasanuddin University

2. **RISK BEHAVIOUR ONION FARMERS IN THE DISTRICT ENREKANG**
   Nurhapsa, Universitas Muhammadiyah of Parepare
   Arham, Universitas Muhammadiyah of Parepare
   Sitti Nurani Sirajuddin, Hasanuddin University

3. **A STUDY OF NUTRITION-DRIVEN FOOD SUPPLY CHAIN FROM PERSPECTIVE OF FOOD SECURITY PILLARS AND BUSINESS MODEL**
   Rizka Tauria Nuryadi, Institut Teknologi Bandung
   Nur Budi Mulyono, Institut Teknologi Bandung

4. **BEEF CATTLE FARMERS ADOPTION TOWARDS BIOSECURITY**
   Veronica Sri Lestari, Hasanuddin University
   Sitti Nurani Sirajuddin, Hasanuddin University
   Agustina Abdullah, Hasanuddin University

5. **RELATIONSHIP BETWEEN FARMERS CHARACTERISTIC AND INCOME FROM BEEF CATTLE WITH THE TRADITIONAL PROFIT-SHARING**
   Sitti Nurani Sirajuddin, Hasanuddin University
   Muhammad Aminawar, Hasanuddin University
   Siti Nurlalelah, Hasanuddin University
   Andi Amidah Amrawty, Hasanuddin University
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Date: Wednesday, August 9, 2017
Time: 1.00 pm to 3.00 pm
Room: Violan 8
Chair: Dr. Irwan Adi Ekaputra (Universitas Indonesia)

1. CORPORATE GOVERNANCE AND EARNINGS RESTATEMENT AT THE COMPANY LISTED ON THE BURSA EFEK JAKARTA
Rahimah, Akademi Akuntansi YKPN Yogyakarta
Dody Hapsoro, STIE YKPN Yogyakarta

2. CORPORATE GOVERNANCE AND LIQUIDITY
Irma, Universitas Terbuka
Olivia Idrus, Universitas Terbuka

3. CORPORATE GOVERNANCE, FIRM RISK, AND CORPORATE SOCIAL RESPONSIBILITY: THE CASE OF INDONESIAN FIRMS
Mazmur, Institut Teknologi Bandung
Yunieta Anny Nainggolan, Institut Teknologi Bandung

4. REPUTATION OF EXTERNAL DIRECTORS, AUDITORS AND EARNINGS MANAGEMENT
Aphichet Chaiwut, Chiang Mai University Thailand
Ravi Lonkani, Chiang Mai University Thailand
Chaiwuth Tangsomchai, Chiang Mai University Thailand
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1. **BUILDING STUDENT LOYALTY IN PRIVATE HIGHER EDUCATION INSTITUTIONS: ACTIVITIES FOR COMPETITIVENESS**
   Muji Gunarto, Universitas Bina Dharma
   Ratih Hurriyati, Universitas Pendidikan Indonesia
   Disman, Universitas Pendidikan Indonesia
   Lili Adi Wibowo, Universitas Pendidikan Indonesia

2. **THE ISSUES STUDY OF ITINERANT TEACHERS IN INCLUSIVE SCHOOLS IN INDONESIA**
   Munawir Yusuf, Universitas Sebelas Maret
   Erma Kumala Sari, Universitas Sebelas Maret
   Mahardika Supratiwi, Universitas Sebelas Maret
   Arsy Anggrellanggi, Universitas Sebelas Maret

3. **THE ROLE OF MANAGEMENT CONTROL SYSTEMS TO THE PERFORMANCE OF HIGHER EDUCATION**
   Ali Muktiyanto, Universitas Terbuka
   Rini Dwiyani Hadiwidjaja, Universitas Terbuka

4. **THE MEDIATING EFFECT OF STUDENT'S PERCEIVED VALUE ON STUDENT'S SATISFACTION**
   Lusiah, University of North Sumatera
   Endang Sulistya Rini, University of North Sumatera
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<td>DOES NATIONAL CULTURE MATTER?: AN EXPLORATORY STUDY ON THE RELATIONSHIP OF NATIONAL CULTURE AND NATIONAL COMPETITIVENESS</td>
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<td>ANALYZING COOPERATIVE PERFORMANCE BY USING THE DEVELOPMENT LADDER ASSESSMENT MEASUREMENT AND COOPERATIVE HEALTH INDICATOR (A CASE OF COOPERATIVE IN BANDA ACEH AND ACEH BESAR DISTRICT)</td>
<td>Ridwan Ibrahim, Department of Cooperatives and Small and Medium Enterprises Aceh Province Donni Deiriadi, Syiah Kuala University Heru Fahlevi, Syiah Kuala University</td>
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<td>Heru Fahlevi, Syiah Kuala University</td>
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<td>Chair: Prof. Chaiporn Vithessonthi (Sunway University Malaysia)</td>
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1. **A DISCRIMINANT ANALYSIS APPROACH TO PREDICT THE PERFORMANCE OF JOINT VENTURE GENERAL INSURANCE COMPANIES IN INDONESIA**
   Gerard Moses Pradipta Sautlambok, Institut Teknologi Bandung
   Subiakto Soekarno, Institut Teknologi Bandung

2. **DOES LEVERAGE EXPLAIN THE EFFECT OF OWNERSHIP STRUCTURE ON FIRM VALUE? EVIDENCE FROM INDONESIA**
   Atmaji, Universitas Sebelas Maret
   Tulus Haryono, Universitas Sebelas Maret
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   Irwan Trinugroho, Universitas Sebelas Maret

3. **OWNERSHIP STRUCTURE, INTERNATIONAL FINANCIAL REPORTING STANDARDS, AND DIVIDEND POLICY: AN INDONESIAN EVIDENCE**
   Krismiaji, Accounting Academy, YKPN Yogyakarta
   Budhi Purwantoro Jati, Accounting Academy, YKPN Yogyakarta

4. **FINANCIAL PERFORMANCE ANALYSIS AND VALUATION OF PT. BUMI SERPONG DAMAI TBK IN COMPARISON WITH OTHER INDONESIAN PUBLIC LISTED REAL ESTATE ENTERPRISES DURING PLATEAUGHING MARKET AT 2011 TO 2015**
   Meidina Nisa Aqmarina, Institut Teknologi Bandung
   Subiakto Soekarno, Institut Teknologi Bandung
Session: Islamic Finance 1 (IF 1)
Date: Wednesday, August 9, 2017
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1. **THE DISCLOSURE PRACTICES OF ISLAMIC EQUITY FUNDS**
   Yunieta Anny Nainggolan, Institut Teknologi Bandung
   Irwan Trinugroho, Universitas Sebelas Maret
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2. **A COMPARATIVE ANALYSIS ON ISLAMIC BANKING PERFORMANCE IN ASEAN COUNTRIES**
   Herni Ali, UIN Syarif Hidayatullah Jakarta
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3. **DO MUDARABAH AND MUSHARAKAH FINANCING IMPACT ISLAMIC BANK CREDIT RISK DIFFERENTLY?**
   Titi Dewi Warninda, Universitas Indonesia and Syarif Hidayatullah State Islamic University Jakarta
   Irwan Adi Ekaputra, Universitas Indonesia
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4. **ASYMERIC INFORMATION AND NON-PERFORMING FINANCING (NPF): CASE STUDY ISLAMIC BANKING IN INDONESIA**
   Ahmad Rodoni, Islamic State University, UIN Jakarta
   Bahrul Yaman, Islamic State Universtiy, UIN Jakarta
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5. **ANALYSIS THE LEVEL OF EFFICIENCY OF SHARIA COMMERCIAL BANK (SCB) AND SHARIA BUSINESS UNIT (SBU) IN INDONESIA WITH DATA ENVELOPMENT ANALYSIS (DEA) METHOD PERIOD 2008-2013**
   Roikhan Mochamad Aziz, State Islamic University (UIN) Syarif Hidayatullah Jakarta
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**Time:** 3.30 pm to 5.30 pm  
**Room:** Violan 3  
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1. **FINANCIAL LITERACY AND RETIREMENT PLANNING AMONG WOMEN IN PRODUCTIVE AGE IN JAKARTA**  
Stacia Andani, Institut Teknologi Bandung  
Subiakto Soekarno, Institut Teknologi Bandung

2. **FINDING THE RELATION BETWEEN PERSONAL VALUE AND INVESTMENT DECISION**  
Dyah Valentina A K, Institut Teknologi Bandung  
Deddy Priatmodjo Koesrindartoto, Institut Teknologi Bandung

3. **EFFECTIVENESS OF FINANCIAL DECISION, THROUGH FINANCIAL COMMUNICATION, FINANCIAL KNOWLEDGE, SOCIO-DEMOGRAPHIC FACTORS TO FINANCIAL BEHAVIOR SURVEY ON DUAL INCOME FAMILY**  
Sri Mulyantini, Universitas Pembangunan Nasional Veteran Jakarta  
Ayunita Ajengtiyas Saputri Mashuri, Universitas Pembangunan Nasional Veteran Jakarta

4. **EMOTION OF INDONESIA EARLY INVESTOR: EFFECT ON THEIR INVESTMENT DECISION PERFORMANCE AND STOCK PREFERENCE**  
Philip Pranata, Institut Teknologi Bandung  
Deddy Priatmodjo Koesrindartoto, Institut Teknologi Bandung
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Time:  3.30 pm to 5.30 pm  
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Chair:  Prof. Arifin Angriawan (Purdue University Northwest)

1. **TOURISTS’ DECISION MAKING IN CHOOSING DESTINATION PLACE: A CASE STUDY IN BANDUNG**  
   Pri Hermawan, Institut Teknologi Bandung  
   Virginia Mandasari, Institut Teknologi Bandung

2. **TOURISM FLOATING MARKET LEMBANG DEVELOPMENT STRATEGY BASED ON CORE COMPETENCE**  
   Agus Cholik, Institut STIAMI Jakarta  
   Dony Hendarto, Institut STIAMI Jakarta  
   Resista Vikaliana, Institut STIAMI Jakarta

3. **SHIFTING TOWARDS ONLINE PLATFORM FOR MARKETING TOURS AND TRAVEL PACKAGES**  
   Yana Dwi Putra Nugraha, Institut Teknologi Bandung  
   Santi Novani, Institut Teknologi Bandung  
   Atik Aprianingsih, Institut Teknologi Bandung

4. **ANALYSIS OF THE INFLUENCE OF TOURISM AND HOTEL SECTOR TO SMALL INDUSTRY GROWTH IN MALUKU PROVINCE**  
   R. Wilda Payapo,Universitas Pattimura  
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Date:     Wednesday, August 9, 2017
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Room:     Violan 5
Chair:    Prof. Agus Suroso (Jenderal Soedirman University)

1  MARKET KNOWLEDGE OF SMES IN BUSINESS ONLINE: THE RELATIONSHIP WITH ENGAGEMENT
   Sumitro Sarkum, Jenderal Soedirman University
   Bambang Agus Pramuka, Jenderal Soedirman University
   Agus Suroso, Jenderal Soedirman University

2  THE MAPPING OF SMES ORGANIZATIONAL CULTURE IN PADANG CITY BASED ON COMPETING VALUE FRAMEWORK
   Sulastri, Universitas Negeri Padang
   Mega Asri Zona, Universitas Negeri Padang

3  COMPETITIVE ADVANTAGE MAPPING OF SMES IN EAST JAVA, INDONESIA
   Diana Sulianti K. Tobing, University of Jember
   Moehammad Fathorazizi, University of Jember
   Gusti Ayu Wulandari, University of Jember

4  STRATEGY DEVELOPMENT CREATIVE INDUSTRY CENTERS FOOTWEAR OF WEDORO
   M. Adhi Prasnowo, Maarif Latif Hasyim University, Sidoarjo
   Gusti Adriansyah, Maarif Latif Hasyim University, Sidoarjo
   Khoirul Hidayat, Maarif Latif Hasyim University, Sidoarjo

5  AN ANALYSIS OF BUSINESS INCUBATOR PERFORMANCE IN THE PARTNERSHIP OF TENANT BUSINESS (A CASE STUDY ABOUT TECHNOLOGICAL BUSINESS INCUBATOR OF SOLO TECHNOPARK)
   Aninda Nuraisyah, Universitas Sebelas Maret
   Nurul Istiqomah, Universitas Sebelas Maret
Session: Auditing 1 (AU 1)
Date: Wednesday, August 9, 2017
Time: 3.30 pm to 5.30 pm
Room: Violan 6
Chair: Dr. Sylvia Veronica Siregar (Universitas Indonesia)

1. REVEALING BUNDOKANDUANG’S VALUES IN THE INTERNAL CONTROL SYSTEM
   Darti Djuharni, Brawijaya University
   Made Sudarma, Brawijaya University
   Unti Ludigdo, Brawijaya University
   Ali Djamhuri, Brawijaya University

2. THE EFFECT OF THE CHARACTERISTICS OF AUDITOR AND AUDIT FIRM ON AUDIT QUALITY
   Johan Pratomo Suwarwo, Universitas Indonesia
   Sylvia Veronica Siregar, Universitas Indonesia

3. AUDIT COMMITTEE ACCOUNTING EXPERT & EARNING MANAGEMENT WITH “STATUS” AUDIT COMMITTEE AS MODERATING VARIABLE
   Edy Suprianto, Universitas Sebelas Maret
   Suwarno, Universitas Sebelas Maret
   Henny Murtini, Universitas Sebelas Maret
   Rahmawati, Universitas Sebelas Maret
   Dyah Sawitri, Universitas Gajayana Malang

4. EARNINGS QUALITY, IFRS CONVERGENCE AND THE TIMELINESS OF FINANCIAL REPORTING IN INDONESIA
   Desi Adhariani, Universitas Indonesia
   AdisuraImmanuel, Universitas Indonesia

5. THE ASSOCIATION BETWEEN BOARD OF COMMISSIONERS AND AUDIT COMMITTEE CHARACTERISTICS AND AUDIT FEES: EVIDENCE FROM INDONESIA
   Desi Adhariani, Universitas Indonesia
   Abraham Zulfikar, Universitas Indonesia
Session: Operation Management 1 (OM 1)
Date: Wednesday, August 9, 2017
Time: 3.30 pm to 5.30 pm
Room: Violan 7
Chair: Dr. Hidajat Hendarsjah (Universitas Sebelas Maret)

1 DECISION ANALYSIS OF FIELD DEVELOPMENT STRATEGY IN LOW QUALITY OIL RESERVOIR WITHIN BLOCK CONTRACT EXPIRATION PERSPECTIVE USING INTEGRATED ANALYTICAL HIERARCHY PROCESS (AHP) AND MONTE CARLO SIMULATION
Hanif Setiyawan, Institut Teknologi Bandung
Utomo Sarjono Putro, Institut Teknologi Bandung

2 SHARING ECONOMY: INHERENT NEEDS OF SHARING LOGISTIC
Nur Budi Mulyono, Institut Teknologi Bandung
Noorhan Firdaus Pambudi, Institut Teknologi Bandung
Niken Larasati, Institut Teknologi Bandung
Isnan Hidayat, Institut Teknologi Bandung

3 CRAFT ENTREPRENEURSHIP ON ENVIRONMENTAL WASTE RECYCLING: CREATIVITY AND PRODUCT INNOVATION BY SANGGAR ASTA KARYA PANCA WIGUNAMALANG MUNICIPALITY
Sri Muljaningsih, University of Brawijaya

4 PROPOSED PERFORMANCE IMPROVEMENT BY USING SIX SIGMA METHOD AT BUSINESS DEVELOPMENT DIVISION LINE INDONESIA
Sulistia Fitriany, Institut Teknologi Bandung
Session: Marketing 2 (MARK 2)
Date: Wednesday, August 9, 2017
Time: 3.30 pm to 5.30 pm
Room: Violan 8
Chair: Prof. Mts Arief (BINUS University)

1. THE INFLUENCE OF GREEN PRODUCT TOWARD BRAND IMAGE AND PURCHASE INTENTION IN AUTOMOTIVE INDUSTRY
   Edhie Budi Setiawan, Trisakti Institute of Transportation Management
   Dwi Kartini, Padjadjaran University
   Faisal Afiff, Padjadjaran University
   Popy Rufaidah, Padjadjaran University

2. MARKETING PERFORMANCE OF BATIK TULIS BASED OF ENTREPRENEURSHIP ORIENTATION IN DAERAH ISTIMEWA YOGYAKARTA SME’S
   Lusi Suwandari, Jenderal Soedirman University
   Yuyus Suryana, Padjadjaran University
   Yuyun Wirasasmita, Padjadjaran University
   Sutisna, Padjadjaran University

3. LOCAL PRODUCT MARKETING STRATEGY (HOME INDUSTRY) IN ASEAN ECONOMIC COMMUNITY (AEC) ERA
   Nur Handayani, Sekolah Tinggi Ilmu Ekonomi Islam Indonesia (STIESIA) Surabaya
   Lilis Ardini, Sekolah Tinggi Ilmu Ekonomi Islam Indonesia (STIESIA) Surabaya

4. UNIFIED MODEL OF USE BEHAVIOR (UMUB) FOR STRENGTHEN BUSINESS E-COMMERCE IN INDONESIA
   Daduk Merdika Mansur, Padjadjaran University
   Martha Fani Cahyandito, Padjadjaran University
   Arief Mustain, Padjadjaran University

5. THE ROLE OF BRAND EXPERIENCE, BRAND PERSONALITY CONGRUENCE, BRAND SATISFACTION, BRAND TRUST, AND BRAND ATTACHMENT IN THE FORMING OF BRAND LOYALTY
   Nurul Myristica Indraswari, Gadjah Mada University
   Bernardinus Maria Purwanto, Gadjah Mada University
EFFECT OF SERVANT LEADERSHIP, SPIRITUAL QUOTIENT, ORGANIZATIONAL CITIZENSHIP BEHAVIOR ON ISLAM’S HOSPITAL PERFORMANCE IN EAST JAVA
Bambang Santoso, Universitas 17 Agustus 1945 Surabaya
Brahmasari Ida Aju, Universitas 17 Agustus 1945 Surabaya
Brahma Ratih Ida Aju, Universitas 17 Agustus 1945 Surabaya

THE INFLUENCE OF EMOTIONAL DISSONANCE, EMOTIONAL INTELLIGENCE AND ORGANIZATIONAL COMMITMENT ON JOB SATISFACTION OF EMPLOYEES OF BANK BUMN IN JEMBER REGENCY
Wiji Utami, University of Jember

THE IMPACT OF ISLAMIC WORK ETHICS ON INTERNAL SERVICE QUALITY
Evi Susanti, STIE Jakarta International College

THE EFFECT OF ORGANIZATIONAL CULTURE, TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL ENVIRONMENT TO THE ORGANIZATIONAL COMMITMENT AND PERFORMANCE OF PRIVATE HIGHER PERFORMANCE IN EAST KALIMANTAN PROVINCE
Sugiono, University of 17 August 1945 Surabaya
Ida Ayu Brahmasari, University of 17 August 1945 Surabaya
I dewa Ketut Raka Ardiana, University of 17 August 1945 Surabaya

THE COMPARATIVE STUDY OF CAREER DEVELOPMENT IN PRIVATE AND PUBLIC SECTOR HOSPITAL
Effed Darta Hadi, University of Bengkulu
Slamet Widodo, University of Bengkulu
**Session:** Social Change and Development (SCD)

Date: Wednesday, August 9, 2017  
Time: 3.30 pm to 5.30 pm  
Room: Violan 10  
Chair: Dr. Rino Ardhian Nugroho (Universitas Sebelas Maret)

1. **“411-212” ACTION, ALIENATION & SOCIAL CHANGE**  
   Evie Ariadne Shinta Dewi, Universitas Padjadjaran

2. **CAN WE USE SOCIAL MEDIA TO MOTIVATE STUDENTS?**  
   Helmiatin, Universitas Terbuka

3. **FINDING THE NEW CONCEPT OF SOCIAL JUSTICE FARM INCOME**  
   Lilis Ardini, STIESIA Surabaya  
   Unti Ludigdo, Brawijaya University  
   Rosidi, Brawijaya University  
   Aji Dedi Mulawarman, Brawijaya University

4. **STUDY ON SELFIES PHENOMENA: WHEN PRODUCT PHOTOS ARE POSTING UBIQUITOUS ON SOCIAL MEDIA PLATFORMS**  
   Cut Irna Setiawati, Telkom University  
   Putri Meuthia Pratiwi, Telkom University

5. **JAVANESE CULTURE: BARRIER FOR THE IMPLEMENTATION OF BUREAUCRATIC REFORM ASSESSMENT AT SEBELAS MARET UNIVERSITY?**  
   Agung Nur Probohudono, Sebelas Maret University  
   Muhammad Jamin, Sebelas Maret University  
   Waskito Widi Wardojo, Sebelas Maret University
**Session:** Financial Market 2 (FM 2)  
Date: Thursday, August 10, 2017  
Time: 10.30 am to 12.30 pm  
Room: Violan 1  
Chair: Dr. Zaafri Ananto Husodo (Universitas Indonesia)

1. **DOES MOMENTUM EXIST IN INDONESIAN STOCK MARKET?**  
   Sudarso Kaderi Wiryono, Institut Teknologi Bandung  
   Sinta Aryani, Institut Teknologi Bandung  
   Mandra Lazuardi K., Institut Teknologi Bandung  
   Umi Kulsum, Institut Teknologi Bandung

2. **SENTIMENT ANALYSIS AND ITS EFFECT OF INVESTOR’S PERCEPTION, IN ANTICIPATING EQUITY VALUATION UPDATE UNDER STOCK RIGHT-ISSUE POLICY**  
   Deddy P. Koesrindartoto, Institut Teknologi Bandung  
   Ervin Salim, Institut Teknologi Bandung

3. **EQUITY PREMIUM PUZZLE: A LONG RUN RISK MODEL EXPLANATION CASE STUDY OF INDONESIA**  
   Najwa Khairina, Syarif Hidayatullah State Islamic University

4. **EXPOSURE TO COMMON IDIOSYNCRATIC VOLATILITY ON STOCK RETURNS IN ASEAN STOCK MARKETS**  
   Pratiwi Noviayanti, Universitas Indonesia  
   Zaafri A. Husodo, Universitas Indonesia
Session: Corporate Finance 3 (CF 3)
Date: Thursday, August 10, 2017
Time: 10.30 am to 12.30 pm
Room: Violan 2
Chair: Prof. Hooy Chee Wooi (Universiti Sains Malaysia)

1. **COINSURANCE EFFECT AND COST OF BANK LOANS: EVIDENCE FROM INDONESIAN PYRAMIDAL BUSINESS GROUPS**
   YaneChandera, Universitas Indonesia
   Cynthia Afriani Utama, Universitas Indonesia
   Zaafri Ananto Husodo, Universitas Indonesia
   Lukas Setia Atmaja, Prasetya Mulya Business School

2. **SENSITIVITY OF LIQUIDITY, INVESTMENT DECISION AND FINANCIAL CONSTRAINTS**
   Riskin Hidayat, Diponegoro University
   Sugeng Wahyudi, Diponegoro University

3. **THE INFLUENCE OF INTELLECTUAL CAPITAL AND CAPITAL STRUCTURE TO THE CORPORATE VALUE**
   Novi Wulandari W., Universitas Jember
   Yuladzul Fitrohtil Huda Firdaus, Universitas Jember

4. **PREDICTING FINANCIAL DISTRESS PROBABILITY OF INDOESIAN PLANTATION AND MINING FIRMS**
   Christianto Tano, Institut Teknologi Bandung
   Yunieta Anny Nainggolan, Institut Teknologi Bandung

5. **ANALYSIS OF ACQUISITION EFFECT BETWEEN INDONESIA FORESTRY SOES USING DISCOUNTED CASH FLOW, ENTERPRISE VALUE, AND DIFFERENCE-IN-DIFFERENCE ANALYSIS**
   Ardista Laras Hapsari, Institut Teknologi Bandung
   Ahmad Danu Prasetyo, Institut Teknologi Bandung
Session: Behavioral and Personal Finance 2 (BPF 2)
Date: Wednesday, August 10, 2017
Time: 10.30am to 12.30 pm
Room: Violan 3
Chair: Dr. Subiakto Soekarno (Institut Teknologi Bandung)

1. FINANCIAL LITERACY AND PERFORMANCES IMPROVEMENT OF MICRO SMALL MEDIUM ENTERPRISES IN INDONESIA
Iramani, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya
Abu Amar Fauzi, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya
Dewi Ayu Wulandari, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya

2. DETERMINANTS OF FINANCIAL LITERACY OF ATHLETES: AN EMPIRICAL STUDY
Sylviana Maya Damayanti, Institut Teknologi Bandung
Getha Saraya, Institut Teknologi Bandung

3. THE EFFECTS OF BIG FIVE PERSONALITIES ON INVESTMENT INTENSITIES AND PERFORMANCES
Daniel Pranata Setiawan, Institut Teknologi Bandung
Deddy Priatmodjo Koesrindartoto, Institut Teknologi Bandung
Session: Economics 1 (ECO1)
Date: Thursday, August 10, 2017
Time: 10.30 am to 12.30 pm
Room: Violan 4
Chair: Dr. Evan Lau (University Malaysia Sarawak)

1. **ANALYSIS OF INDONESIA’S TRADE BALANCE WITH CHINA DURING 1989-2015**
   Agnes Ivana Hasugian, Universitas Brawijaya
   Dias Satria, Universitas Brawijaya

2. **THE IMPACT OF WORLD FOOD PRICE FLUCTUATION TOWARDS INDONESIAN MACROECONOMICS**
   Jami Ilmia, Jember University
   Regina Niken W., Jember University
   Agus Luthfi, Jember University

3. **FOREIGN DIRECT INVESTMENT AND ECONOMIC GROWTH: EVIDENCE FROM INDONESIA, MALAYSIA, THAILAND, AND PHILIPPINES**
   Al Muizzuddin Fazaalloh, Brawijaya University

4. **ECONOMIES OF SCALE IN INDONESIAN RICE PRODUCTION: A COST FUNCTION APPROACH**
   Ernoiz Antriyandarti, Kyoto University Japan
   Seiichi Fukui, Kyoto University Japan
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1. **CREATING ECO-INNOVATIONS FOR BUSINESS COMPETITIVENESS**
   Sudharto P. Hadi, Diponegoro University  
   Sri Suryoko, Diponegoro University  
   Bulan Prabawani, Diponegoro University

2. **SERVICE INNOVATION ON PERFORMANCE IN LOCAL ENTERPRISE WATER SERVICES**
   Nur Afifah, University of Tanjungpura  
   Ilzar Daud, University of Tanjungpura  
   Ahmad Shalahuddin, University of Tanjungpura

3. **CREATIVE PEOPLE AS A NEW SOURCE OF COMPETITIVE ADVANTAGE IN CREATIVE INDUSTRY**
   Eriana Astuty, Universitas Widyatama  
   Suryana, Universitas Pendidikan Indonesia

4. **THE ENTREPRENEURIAL HUMAN CAPITAL AND INNOVATION: SEARCHING THE CONNECTION**
   Kurnianing Isololipu, Atma Jaya Catholic University, Jakarta and University of Indonesia  
   Ferdinand D. Saragih, University of Indonesia  
   Retno Kusumastuti, University of Indonesia

5. **THE ROLE OF KNOWLEDGE SHARING IN ORDER TO INCREASE INNOVATION ABILITY AND EMPLOYEE PERFORMANCE IN INDUSTRY SECTOR OF SMALL-MEDIUM ENTERPRISE**
   Slamet Widodo, University of Bengkulu  
   Effed Darta Hadi, University of Bengkulu  
   Akram Harmoni Wiardi, University of Bengkulu
COLLABORATION AMONG CAPACITY BUILDING AND IMPLEMENTATION OF INFORMATION TECHNOLOGY TO DEVELOP ENTREPRENEURSHIP OF RURAL COMMUNITY IN KARANGGENENG HAMLET
Destri Karlina, Universitas Gadjah Mada
Hasbiyansyah, Universitas Gadjah Mada
Ratna Fitriana Dewi, Universitas Gadjah Mada
Tabiah, Universitas Gadjah Mada

HOW DOES FOREIGN DIRECT INVESTMENT CONTRIBUTE TO TECHNOLOGY TRANSFER? THE CASE OF INDONESIA
Yovita Isnasari, Center for Innovation, Indonesian Institute of Sciences

DETERMINANTS OF USER SATISFACTION TO INTEGRATION OF STATE FINANCIAL APPLICATION SYSTEM
Edy Nasrudin, Universitas Sebelas Maret
Ari Kuncara Widagdo, Universitas Sebelas Maret

DETERMINANTS OF INTENTION TO USE VILLAGE FUND INFORMATION SYSTEM
Eka Setyorini, Universitas Sebelas Maret
Ari Kuncara Widagdo, Universitas Sebelas Maret
Session: Corporate Social Responsibility 1 (CSR 1)
Date: Thursday, August 10, 2017
Time: 10.30 am to 12.30 pm
Room: Violan 7
Chair: Dr. Yunieta Anny Nainggolan (Institut Teknologi Bandung)

1. TAX AVOIDANCE AND CORPORATE SOCIAL RESPONSIBILITY: THE CASE OF TRANSFER PRICING AGGRESSIVENESS OF INDONESIA-LISTED FIRMS
   Anita Rosaria Siahaan, Institut Teknologi Bandung
   Yunieta Anny Nainggolan, Institut Teknologi Bandung

   Yunieta Anny Nainggolan, Institut Teknologi Bandung
   Melia Famiola, Institut Teknologi Bandung
   Anita Rosaria Siahaan, Institut Teknologi Bandung
   Febi Trihermanto, Institut Teknologi Bandung

3. ANALYSIS STRATEGY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ON PT PERKEBUNAN NUSANTARA XII
   Sad Likah, Universitas Sebelas Maret
   Soemanto, Universitas Sebelas Maret
   Drajat Tri Kartono, Universitas Sebelas Maret
   Adi Ratriyanto, Universitas Sebelas Maret

4. CSR AND ITS IMPACT ON REPUTATION AND CORPORATE VALUES
   Etty Indriani, STIE Adi Unggul Bhirawa Surakarta

5. DOES SUSTAINABILITY PERFORMANCE IMPROVE FIRM’S ENVIRONMENTAL DISCLOSURE?
   Utpala Rani, Universitas Tidar
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Date: Thursday, August 10, 2017
Time: 10.30 am to 12.30 pm
Room: Violan 8
Chair: Dr. Ahmad Ikhwan Setiawan (Universitas Sebelas Maret)

1. DEVELOPING E-COMMERCE FOR MSME IN SURAKARTA TO COPE WITH CULTURAL TRANSFORMATION OF ONLINE SHOPPING  
   Nadia Sigi Prameswari, Universitas Sebelas Maret 
   Mohammad Suharto, Universitas Sebelas Maret 
   Narsen Afatara, Universitas Sebelas Maret 

2. ELICITING SALIENT FACTORS IN ONLINE SHOPPING BEHAVIOR RESEARCH  
   Laila Refiana Said, Universitas Lambung Mangkurat 

3. ONLINE ADVERTISING STRATEGIES IN IFRAME MULTIMEDIA IN INFLUENCING CONSUMER DECISION MAKING  
   Dani Kurniawan, Universitas Sebelas Maret 
   Widodo Muktiyo, Universitas Sebelas Maret 

4. DESIGNING MARKETING SYSTEM OF HOME INDUSTRY THROUGH E-SHOP WEB BASED SALES ACTIVITY  
   Nur Fadjrih Asyik, STIESIA Surabaya 
   Lilis Ardini, STIESIA Surabaya 
   Bambang Suryono, STIESIA Surabaya
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<td>Edi Cahyono, Universitas Sebelas Maret</td>
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<td>THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE AND JOB SATISFACTION: THE MEDIATING ROLE OF ORGANIZATIONAL COMMITMENT IN FOUR STATE-OWNED BANKS IN PONTIANAK, WEST KALIMANTAN, INDONESIA</td>
<td>Ilzar Daud, University of Tanjungpura</td>
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Session: Regional Studies (RS)
Date: Thursday, August 10, 2017
Time: 10.30 am to 12.30 pm
Room: Violan 10
Chair: Linggar Ikhsan Nugroho, M.Ec. Dev

1 POPULATION CONCENTRATION IN METROPOLITAN AREA AND PRODUCTIVITY: EVIDENCE FROM INDONESIA
Adista Hanif Baskara Widya, Universitas Indonesia
Djoni Hartono, Universitas Indonesia
Kenny Devita Indraswari, Universitas Indonesia

2 REGIONAL BUDGET ANOMALY IN REGIONAL GOVERNMENT IN INDONESIA
Hadi Sasana, Diponegoro University

3 THE SINERGY STRENGTHENING OF LOCAL GOVERNMENT AND LOCAL BANKING POLICY THROUGH EMPOWERMENT ACTIVITY OF MICRO ENTERPRISE AT MERANGIN REGENCY, JAMBI
Arzalvery Agus, Universitas Sebelas Maret
Ravik Karsidi, Universitas Sebelas Maret
Mahendra Wijaya, Universitas Sebelas Maret
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4 REGIONAL BANKS AND DEVELOPMENT: DOES LOCAL GOVERNANCE MATTER?
Sutaryo, Universitas Sebelas Maret
Irwan Trinugroho, Universitas Sebelas Maret
Linggar Ikhsan Nugroho, Universitas Sebelas Maret
Nugroho Saputro, Universitas Sebelas Maret
Arif Rahman Hakim, Universitas Sebelas Maret
Session: Financial Markets 3 (FM3)

Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 1
Chair: Dr. Zaafri Ananto Husodo (Universitas Indonesia)

1. INVESTORS PERSPECTIVE TOWARDS MARKET VOLATILITY: CASE OF INDONESIAN EARLY INVESTORS
   Muhammad Arif Yunan, Institut Teknologi Bandung
   Deddy Priatmodjo Koesrindartoto, Institut Teknologi Bandung

2. FACTORS AFFECTING LIQUIDITY IN SUB SECTOR METAL INDUSTRIES LISTED ON INDONESIA STOCK EXCHANGE
   Hantono, Universitas Prima Indonesia, Medan
   Teng Sauh Hwee, Universitas Prima Indonesia, Medan

3. MARKET REACTION TO STOCK DIVIDEND ANNOUNCEMENT
   Sulaeman Rahman Nidar, Padjadjaran University
   Muhammad Maraya, Padjadjaran University

4. A STUDY OF RELEVANCE OF BLACK SCHOLES MODEL ON OPTION PRICES OF INDIAN STOCK MARKET
   Anubha Srivastava, Amity University India
   Manjula Shastri, Amity University India
Session: Islamic Finance 2 (IF 2)  
Date: Thursday, August 10, 2017  
Time: 01.30 am to 03.30 pm  
Room: Violan 2  
Chair: Prof. Mehmet Huseyin Bilgin (Istanbul Medeniyet University, Turkey)

1. **THE EFFICIENCY OF ISLAMIC BANKS AROUND THE WORLD: A LITERATURE REVIEW**  
Taufik Faturohman, Institut Teknologi Bandung  
Tom Cronje, Curtin University Australia  
Robert Durand, Curtin University Australia

2. **SHARIAH RURAL BANK IN DEVELOPING ECONOMY OF THE RURAL AREA IN INDONESIA**  
Muhammad Said, State Islamic University Syarif Hidayatullah Jakarta  
Abdul Hamid, State Islamic University Syarif Hidayatullah Jakarta  
Amiur Nuruddin, State Islamic University North Sumatera

3. **THE MEASUREMENT OF EFFICIENCY AND EFFECTIVITY OF THE ALMS MAINTAINING AGENCIES**  
Rifzaldi Nasri, Universitas Muhammadiyah Jakarta  
Tulus Haryono, Universitas Sebelas Maret

4. **HISTORICAL DEVELOPMENT OF ISLAMIC BANKING AND FINANCE IN GERMANY: CHALLENGING AND SUPPORTING ISSUES**  
Abdul Hamid, State Islamic University Syarif Hidayatullah Jakarta  
Muhammad Said, State Islamic University Syarif Hidayatullah Jakarta  
Endah Meiria, State Islamic University Syarif Hidayatullah Jakarta
Session: Monetary Economics 1 (ME 1)
Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 3
Chair: Prof. Bruno Sergi (Harvard University USA)

1. THE IMPACT OF SOVEREIGN CREDIT RATING TO FOREIGN DIRECT INVESTMENT IN INDONESIA
Alvianto Tandriawan, Institut Teknologi Bandung
Ahmad Danu Prasetyo, Institut Teknologi Bandung

2. THE CORRELATION OF STOCK AND BOND IN DETECTING CONTAGION EFFECT AND FLIGHT TO QUALITY DURING QUANTITATIVE EASING IMPLEMENTATION
Isye Nur Isyroh, Universitas Indonesia
Zaafri Ananto Husodo, Universitas Indonesia

3. THE EFFECT OF GLOBAL FINANCIAL CRISIS ON BANKING STOCKS: EVIDENCE FROM INDONESIA STOCKS EXCHANGE
Erna Listyaningsih, Malahayati University
Nur Baiti, Malahayati University
Session: Entrepreneurship (EN)
Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 4
Chair: Dr. Popy Rufaidah (Universitas Padjadjaran)

1 THE ROLE OF SELF-EFFICACY AND INNOVATIVE BEHAVIOR TOWARDS THE SUCCESS OF WOMEN BATIK ENTREPRENEURS IN BOJONEGORO
Nur Laily, STIESIA Surabaya
Dewi Urip Wahyuni, STIESIA Surabaya

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Qorri Aina, Institut Teknologi Bandung
Qonita Himmatul Aliya, Institut Teknologi Bandung

3 ENTREPRENEURSHIP MODEL FOR STUDENTS BASED ON DESIGN THINKING APPROACH
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Qorri Aina, Institut Teknologi Bandung
Nur Lawiyah, Institut Teknologi Bandung
Qonita Himmatul Aliya, Institut Teknologi Bandung

4 RELIGION, ATTITUDE, AND ENTREPRENEURSHIP INTENTION IN INDONESIA
Liyu Adhi Kasari Sulung, Universitas Indonesia
Kirana Ririh Yuninda, Universitas Indonesia
Niken Iwani Surya P, Universitas Indonesia
Ira Iriyanti, Universitas Indonesia
Muhammad Miqdad Robbani, Universitas Indonesia

5 THE ROLE OF ENTREPRENEURSHIP EDUCATION IN UNS TO DEVELOP WORKPLACE SKILLS
Arina Hidayati, Universitas Sebelas Maret
Asri Laksmi Riani, Universitas Sebelas Maret
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Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 5
Chair: Dr. Ernoiz Antriyanart (Kyoto University)

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Alfina Handayani, Regional Development Planning and Research Development Board Central Java Province
Wiwin Widiastuti, Regional Development Planning and Research Development Board Central Java Province

2 UTILIZATION OF GINGER PLANTS FOR MEDICINAL PLANTS IN INDONESIA BASED ON PATENT INFORMATION
Maidina, Center for Innovation-Indonesian Institute of Science
Tommy Hendrix, Center for Innovation-Indonesian Institute of Science
Dini Oktaviyanti, Center for Innovation-Indonesian Institute of Science

3 LAND OWNERSHIP DISTRIBUTION, FARM HOUSEHOLD INCOME BASED ON LAND INSTITUTIONS AND FARM ENVIRONMENT IN SUB-WATERSHED SOLO UPSTREAM, INDONESIA
Suwarto, Sebelas Maret University
Suwarto, Sebelas Maret University
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SUCCESS FACTORS IN THE PROJECT INTEGRATION MANAGEMENT AT PT SUSTAIN-AUTO INDONESIA
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THE USE OF 5-WHY'S TECHNIQUE TO FINDING PRODUCTIVITY IN MINING SERVICE FIRM, INDONESIA
Ahmad H Sutawijaya, Universitas Mercu Buana
Lenny Nawangsari, Universitas Mercu Buana
Ivan Susilo Prasojo Basir Abdullah, Universitas Mercu Buana

ANALYZE BUSINESS PROCESS MANAGEMENT: COMPARING TO CONCEPTUAL AND PRACTICE IN AN INDONESIAN MINING COMPANY
Dewi Pratita Anggraeni, Islamic University of Indonesia
Dekar Urumsah, Islamic University of Indonesia

DECISION STAGES IN A CLOSED LOOP SYSTEM: LESSON LEARNED FROM INDONESIA ELECTRICITY DISTRIBUTION NETWORK
Hidajat Hendarsjah, Universitas Sebelas Maret
Session: Corporate Social Responsibility 2 (CSR 2)

Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 7
Chair: Dr. Yunieta Anny Nainggolan (Institut Teknologi Bandung)

1 CORPORATE SOCIAL RESPONSIBILITY AND DIVIDEND POLICY: THE CASE OF INDONESIAN FIRMS IN 2008 – 2015
Febi Trihermanto, Institut Teknologi Bandung
Yunieta Anny Nainggolan, Institut Teknologi Bandung

COMMUNICATION PATTERN BETWEEN COMPANIES AND COMMUNITIES ON THE INDEPENDENT WASTE BANK CSR PROGRAM PT HOLCIM INDONESIA TBK CILACAP PLANT
Adhianty Nurjanah, Universitas Sebelas Maret
Ravik Karsidi, Universitas Sebelas Maret
Widodo Muktiyo, Universitas Sebelas Maret
Sri Kusumo Habsari, Universitas Sebelas Maret

3 THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY IN CREATING SOCIAL PERFORMANCE THAT DETERMINE SUSTAINABLE PERFORMANCE
Indarto, Semarang University

4 HOLISTIC OF CORPORATE SOCIAL RESPONSIBILITY: IMPLEMENTATION SHARIA COMPANIES IN INDONESIA
Ahmad Rodoni, Islamic State University, UIN, Jakarta
Session: Marketing 4 (MARK 4)
Date: Thursday, August 10, 2017
Time: 01.30 am to 03.30 pm
Room: Violan 8
Chair: Dr. Ahmad Ikhwan Setiawan (Universitas Sebelas Maret)

1. INVESTIGATE FACTORS INFLUENCING THE CUSTOMER PURCHASE INTENTION TOWARD HALAL LABELED FOUNDATION (MAKEUP)
   Oktavianurohmi, Institut Teknologi Bandung
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Andhi Wijayanto, Universitas Negeri Semarang
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Salamah Wahyuni, Universitas Sebelas Maret
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4
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Mujiyono, Universitas Kristen Surakarta
Hernawati Pramesti, Universitas Kristen Surakarta
Indah Handaruwati, Universitas Kristen Surakarta
ANALYSIS OF FACTORS AFFECTING SUKUK CREDIT SPREADS IN INDONESIA
PERIOD 2015-2016

Helmi Qasthari Fauzi, Institut Teknologi Bandung
Ahmad Danu Prasetyo, Institut Teknologi Bandung

ABSTRACT
Corporate Sukuk in Indonesia has consistent growth with the total outstanding increased significantly as well, and have been issued up to 20,425,400 million until December 2016 with issuance as many as 100 publishing accumulations. This is proof that the position of Sukuk has put itself in a significant proportion in Indonesia.
The objective of this research are analyzing the effect of the exchange rate of Rupiah toward US dollar, time to maturity, BI rate, size volume, the total return of ICBI toward Sukuk’s credit spread in Indonesia. This paper also analyzing the exchange of stock’s impact value as the proxy of Sukuk’s underlying asset on period August 2015 - August 2016. This study uses secondary data from Indonesian Capital Market Laboratory, IBPA, and Bank Indonesia involving 10 corporate Sukuk traded during August 2015 – August 2016. This study uses a panel regression method
The result showed that time to maturity and total return of ICBI have a positive correlation and significantly impacted Sukuk credit spread. Exchange rate of Rupiah toward US dollar, BI rate, and market value have a negative correlation and significantly impact the Sukuk credit spread. Yet, size issued is not significantly impacted the credit spread.
Keywords: credit spread, panel regression, sharia bond, sukuk

TRADING PERFORMANCE OF FOREIGN AND DOMESTIC INVESTORS:
EVIDENCE IN INDONESIA IN THE CRISIS AND RECOVERY PERIODS

Mamduh M. Hanafi, Universitas Gadjah Mada

ABSTRACT
This paper investigates relative trading performance of domestic vis-à-vis foreign investors in Indonesian market. We take advantage of unique data set in Indonesian market that codes foreign and domestic investors. We find that domestic investors outperform foreign investors in all transactions. However, in initiated trades, foreign investors tend to outperform domestic investors. Foreign advantage does not seem to deteriorate in the crisis period. Our result supports Agarwal et al. (2010). However, trading performance seems to be more complex, interacts with different periods (crisis and recovery) resulting in different trading performance.
Keywords: Trading performance; Foreign Investor; Domestic investor; Indonesia market, Crisis period, Recovery period, Initiated orders; Non-initiated orders
ARE THERE ANY PRICE MANIPULATION EFFORTS? SOME EMPIRICAL EVIDENCES IN MICRO FOUNDATION ON TRADING BEHAVIOR IN INDONESIA

Aurelius Aaron, Institut Teknologi Bandung and Tokyo University of Science Japan
Deddy P. Koesrindartoto, Institut Teknologi Bandung
Ryuta Takashima, Tokyo University of Science Japan

ABSTRACT

How much could excess profit be earned by principal stockbrokers those who trade on their own behalf? And how could their investment pattern affect it? Using whole intra-day trading activities in the Jakarta Stock Exchange during 2003-2004, our regression results estimate that principal stockbrokers could earn up to 59-92% higher annual rate of return than intermediary stockbrokers those who trade on behalf of outside investors. Further, we suggest that those returns depend heavily on their investment pattern, especially on a unit increase of stockbrokers' degree of principles (PRIN), those with greater trade imbalance earn more profit at the expense of outside investors. However, an anomaly is existed in the case of stockbrokers whose trade imbalance is less than 1% of their total trading value due to its negative slope, this anomaly implies that instead of earning more profit, principal stockbrokers even earn less than intermediary stockbrokers. As a possible explanation, we might interpret these trade imbalances as an indicator for detecting the existence of investor herding behavior in which the large trade imbalance suggests its existence and the minimum trade imbalance suggests its non-existence. Nevertheless, all interaction effects are diminished as PRIN increasing.

Keywords: Price Manipulation, Stockbrokers' Behavior, Investment Pattern, Market Governance, Emerging Market
PHENOMENON AND DETERMINANT OF UNDERPRICING, FLIPPING ACTIVITY AND LONG TERM PERFORMANCE: AN EMPIRICAL INVESTIGATION OF SHARIA IPO IN INDONESIA

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ABSTRACT
This study aims to examine the phenomenon of underpricing, flipping activity and long-term performance of initial public offering (IPO) Sharia at the Islamic Securities in Indonesia Stock Exchange 2010-2014. In this study also examine the factors that affect underpricing, flipping activity and long-term performance during the IPO period. Previous research about IPO, as like Reilly and Hatfield (1969), McDonald and Fisher (1972), Bear and Curley (1975), Ibbotson (1975), Block and Stanley (1980), Rock (1986), Chalk and Peavy (1987), Tinic (1988), Allen and Faulhaber (1989), Grinblatt and Hwang (1989), Welch (1989), Chemmanur (1993), Loughran et al. (1994), Booth and Chua (1996), and Hameed and Lim (1998) indicated the phenomenon underpricing. Similarly, the phenomenon of flipping activity is supported by Bayley (2006) and Ellis (2006). The analysis of the data used one sample t-test and Generalized Least Square. Different with previous research used OLS method or SUR (Seemingly unrelated regression). Purposive sampling method, the sample used 59 companies in the List of Islamic Securities Indonesia Stock Exchange from 2010 - 2014. The results of one sample t-test showed that there had been underpricing and flipping activity during the IPO Sharia on the List of Islamic Securities in Indonesia Stock Exchange. While not happen long-term performance is declining (underperformance) during the IPO Sharia on the List of Islamic Securities. The result test of Generalized Least Square that it was found that ROE, reputation underwriter, type of industry and time (hot/old) have a significant negative effect on underpricing and variable DER, EPS and reputation auditor significant positive, while ROA and size age no significant effect on underpricing. The result of GLS test also that we found that DER has significant negative effect on flipping activity and type of industry, time (hot/cold) have a significant positive, while variable ROA, ROE, EPS, size age, size, reputation underwriter and the auditor's reputation has no significant effect on flipping activity. We found that there are anomaly Initial Public Offering (IPO) Shariah in the Indonesia Stock Exchange. This is new research about IPO Sharia Indonesia, as specially underpricing, flipping activity and long-term performance.

Keywords: Anomaly IPO Sharia, underpricing, flipping activity, and long-term performance.
ASSESSING THE ADDED VALUE ON PRICE PER SHARE BEFORE AND AFTER INVESTMENT PLAN OF PT PRAKARSA ENVIRO INDONESIA

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ABSTRACT

Water and Wastewater treatment services market in Southeast Asia is at the beginning of the growing stage with several developments that exist across the countries in the region. One of the reasons that make Indonesia become the largest market in water and wastewater treatment services is because the water quality of Indonesia has been declining from time to time. PT Prakarsa Enviro Indonesia is one of the companies that run its business in water and wastewater treatment industry in Indonesia. The revenue of PT. Prakarsa Enviro Indonesia is on a declining trend in year 2011-2015 with average income of Rp41,491,437,426. In order to overcome this situation, The Company came up with a strategic plan to provide clean water for Indonesian society by investing on new government projects. To invest on the government projects, Company needs to collect 3 Trillion Rupiah to fund the investment plan and decided to finance it using a proportion of 30% equity and 70% debt. This research aims to help PT. Prakarsa Enviro Indonesia shareholders to assess whether the company’s investment plan will give added value and also to determine the number and price of new shares that should be issued in order to finance the investment opportunity through equity financing. This research uses primary and secondary data, but it relies mostly on the secondary data because to calculate the value of a company, the researcher needs to know the financial condition of the company while the primary data is used to make the assumption based on the firm’s strategy. In calculating the added value of company before and after investment, this research uses discounted cash flow method as a tool and free cash flow to the firm in calculate the cash flow. The result reveals that the value of the company change from IDR 59,155,275,243 to IDR 642,363,321,227 while the price per share before investment plan is IDR 9,465, and the number of share that should be issued is 150,449,045 with price of new shares IDR 4,099.34. It means that the value of the company increases while the price per share before and after investment decreases. It creates delusion for the shareholders of the company to invest on this project, and the result of this research it to recommend PT Prakarsa Indonesia to not invest on this investment plan since it will decrease the company’s share price.

Keywords: Valuation, Discounted Cash Flow, Free Cash Flow to the Firm, Price per Share
RELATED PARTY TRANSACTIONS AND THEIR IMPACT ON MINORITY SHAREHOLDERS: A STUDY OF LISTED FIRMS ON THE INDONESIAN STOCK EXCHANGE

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ABSTRACT
This research study the relation on related party transactions (RPTs) to shareholders’ value and uses a sample of listed firms in Indonesia to explore the issue of RPTs. We classify RPTs in our sample into two broad categories: transactions that are likely to result in expropriation (tunneling) and transactions that are likely to benefit listed (propping). For the first category of RPTs, we find that considerable shareholder value was destroyed in a 21 one day window period: 10 days before the announcement and 10 days following the announcement. For transactions categorized as propping, firms on average earn positive significant adjusted return. Multivariate analysis for RPTs with tunneling or propping categorization show that these abnormal returns are negatively related to the percentage ownership by the main shareholder. This suggests that firms with concentrated ownership experience the largest value loss. The abnormal returns are positively related to proxies for good corporate governance practice such as independent commissioners, audit committee (tunneling categorization only), and the proportion of independent directors and commissioners not as part of main shareholders (propping categorization only). This implies that good corporate governance practice by firms has the ability to mitigate the agency problems of RPTs by reducing the potential of value loss. The abnormal returns are also related to proxies for information disclosure such as transaction value, independent appraisal valuation, and the BIG4, depending on the type of transactions categorized.

Keywords: related party transaction, market reaction, concentrated ownership, good corporate governance.

CALCULATING ADDITIONAL VALUE AFTER EXPANSION OF RACHMA HUSADA HOSPITAL USING VALUATION METHOD

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ABSTRACT
This research is aimed to determine the appropriate valuation for this company to estimate the increase of hospital value after expansion of a new building. Rachma Husada hospital is used as the object of research. This research uses discounted cash flow model as a tool and use free cash flow to the firm in calculate the value of the hospital. The assumption that used is based on historical data, owner’s expectation, and comparison with the same industry company. The result reveals that the value of the hospital if do not do the expansion is IDR 139,045,605,029 and the value of the hospital if do the expansion is IDR 239,888,382,510. It can be concluded that expansion of Rachma Husada hospital will earn additional value IDR 100,842,777,480. So, the hospital needs to do the expansion for increasing hospital’s service and facilities that in the end will maximize the value of hospital or give the additional value in shareholder’s assets. Keywords: valuation, discounted cash flow, free cash flow to the firm, hospital
THE POWER OF CASH MISCELLANEOUS INDUSTRY SECTORAT INDONESIA STOCK EXCHANGE

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ABSTRACT
This study aims to determine the power of cash the company’s from ability to shorten the cash conversion cycle as the power leverage of financial character and the value of the company. Samples were taken from the financial statements Miscellaneous Industry Sector for the period 2012-2015 are listed in the Indonesia Stock Exchange. Data collection technique used purposive sampling method with the following criteria: (1) Listed in Indonesia Stock Exchange year period from 2012 to 2015; (2) The company has the financial statements ending December 31 and have been audited by an independent auditor; (3) The use of financial statements with Rupiah. Analysis of the data to test the hypothesis using a variance-based Structural Equation Modeling. The results showed that the cash strength measured by the cash conversion cycle in miscellaneous industry companies in Indonesia is well indicated as much as 60.20% below 0 (zero), and proved to have a significant negative effect on the company's character. But on the value of the company, cash conversion cycle only affects the price earnings ratio, while the price book value has no effect. The character of the company, not all of them affect the value of the company. Profitability index, liquidity index, size index have a significant positive effect on price earnings ratio, while productivity index and dividend index have no effect on price book value.

Keywords: Cash Conversion Cycle, Corporate Finance Character, Corporate Values

POST-IPO PERFORMANCE AND POLITICAL CONNECTION OF INDONESIAN IPOS

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ABSTRACT
This study investigates (1) both short-run (IPO-day return) and long-run (one-to-five-year return) performance of IPOs listed in Indonesia Stock Exchange (IHSG), (2) politically connected firms (POLCON) and its performance, and (3) factors that influence the performance. Through this paper, a total of 168 IPOs listed and traded for a period year of 2005 to 2013 are deeply examined. The objectives are to provide the most recent case of IPOs performance in general, and POLCON’s in specific. Aligned with what previous studies found, in short-run, the findings show that IPO firms are underpriced, and POLCON experiences higher rate of underpricing compared to all IPO firms. In long-run, IPO firms are found to underperform the market significantly examined by cumulative abnormal return (CAR) and buy-and-hold abnormal return (BHAR) – both in equal-weighted and value-weighted method. Furthermore, POLCON are expected to underperform those without political connection based on five-year post-IPO stock return. Regarding the factors, some are found to be significant for the performance of both IPOs and POLCON through multiple linear regression. Finally, this study provides new and comprehensive information to investors when choosing IPOs listed in IHSG for their investment strategy, both in short-run and long-run.

Keywords: initial public offerings, post-IPO performance, politically connected firms, political connection, Indonesia stock market
MICROFINANCE ORIENTATION ON GROUP LENDING STRATEGY

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ABSTRACT

Group lending approach applied by microfinance institution is determined to be a breakthrough in serving the needs of the poor and micro-small enterprises to gain financial access especially credit access. Genuinely, in serving those particular communities, microfinance institutions have the advantage of local knowledge and flexibility of operation. It is believed that group lending strategy could drive microfinance penetration more deeply. In the latest development of microfinance practice, the dominance of the interests of microfinance institutions that focus on achieving financial sustainability (commercial orientation) allows the tendency of microfinance to shift the mission from social orientation as its genuine mission. Therefore this research aims to fill the gap in the study of financial intermediation about the orientation of microfinance. The main objective of this paper is to find the dominant orientation of the microfinance institution in serving the poor and micro-small enterprises by using a group lending approach. Based on the objective, this research tends to analyze the decision making process undertaken by microfinance institutions in conducting group lending. The practice of microfinance has a complexity in the relationship of the causal and mediating factors as well as random environment noise, which causes difficulty in determining the parameters of both that which is intangible and immeasurable. Putting those conditions into consideration, this study selected the DELPHI approach as its methodology. In general, the social orientation of microfinance in the strategy group lending is still existed. The most important factor in affecting the social orientation of group lending practice is the aspect of services and outreach.

Keywords: Group Lending, Mission Drift, Microfinance
MICROFINANCE AND ITS IMPACT ON INDONESIAN SMALL TO MEDIUM SIZE ENTERPRISE DEVELOPMENT

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ABSTRACT
Microfinance is one of the key aspects that help the development of MSME, and it also applies globally. In many previous studies, there are no coherence about the impact of microfinance towards the development of MSME. We investigate the impact of microfinance to the development of MSME in Indonesia. Panel regression is the method that is utilized in this present study because the current data is in panel form which came from 32 provinces in Indonesia with the range of 2012-2014. Results indicated that there are two variables which are the number of microloans, HDI that significantly influence the development of MSME, microloans and HDI are negatively affected. The conclusion reflected the public views of Indonesian regarding entrepreneurship & MSME development. Entrepreneurship is viewed poorly by the public, society values working in cooperations are more valuable. The results of the research also indicated boundaries such as regulations, and views that obstructed the development of MSME in Indonesia.

Keywords: Microloans, Economy, Microfinance, MSME, Entrepreneurship

MODELING THE COMPETITIVENESS OF REGIONAL BANK: EMPIRICAL EVIDENCE FROM SUMATERA, INDONESIA

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Muhammad Nashsyah, University of Bengkulu

ABSTRACT
This study aims to examine the effect of competitive strategy, customer relationship management (CRM), and service culture towards competitiveness and performance of regional bank in Sumatera Island. Our data is obtained through the observations and survey on 120 respondents who work in the level of managerial position in Sumatera region banks (BPD). The results of our study indicate that the competitive strategy applied by BPD in Sumatera significantly contribute to the improvement of bank performance. We note that the effect of competitiveness on the bank performance is stronger than the effect of the competitive strategy to bank performance. Furthermore, we point out that CRM is not directly affecting the performance, but CRM has contributed to improving the competitiveness and indirectly affects the growth of the BPD. Moreover, the construct of service culture directly affects the performance of the BPD and have shown no effect on competitiveness. We eventually report that the direct and significant influence is indicated by the implementation of service culture on the performance of BPD in Sumatera region.

Keywords: competitive strategy, CRM, service culture, competitiveness, BPD
BANKING DEVELOPMENT AND FIRM ACCESS TO FINANCE: EVIDENCE FROM INDONESIA

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ABSTRACT
We investigate the effect of banking development on firm access to financing from formal financial institution. We study medium and large firms in 33 provinces in Indonesia over the period of 2004-2013. The result shows that higher banking development which is measured by the ratio of lending granted to province over province’s GDP will lead to higher number of medium and large enterprises which are funded by domestic investor and decrease the number of medium and large enterprises which are funded by internal sources. The higher number of bank branch over million population will decrease the number of medium and large enterprises funded by a foreign investor. Banking development could also determine the medium and large enterprises source of capital. Higher the number of lending granted to the province over province’s GDP will increase the percentage of enterprises capital from the central government, but decrease the number of capital from private banks. The higher number of bank branch over million population will lead to higher number of medium and large enterprises capital from the central and regional government. In conclusion, banking development could determine the number of medium and large enterprises in a province. Furthermore, banking development leadsthe medium and large enterprises to be granted higher external financing, especially from central and local government.

Keyword: Banking development, access to finance, medium and large firm, province, Indonesia
REDESIGN OF ENVIRONMENTAL PERFORMANCE CAUSED THE OPERATIONAL ABILITY, MARKETING ABILITY AND ENVIRONMENTAL MANAGEMENT PRACTICE

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Mulyanto, STIE Adi Unggul Bhirawa  
I Gusti Putu Diva Awatara, STIE Adi Unggul Bhirawa

ABSTRACT

The purpose of this study is to analyze the role of operating and marketing capabilities that impact on the improvement of environmental management practices and environmental performance of the company. This research is conducted by survey on agro industry Management Company which has performance rating program of company in environmental management (PROPER) in Central Java and Yogyakarta which amounts to 100 respondents. The sampling technique is using proportional stratified random sampling that is taken based on the level or level of management of Agro industry sector companies in Central Java that follow PROPER program of Ministry of Environment and Forestry in each level from top management, middle management and line management. Data collection uses interviews, documentation and questionnaires. The analytical method used path analysis. The results of this study indicate that the ability of operations and marketing ability have a positive impact on improving the environmental performance of agro-industry companies. Improvement of environmental performance of agro industry companies can be done by improving operational capability and marketing ability through environmental management practices.

**Keywords:** operational ability, marketing ability, environmental management practices, Environmental performance
LINKING THE DIMENSIONS OF ENTREPRENEURIAL ORIENTATION TO
FIRMPERFORMANCE: THE MODERATING ROLE OF PROACTIVE STAKEHOLDER
ENGAGEMENT

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Indi Djastuti, Diponegoro University

ABSTRACT
The term “entrepreneurial orientation” has been used to refer to the strategy making processes and styles of firms that engage in entrepreneurial activities. A popular model of entrepreneurial orientation (EO) suggests that there are five dimensions of EO—autonomy, innovativeness, risk taking, proactive, competitive aggressiveness (Lumpkin and Dess 1996) While family business research has prominently recognized that family firms are motivated by nonfinancial factors, the literature has remained relatively silent about whether or not these firms are more likely than others to engage actively with their stakeholders, who often have pecuniary demands. This study will try to explore the proactives take hole engagement model to bridge the gap between entrepreneurial orientation and firm performance. This paper argues that family firms are more prone to adopt proactive stakeholder engagement (PSE) activities. Finally, we offer a set of model for future studies.

Keywords: entrepreneurship orientation, proactives take hole engagement, firm performance.

SYSTEM ADVANTAGE PROPOSAL AS A FUTURE ULTIMATE STRATEGY
FRAMEWORK

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ABSTRACT
Failures of Strategy in business as well in management of the State phenomenon reveals the importance of a new breed of strategy framework to obtain, or keep the advantage in order to survive and ahead the dynamics and complex real world. The purpose of this research would be mitigated the problem of strategy as a messy problem. It is a phenomenon of choosing the (seems) a proper strategy and carry as plan but could not deliver the expected result. The implication of this messiness is really hard to get strategy right, this situation will bring uncertainty and greater challenge to survive in this convergence business world.

The mission of this research is to provide with proposal of the next generation systemic-strategy framework that comply with system characteristics, in order to survive and achieve intended advantages over time. The Approach of the research are qualitative research using system science and system dynamics principles. By marrying two school of thoughts of Strategy by System.

The expected result would be the creation of ; the Proposal of new future ultimate strategy framework called System Advantage.

Keywords: Strategy, System, Advantage
BUSINESS ENGAGEMENT IN ADAPTATION TO CLIMATE CHANGE IN DEVELOPING COUNTRIES: A CASE STUDY BASED ON BEHAVIORAL PERSPECTIVE

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ABSTRACT
The objectives of the paper are to find out the hidden barriers and enablers to engage private sector or businesses in adaptation to climate change in vulnerable developing countries. Based on behavioral perspective the author deployed a qualitative multiple case study method to investigate three business cases in Bangladesh. The research findings show that adaptation to climate change is not separate rather can be termed as co-adaptation with other regular business adaptation or organizational change in response to external environmental stimuli. There exist a number of internal and external environmental factors that are directly or indirectly responsible for whether a business will engage in adaptation or not. Lack of awareness and wrong perception that climate change is very slow and may not affect business are the main barriers. However, unavailability of information and adaptation finance, costly adaptation technology, poor organizational leadership, corruption, and less enabling environment created by government are other major obstacles that prevent private sector to engage in adaptation to climate change in Bangladesh. So, the author provides a set of recommendations to be followed by both business leaders and government to overcome those barriers. The result of the study is highly beneficial for other climate affected developing countries that lack required finance, resources, knowledge and enabling government policy for successful adaptation and will lead the ways to do new research in this field.

Keywords: Business engagement, adaptation, climate change, developing countries;
ELECTRONIC SERVICE QUALITY ON MOBILE APPLICATION OF ONLINE TRANSPORTATION SERVICES IN INDONESIA

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ABSTRACT
This study is directed to examine the relationship electronic service quality on mobile application of online transportation service towards overall electronic service quality, customer satisfaction, and repurchase intention. Data collection from online questionnaire of 149 respondents were used to examine the research model. The research model was analyzed primarily using Partial Least Squares Structural Equations Modeling (PLS-SEM) approach, supported by SmartPLS 3.2.6 software. Dimensions of application design and customer service positively influence overall electronic service quality. Meanwhile, the dimension of payment method has significantly a direct effect on customer satisfaction. Moreover, this study also found that overall electronic service quality has a positive influence on repurchase intention which is mediated by customer satisfaction. Acquiring new technology raise up an issue related to age of customers. Although this research did not revealed the moderation of age in acquiring mobile application technology of online transportation services, there are three respondents who are more than 55 years old using mobile application of online transportation services. Thus, it is interesting issue to be discussed in the future research. The manager of online transportation business should enhance their service quality by enriching their offered services. In addition, improving their after sales services by promoting various customer service channels is also compulsory and it can significantly increase perceived electronic service quality. Finally, the manager of online transportation business should also consistently promote new payment options for customers such as debit or credit card, e-money, paypal etc. This study is directed to adopt and combine some previous models in identifying the dimensions of electronic service quality on mobile application of online transportation services. Furthermore, the results of this study promote practical implications that are useful for the manager in enhancing service quality on mobile application of online transportation services. Keywords: Mobile application, Electronic service quality, Customer satisfaction, Repurchase intention

IMPROVING SERVICE OF QUALITY USING QFD

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Nurul Aziza, Maarif Hasyim Latif University
M. Adhi Prasnowo, Maarif Hasyim Latif University

ABSTRACT
UD. Adi Teknik is one of the workshops in Sidoarjo engaged in repair services industry tools. In running the business today, less developed workshop. This is evident from the number of machines that the utility is very low due to the lack of the number of service users the workshop. One of the things that affect the number of customers is customer satisfaction. After listening to complaints from several consumers, aware that consumers are less satisfied with the
quality of services Adi teknik workshop. For that, we need to do research on customer satisfaction on the quality of services rendered. One method that can be used to help companies to improve the quality according to customer wishes is a method of Quality Function Deployment (QFD). From this research, there are twelve attributes of the desires and needs of consumers on the quality of service workshop Adi teknik that the quality of repair, cleanliness and neatness of the workshop, complete facilities of customer, employee performance, repair results in accordance with demand, timeliness of completion, the ability to analyze problems, clarity fees and the completion time, warranty repair results, employee friendliness, ease of contacting a workshop, and a willingness to give input on the matter. Attributes are used in the preparation of HOQ are attributes that do not meet consumer expectations. These attributes are the completeness of customer facilities, the quality of the repair, repair results conformity with the request, timeliness of completion, and clarity of the cost and time of completion. Having arranged the order of priority obtained HOQ technical response that specialization of work, improved administration, rechecking repair results, structuring the work environment and increase customer facilities.

**Keywords:** Service, Quality Function Deployment, Adi teknik

**FACTORS INFLUENCING PATIENTS’ DECISION IN SELECTING RUMAH SAKIT UMUM DAERAH (REGIONAL PUBLIC HEALTH) BENGKULU CITY**

Muhartini Salim, Universitas Bengkulu
Syamsul Bachri, Universitas Bengkulu

**ABSTRACT**

The objectives of this study are to find: 1) Physical evidence influencing patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City; 2) Medicine rate influencing patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City; 3) Administrative service influencing patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City and; 4) Quality of Doctors influencing patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City. The sampling method used in this study is accidental sampling by distributing questionnaire to 151 patients or patients’ family who use health facility in inpatient in Rumah Sakit Umum Daerah Bengkulu City. The data analysis used is multilinear regression with computer application program of Statistical Package for the Social Science (SPSS) 22.0 Version. The result showed physical evidences, and administrative service, partially influence positively to patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City. However the medicine rate and quality of doctors partially does not influence patients’ Decision in selecting Rumah Sakit Umum Daerah Bengkulu City

**Keywords:** Physical Evidence, Medicine Rate, Administrative Service, Quality of Doctors, Selecting Decision

**CONSUMERS INTENTION TO EAT LOCAL FRUITS**

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Emi Widiyanti, Sebelas Maret University
Anggarda Paramita Imawati, Sebelas Maret University

**ABSTRACT**

This study aims to increase the demand of local fruits by revealing the reasons of consumers in choosing fruit consumption with consumer behavior approach in the form of purchase intention, because the intention reflects the behavior of potential buy.

The method used in the form of consumer survey method with a sample of 250 people in the city of Surakarta, with the method of analysis of structural equation model (SEM).
The result of this research shows that the positive attitude of local fruit purchase is product attribute, availability and subjective norm, while the attitude variable influences the buying intention of local fruit.

The implication of the study is the need for local fruit marketers to convince consumers that local fruits have attributes sought by consumers, available in sufficient quantities and in many places, as well as supporting the wider life of the community.

The limitation of this study is because the study area is only in the city of Surakarta a large city that has not metropolis so it has not described the condition of the big city as a whole. Therefore, future research can be extended to various metropolitan cities in Indonesia.

**Keyword:** intentions, structural equation model, local fruit

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**THE IMPLICATION OF CUSTOMER SATISFACTION: STUDY ON LOCAL ENTERPRISE WATER SERVICES**

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Nur Afifah, University of Tanjungpura  
Ilzar Daud, University of Tanjungpura

**ABSTRACT**

Customer satisfaction is traditionally created for their performance of the products and services delivered the company, but on the other hand a new view states that customer satisfaction can be created for their activities corporate social responsibility (CSR) that the activities undertaken by the company, due to CSR is part of the promotion and marketing of the company. This study combines these two views of variable services experience and customer company identification (CCI). The purpose of this study was to develop and test a model that relates to customer satisfaction is influenced by CSR, service experience and customer company identification (CCI).

This research was conducted on a local water enterprise services. Total respondents are 210 customers who be represented deputy by three offices (the main service office, service office regions I and service office regions II), by using purposive sampling method. The analytical tool used is partial least square (PLS). The results of this study explain that customer satisfaction on a local water enterprise services is influenced by experiences services, customer experiences, and CCI. While CSR has no effect on customer satisfaction but affect the CCI. Furthermore, CSR and services experiences affect the CCI.

**Keyword:** CSR, services experiences, customer company identification, satisfaction.
EFFECT OF SAFETY CULTURE, SAFETY LEADERSHIP, AND SAFETY CLIMATE ON EMPLOYEE COMMITMENTS AND EMPLOYEE PERFORMANCE PT. PELINDO III (PERSERO) EAST JAVA PROVINCE

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Ida Ayu Brahmasari, University of 17 August 1945 Surabaya
Siti Mujanah, University of 17 August 1945 Surabaya

ABSTRACT
The aims of this study are to analyze the effects of safety culture, safety leadership and the safety climate on organizational commitment and employee performance. The method used in this study is a survey conducted on employees of port services industry. The employee serving the study population is the operational level of the field, with consideration of respondents understanding the complete picture of a port service industry company. The sample was 218 respondents. The data used in this study is the primary data sourced from the questionnaire. Data analysis and hypothesis test in this research using Structural Equation Model (SEM). The results showed that each safety culture variable, safety climate safety leadership and employee commitment had a positive and significant impact on employee performance. Organizational commitment variables can be variables that can enhance the effects of safety culture, safety leadership and a safety climate on employee performance.

Keywords: safety culture, safety leadership, safety climate, employee commitment, employee performance

EFFECT OF LEADERSHIP AND ORGANIZATION CLIMATE THROUGH WORK ENGAGEMENT TO ORGANIZATION CITIZENSHIP BEHAVIOR

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ABSTRACT
Purpose: This study examines the influence of leadership and organizational climate as an organizational motivator and success indicator of system and sub-system implementation in corporate organizational structure, through work engagement as emotional statement and work commitment of employees, and its impact on work behavior beyond the organization's role in organization. Design / Methodology / Approach: Participants of this research are employees of car and motorcycle sales companies in North Sulawesi Province in Indonesia. The research method using quantitative, descriptive and explanatory methods, research data collection through questionnaires distribution, data then analyzed by using SEM-PLS method. Finding: The results show that leadership and organizational climate simultaneously have positive influence on organization citizenship behavior through work engagement. Originality / Value: The results suggest that companies need to develop an inspirational leadership pattern, an organization's climate with a conducive relationship and working environment, in order to improve employee work commitment, thereby enhancing the organization citizenship behavior and ultimately employee productivity in Car companies and Motorcycles in North Sulawesi.

Keyword: Organization Citizenship Behavior, Work Engagement, Organization Climate, Leadership
THE MEDIATING EFFECT OF MOTIVATION ON THE INFLUENCE OF DISCIPLINE AND INCENTIVES TOWARD EMPLOYEES PERFORMANCE WHICH MODERATED BY ORGANIZATIONAL CULTURE

Saparso, Krida Wacana Christian University, Jakarta-Indonesia
Melitina Techoalu, Krida Wacana Christian University, Jakarta-Indonesia
Rudolf Lumbantobing, Krida Wacana Christian University, Jakarta-Indonesia

ABSTRACT
The aims of this research were to investigate the mediating effect of motivation and the moderating effect of organizational culture on the influence of discipline and incentives towards organizational performance. This study involved employee respondents which surveyed as to their organizational culture orientations, motivations, incentives, discipline, and performances. The developed hypotheses were analyzed using moderates regression analysis and path analysis. The findings showed that motivation played significantly positive effect to mediate the effect of discipline and incentives towards employees’ performance. It was revealed that the positive effects of discipline and incentives on employees’ performance would be more positive when motivation was high. Further, the results of moderates regression analysis showed that employees performance was significant negatively influenced by interaction effect between incentives and motivation with organizational culture. Otherwise, employees’ performance was not significant positively affected by interaction effect between discipline and organizational culture. These findings concluded that the positive effects of incentives on employee’s performance might be more positive when motivation and organizational culture were interacted in contrary level. Thus, the findings of this research suggested that when organizational culture was held by among organizational members as high as employees’ motivation that implies on increasing discipline and incentives could increase employees performance.

Keywords: discipline, incentive, motivation, employee performance, culture.

THE EFFECT OF HUMAN RESOURCE COMPETENCE, ORGANIZATIONAL COMMITMENT AND SYSTEMS QUALITY ON INDIVIDUAL USE OF ACCRUAL BASED ACCOUNTING SYSTEM APPLICATION at STATISTICS INDONESIA (BPS)

Willy Abdillah, Universitas Bengkulu

ABSTRACT
According to Indonesian Government Regulation No. 270/2015 and Financial Minister Regulation No. 71/2015, all government institutions must use an accrual-based system in the financial report in 2015. Therefore, Indonesian government institutions need some adequate human resource competence, high organizational commitment and qualified information systems regarding reliable, accurate, comprehensive and relevant to decision-making of financial statement. This study examines the effect of human resource competencies, organizational commitment and quality of the system to the accrual based accounting system application usability at Statistics Indonesia (BPS). The populations of this study were 513 government agencies at BPS. Using paper-based survey, data was gathered from 129 respondent based accrual institutional accounting system application services. The data analysis technique was the multiple linear regression analysis. Results showed that human resource competence and organizational commitment has a positive effect on individual use of the accrual-based accounting system application. The implication for stakeholders and further research are discussed.

Keywords: Information Systems; Human Resource Competence; Organizational Commitment; and Systems Quality.
REDESIGN IMPROVED EMPLOYEES PERFORMANCE OF CORPORATE TEXTILE

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Ida Ayu Brahmasari, Universitas of 17 Agustus 1945 Surabaya
Siti Mujanah, Universitas of 17 Agustus 1945 Surabaya

ABSTRACT
This research aims to redesign improved employees performance of corporate textile in terms of compensation, competence, quality of work life and organization citizenship behavior. The method used in this research is a survey conducted on the employees of a textile factory. Employees who serve the population of this study is the level of staff, with the rank of Head of Sub Section lowest and highest office is the Director, with consideration of both the respondents understand the complete picture of a textile company. The sample was 250 respondents. Data used in this study are primary data sourced from the questionnaire. Data analysis and hypothesis test in this study using Structural Equation Model - Partial Least Square (PLS-SEM). The results showed that each variable, compensation, competence, quality of work life and organization citizenship behavior has a positive and significant impact on employee performance. Variable organization citizenship behavior can be variable which can improve the effect of compensation, competence and quality of work life toward employees’ performance

Keyword: compensation, competence; quality of work life, organization citizenship behavior, performance.
Differences in Cattle Farmers' Income from Partnership and Non-Partnership Systems

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Ahmad Ramadhan Siregar, Hasanuddin University
Palmarudi Mappigau, Hasanuddin University

ABSTRACT

The partnership system of beef cattle aims to increase the income of farmers. This study aimed to analyze differences in income of partnership system farmers and non-partnership farmers in Barru Regency, South Sulawesi Province. This research was conducted in April in Tanete Riaja Sub-district, Barru District. The type of research was descriptive quantitative. Data sources were primary and secondary data. The types of data were quantitative and qualitative. The results showed that the income of breeders from the partnership system was lower than non-partnership breeders but

Keywords: cattle, income, partnership system, non-partnership system

Risk Behaviour Onion Farmers in the District Enrekang

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Arham, Universitas Muhammadiyah of Parepare
Sitti Nurani Sirajuddin, Hasanuddin University

ABSTRACT

This study aimed to analyze the risk behavior of onion farmers in District Enrekang. A random sample of 75 onion farmers was selected for interviews. The model used to analyze the behavior of risk is a model developed by Kumbhakar (2002). The analysis showed that the average behaviors of onion farmers are risk averse to the use of various inputs. In order for farmers to take risks and enhance productivity, strengthening institutions such as farmers' groups or unions as well as enhancing the role of the agricultural extension will be required.

Keywords: risk behaviors, models Kumbhakar, onion farmers

A Study of Nutrition-Driven Food Supply Chain from Perspective of Food Security Pillars and Business Model

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ABSTRACT

Nutrition-driven based on supply chain to enforce food security in reducing poverty and improving welfare have two major challenges in ensuring fulfillment of nutritional value and uplifting the socio-economic conditions. Those challenges in sync with food security pillar relationship. The four food security pillars, namely (1) food availability, (2) food accessibility, (3) food stability, and (4) food utilization, interacts through their respective aspects in designing nutrition-driven based on supply chain to enforce food security in reducing poverty and improving welfare. Main food pillars in designing nutrition-driven based on supply chain to enforce food security in reducing poverty and improving welfare is food availability that
through it’s respective aspect interact with the other food security pillars. Design of nutrition-driven based on supply chain strategy to enforce food security in reducing poverty and improving welfare closely related with cooperative and non-government organization concepts. Cooperative and non-government organization assist farmer in a reasonable cost (minimal total supply chain cost) to gain more profit margin for farmer’s income. In conclusion, design of nutrition-driven based on supply chain strategy to enforce food security in reducing poverty and improving welfare should be made with cooperatives and non-government organization concepts with development of strategic measures closely related to minimize total supply chain cost especially from outbound logistics aspects.  

**Keywords:** Food security pillars, Nutrition-driven based on supply chain, Supply chain strategy

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**BEEF CATTLE FARMERS ADOPTION TOWARD BIOSECURITY**

Veronica Sri Lestari, Hasanuddin University  
Sitti Nurani Sirajuddin, Hasanuddin University  
Agustina Abdullah, Hasanuddin University

**ABSTRACT**

The main objective of this research was to know beef cattle farmers adoption toward biosecurity. This research was conducted in Luwu regency, South Sulawesi, Indonesia. Data were collected from observation and interview using questionnaire. The sample was 31 beef cattle farmers which was chosen by random sampling. There were 35 questions which consisted of management practice, sanitation, equipment, disease and disease prevention, and calf management. The score for “YES” answer was 1, on the other hand, the score for “NO” answer was 0. The data were analyzed descriptively using frequency distribution. The results revealed that the level of biosecurity adoption was 69.3%, and it was categorized as “high adopters”.  

**Keywords:** Adoption, beef cattle farmers, biosecurity.

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**RELATIONSHIP BETWEEN FARMERS CHARACTERISTIC AND INCOME FROM BEEF CATTLE WITH THE TRADITIONAL PROFIT-SHARING**

Sitti Nurani Sirajuddin, Hasanuddin University  
Ahmad Ramadhan Siregar, Hasanuddin University  
Palmarudi Mappigau, Hasanuddin University

**ABSTRACT**

This study aimed to determine the relationship between farmers’ characteristics and income from beef cattle with the traditional profit-sharing system (tesang) in South Sulawesi province. This study was conducted in the province of South Sulawesi from April to July 2014. Quantitative methods were used in this research. The data were analyzed and described using Spearman’s rank. Samples consisted of beef cattle breeders who used a traditional breeding system, namely a profit-sharing system (tesang), in Barru Regency and Bone Regency. The results showed the beef cattle breeders’ income from the enlargement system (expense) at the 6th month maintenance periods to be higher than breeding the cattle period.  

**Keywords:** Beef cattle, characteristics of farmers, income, profit-sharing system, tesang.
ABSTRACT

This study examines whether corporate governance is able to suppress earnings restatement as a result of earnings management. The dependent variable is earnings restatement which is valued 1 for companies conducting earnings restatement behavior and 0 otherwise. Independent variable is corporate governance which is represented by independent commissioner and independent commissioner with financial expertise. The independent variables is stated to 1 for companies with independent commissioners and independent commissioners with financial expertise and 0 otherwise. This study finds that firms with independent commissioners who have financial expertise are more able to suppress earnings restatement behavior as a result of earnings management behavior than firms with independent commissioners without having financial expertise.

Keywords: corporate governance, financial expertise, earnings restatement.

ABSTRACT

Companies which provide more information about good corporate governance to each investor (inside or outside), the asymmetry of information that occurs between each of the investors and participants in the capital market itself as market dealers will get smaller. By decreasing the asymmetry of information that occurs between the participants stock market, this will reduce the cost of capital(cost of capital)to be borne by the dealer market so that it will be profitable for liquidity provider or dealer market and resulting to high level of liquidity of the company's shares. This study aimed to investigate the effect of applying the mechanism of corporate governance good (GCG) of the 3-dimensional liquidity using data obtained from the company's financial statements are included in the KOMPAS 100 in 2015 and data intraday of stocks to find out information about the application of the mechanism GCG to 3 dimension of the liquidity. The results showed that the board of commissioners has no effect on liquidity of the stock. Meanwhile audit committee has an effect of the audit committee to the liquidity. It means the greater the supervision by the audit committee on the company's operations, the higher the level of liquidity in the company's stock. The last result showed that audit quality has an effect to the stock liquidity. It means the greater the audit quality of a company, the better the level of company’s liquidity.

Type of Paper: Empirical.

Keywords: Audit Committee; Audit Quality; Board of Commissioners; Liquidity.
CORPORATE GOVERNANCE, FIRM RISK, AND CORPORATE SOCIAL RESPONSIBILITY: THE CASE OF INDONESIAN FIRMS

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Yunieta Anny Nainggolan, Institut Teknologi Bandung

ABSTRACT
This study emphasizes an explanation of how firms play a role in protecting shareholder interests and welfare of stakeholders. It has introduces an integrated model by combining corporate social responsibility (CSR) and corporate governance structure. This model is used to find out how CSR moderates the relationship between corporate governance and corporate risk in a sample of 923 cases per year for 537 companies listed on the Indonesia Stock Exchange between 2010 and 2015.

Keywords: Corporate Governance; Corporate social responsibility; Firm Risk; Stakeholder Theory

REPUTATION OF EXTERNAL DIRECTORS, AUDITORS AND EARNINGS MANAGEMENT

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ABSTRACT
External directors and auditors are critical elements in determining corporate governance. Efficiency of monitoring and controlling mechanism depends upon the effective of external directors and auditors. However, the efficiency of each of the external directors and auditors is different from one another. As a result, to determine this efficiency, reputation of external directors and auditors is a guideline, which can be clearly noted so as to define the efficiency of individual. In this research, the key question is whether reputation of external directors and auditors could reflect the potentiality and experiences on monitoring and controlling on a consistent manner or not. If reputation of external directors and auditors reflected the potentiality of monitoring, they can mitigate the earnings management. Nonetheless, the reputation represents busyness of external directors and auditors, the results occurring would be inconsistent with the aforementioned concepts. In this respect, reputation was measured by the number of companies that each of external directors and auditors had been appointed. For the data used in study of reputation of external directors, data of the auditors and earnings management were collected from 233 companies as listed in the Stock Exchange of Thailand during 2010-2014. According to the results, it disclosed that more seats of external directors or auditors are relevant to the earnings management at the same direction, presenting more reputations of external directors and auditors, increasing the burdens to external directors and auditors, resulting in decrease in efficiency in controlling and monitoring the operating processes of the management.

Keywords: external director, auditor, earnings management, reputational hypothesis
BUILDING STUDENT LOYALTY IN PRIVATE HIGHER EDUCATION INSTITUTIONS: ACTIVITIES FOR COMPETITIVENESS

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Disman, Universitas Pendidikan Indonesia
Lili Adi Wibowo, Universitas Pendidikan Indonesia

ABSTRACT

Characteristics of students in public higher education and private higher education (PHE) are very different. Almost all PHE feels great the impact of competition for prospective students. It is necessary for an effective marketing strategy to face competition PHE in getting prospective students. This research offers the students how to build loyalty in the PHE with a variety of factors that influence it. The survey was conducted on 225 respondents from 27 private universities in Bandung, Indonesia. These results indicate of direct or indirect effect on the image and student satisfaction in the loyalty of students at PHE. Other findings showed that student satisfaction is not a good mediator for the image, however a trust to be a good mediator for the image and satisfaction with loyalty student at PHE. This research has implications for the PHE and the government as a strategy to attract and retain students.

Keywords: Higher Education Image, Student Loyalty, Student Satisfaction, Student Trust.

THE ISSUES STUDY OF ITINERANT TEACHERS IN INCLUSIVE SCHOOLS IN INDONESIA

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Mahardika Supriatni, Universitas Sebelas Maret
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ABSTRACT

Itinerant teachers have a very important role in helping students with special needs in order to participate fully in education inclusively. The purpose of the study is to identify problems and to describe how itinerant teacher performance in inclusive schools in Indonesia. The results of the study are expected to be used to improve the performance of itinerant teacher in helping students with special needs in inclusive schools. The study used a qualitative descriptive approach with focus on identifying problems and description of itinerant teacher in performing tasks in inclusive schools. Research subjects amounted to 265 itinerant teachers who came from 4 districts/cities in the region of Central Java. The data were collected using a semi-closed questionnaire involving 7 variables, namely (1) tasks and roles of itinerant teacher, (2) performance development of itinerant teacher, (3) performance assessment of itinerant teacher, (4) career development of itinerant teacher, (5) professional award of itinerant teacher, (6) competence of itinerant teacher, and (7) performance results of itinerant teacher. The results of the study can be summarized as follows: (1) there is no similar work standard that can be used as a work reference for itinerant teacher in each inclusive school; (2) performance development of itinerant teacher is conducted gradually from central, provincial, and district but still incidental, unsystematic, and immeasurable, (3) there is no standard and mechanism of
performance appraisal system and performance report of itinerant teacher among districts/ municipalities, (4) career developments of itinerant teacher are very diverse due to different employment status. Itinerant teacher with employment status of state employee or permanent employees have a clear career path while non-state employee and non-permanent employees have no clear career path, (5) school awards to the itinerant teacher profession are also diverse, most itinerant teacher with non-permanent employee status get salary below the regional minimum salary. In return, itinerant teacher professions have not been recognized as the same professions as teachers in general, (6) most itinerant teachers have non-special education backgrounds; they have general teacher competence but lack of special education competency, and (7) itinerant teacher performance is generally not optimal yet; most of them are not satisfied with their work results, and there are still cases of complaints from stakeholders on the results of services provided to students with special needs.

Keywords: Itinerant teacher, inclusive school, special needs children, performance

THE ROLE OF MANAGEMENT CONTROL SYSTEMS TO THE PERFORMANCE OF HIGHER EDUCATION

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ABSTRACT
In general, the Management Control System is able to encourage university management to focus on achieving the expected performance. Muktiyanto & Hadiwidjaja (2015) proved that the Management Control System influenced the Performance of Higher Education although weak. There are other variables to strengthen the role of the MCS ie in this case the study recommends Good University Governance (GUG) which proved to be an effect on performance (Muktiyanto, 2016). This study aims to examine the role of GUG in improving the influence of MCS on Performance. Tests on 70 S1 Accounting Study Program in Indonesia by using Structural Equation Model MCS prove that the effect on performance. The effect is more pronounced when formed mediation fit by GUG. Therefore the role of GUG should be optimized to enhance the role of MCS in realizing the superior performance of Higher Education.

THE MEDIATING EFFECT OF STUDENT’S PERCEIVED VALUE ON STUDENT’S SATISFACTION

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Endang Sulistya Rini, Universitas Sumatera Utara

ABSTRACT
The students’ attrition rate at five private universities in Medan is at 14.86%, this figure is considered very high. They quit because of the dissatisfaction they experienced during study. Students who dropped out of the university revealed many reasons about the dissatisfaction. The purpose of this study is to determine the effect of the university’s image on student’s satisfaction through student’s perceived value as a mediation variable. This study involved 296 respondents from five private universities which have the largest number of students enrolled in the Faculty of Economics. SEM PLS with the help of a software called WarpPLS is used for data analysis. The results showed that the image of university and student’s perceived value have a positive and significant effect on student’s satisfaction. The student perceived value gives the greatest direct impact on student’s satisfaction. Student’s perceived value has significant effect as mediation variable between university’s image and student's satisfaction.

Keywords: Image, Perceived Value, Satisfaction.
DOES NATIONAL CULTURE MATTER?:
AN EXPLORATORY STUDY ON THE RELATIONSHIP OF NATIONAL CULTURE AND NATIONAL COMPETITIVENESS

Sofik Handoyo, Universitas Padjadjaran

ABSTRACTS
The purpose of the study is to examine empirically the relationship of national culture and national competitiveness. The background of the study was driven by the mixed results and sometimes contradiction of the national culture research. Furthermore, limited availability of empirical evidences about the role of national culture encourages to study more about the association between national culture and national competitiveness. The motivation of the study was intended to answer a cosmic question about the role of national culture on capability of the country to compete in global market. Exploratory research design was applied in this study. National culture and national competitiveness were treated as two independent variables. National culture defined into characteristic culture namely individualism, power distance, uncertainty avoidance, masculinity and long-term orientation. Cultural index by GLOBE study was used to measure national culture. Meanwhile, Global Competitiveness Index (GCI) by World Economic Forum was adopted to measure national competitiveness. Bivariate correlation analysis was applied in this study. Number of samples was involved in this study is 58 countries. The study concludes that national culture namely individualism (r=0.410, p<0.01) uncertainty avoidance (r=0.618, p<0.01) and long-term orientation (r=0.585, p<0.01) have positive association with national competitiveness. On the contrary, power distance national culture (r=-0.389, p<0.01) has negative association with national competitiveness. Meanwhile, masculinity national culture has no association with national competitiveness. The results imply that national culture has role in terms of making country being more competitive than others with exception national culture that is characterized as masculinity.

Keywords: National Culture; National Competitiveness; Exploratory; National Culture Index; Global Competitiveness Index

AN EXPLORATORY STUDY ON THE RELATIONSHIP OF GOOD PUBLIC GOVERNANCE AND NATIONAL COMPETITIVENESS

Sofik Handoyo, Universitas Padjadjaran

ABSTRACT
The study aims to examine empirically the relationship of good public governance and national competitiveness. The background of the study was inspired by the slowing down global economy and competition among countries around the world to attract Foreign Direct Investment (FDI). Foreign investors will consider investing their capital in a certain country if in that country practicing good public governance. The motivation of the study was intended to answer a cosmic question about linearity implementation of good public governance and capability of the country to compete in global market. Exploratory research design was applied in this study. Public governance and national competitiveness were treated as variable that stand independently. Public governance was breakdown into attributes namely public accountability,
effectiveness government, quality of government regulatory, government control toward corruption, rule of law and country’s political stability. World Governance Index (WGI) was used to measure public governance. Meanwhile, Global Competitiveness Index (GCI) was adopted to measure national competitiveness. Bivariate correlation analysis was applied in this study. Number of samples was involved is 140 countries which are officially listed as World Bank Members. The findings concluded that public governance had positive association with national competitiveness. All attributes of public governance showed positive and significant correlation with national competitiveness. Statistical analysis of Pearson correlation indicated that all public governance attributes investigated indicated solid correlation (r > 0.6) except for political stability (r = 0.585) and public accountability (r = 0.541). Even though the results revealed that not all public governance attributes had strong correlation with national competitiveness, however it already justified the nature of correlation. It means that if the government implement good public governance practice, it might have positive impact on the capability of the nation to create power to compete with other countries in an international environment.

**Keywords:** Public Governance; National Competitiveness; Foreign Direct Investment; World Governance Index; Global Competitiveness Index

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**THE PERSPECTIVES OF INDONESIAN STUDENTS ABROAD AND INDONESIAN GOVERNMENT ON INTERNATIONAL MOBILITY OF INDONESIANS**

Tutik Inayati, Institut Teknologi Bandung  
Utomo Sarjono Putro, Institut Teknologi Bandung  
Santi Novani, Institut Teknologi Bandung

**ABSTRACT**

The increasing of interests of students and professionals to go abroad generate a problem in terms of the lack of human resource capability along with various reasons that support this phenomenon. The reasons behind people moving abroad also vary between countries and therefore it is important for the government to analyse these factors in order to effectively apply policy design that will create a solution for the problem. This paper addresses preliminary research regarding this matter, explores the circumstances faced by Indonesian government, and more importantly, how quantitative and qualitative approaches can be combined to generate effective public policy. Quantitative approach using surveys shows that majority of Indonesian students abroad will return and that there are differences in variable importance between our students and professionals preferences. Qualitative approach shows the valuable information in relation to research condition in Indonesia and the international migration. This paper contributes to the evidence-based preliminary research in order to suggest Indonesian government which policies should be implemented to face the possibility of scientists and engineers scarcity in the future.

**Keywords:** scientists and engineers, students, abroad, Indonesia, public policy
ANALYZING COOPERATIVE PERFORMANCE MEASUREMENT USING DEVELOPMENT LADDER ASSESSMENT MEASUREMENT AND COOPERATIVE HEALTH INDICATORS

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Donni Deiriadi, Syiah Kuala University - Indonesia
Heru Fahlevi, Syiah Kuala University - Indonesia

ABSTRACT

This study aimed to analyze the performance of cooperative by using two different performance management measures i.e. the CCA’s Development Ladder Assessment (DLA 2009 version) and cooperative health indicator (CHI) developed by the Indonesian cooperatives Ministry and Small Medium Enterprises (SMEs) of the Republic of Indonesia No.06/Per/Dep.6/IV /2016. The sample of this study is 10 cooperatives operated in Banda Aceh and Aceh Besar. Data was collected from secondary and primary sources. The secondary data is obtained from financial reports and annual meeting reports of 2014 and 2016, while primary data was collected from questionnaires and interviews with management and supervisory board of the cooperatives. The data was analyzed by using comparative and descriptive qualitative approach. This study found that both performance methods produced different results. Some cooperatives attain Arank in DLA approach, but no cooperatives are categorized as A rank within CHI measure. Additionally, DLA is more informative for supervisor board in measuring cooperative performance than CHI.

Keywords: Performance, Cooperative, Development Ladder Assessment, cooperative health indicator, Indonesia

DRGS BASED HOSPITAL FINANCING REFORM AND HOSPITALS’ RESPONSES – A CASE OF INDONESIA

Heru Fahlevi, Syiah Kuala University, Indonesia

ABSTRACT

This study aimed to explore and explain the responses of Indonesian hospitals and their determinants to the adoption of Diagnosis Related Groups based provider payment system (DRGs-PPS). A case study research has been carried out in two selected Indonesian public hospitals. Data were collected through interviews with senior doctors, accountants and top managements. Corroborated data are gathered from documents analysis, observations and archival records. This study unveiled passive responses of the hospitals to the new adopted payment system. This can be associated with lack of economic interest within the hospitals management, a weak incentive embedded in the DRGs system and capacity of the Indonesian hospitals. Therefore, this study suggests that the Indonesian DRGs is currently adopted to simplify the process and procedures of patients’ cost reimbursement, rather than to improve hospitals performance.

Keywords: DRGs, hospitals, provider payment system, efficiency, Performance
A DISCRIMINANT ANALYSIS APPROACH TO PREDICT THE PERFORMANCE OF JOINT VENTURE GENERAL INSURANCE COMPANIES IN INDONESIA

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Subiakto Soekarno, Institut Teknologi Bandung

ABSTRACT

Insurance industry which consists of life and general insurance sectors, plays a very important role to the national economy of Indonesia. Nonetheless, the competition in general insurance sector disposed to become fiercer and fiercer from time to time, especially in the joint venture companies side. To survive in and to win a very competitive industry, a company must have a good performance and as far as possible better than the competitors. The objective of this paper is to get a comprehensive picture of a joint venture general insurance company performance and also to distinguish between a group of companies which have good performances and those which are not performing well. The samples used for this analysis are taken from 16 joint venture general insurance companies in Indonesia and the data used is based on the period of 2011-2015. The method used in this analysis is the Discriminant Analysis method which uses statistical techniques and combined financial ratios model that can be used as one of the appropriate approach to predict the performance of a financial institution, such as insurance company. There are 13 financial ratios in the initial process which are relevant to the general insurance industry, those are Return on Assets, Return on Equity, Debt Ratio, Technical Reserves to Investment Ratio, Loss Ratio, Expense Ratio, Combined Ratio, Net Profit Margin, Risk Based Capital, Liquidity Ratio, Investment Income ratio, Average Collection Period, and Level of Claim Settlement. After having comprehensive process in the Discriminant Analysis there are 5 selected financial ratios out of those 13 ratios which are the most influential ratios to distinguish the performance of the company and used until the final process; those are Return on Assets, Debt Ratio, Loss Ratio, Combined Ratio and Average Collection Period. The result of the analysis suggests that the management of joint venture general insurance company in Indonesia must understand those 13 relevant financial ratios, especially the selected 5 ratios above which can be used to improve the company performance in order to be able to survive in and to win the highly competitive condition. The analysis result might also be used by the general insurance clients in choosing the proper joint venture insurance company for their risk protection.

keywords: discriminant analysis, financial performance, financial ratio, joint venture general insurance company
DOES LEVERAGE EXPLAIN THE EFFECT OF OWNERSHIP STRUCTURE ON FIRM VALUE? (A STUDY OF INDONESIA NON-FINANCIAL LISTED FIRMS)

Atmaji, Universitas Sebelas Maret
Tulus Haryono, Universitas Sebelas Maret
Bandi, Universitas Sebelas Maret
Irwan Trinugroho, Universitas Sebelas Maret

ABSTRACT
Based on the agency theory, the purpose of this paper is to investigate and examine theoretically and empirically whether leverage explain the effect of ownership structure on firm value in Indonesia listed firms. Panel data covering a period from 2009 to 2013 for 402 firms of 8 industries sector is analyzed within the framework of fixed effects technique. The empirical result indicates that ownership structure, particularly managerial ownership and institutional ownership, has a significant and positive effect on firm value. Low-level leverage strengthen the effect of institutional ownership and ownership concentration on firm value. Based on the result, the need to structuring the ownership of the company's shares as part of corporate governance and debt policy attracts the market reaction, which later has an impact on the value of the company.

Keywords: Agency theory, ownership structure, leverage, firm value.

OWNERSHIP STRUCTURE, INTERNATIONAL FINANCIAL REPORTING STANDARDS, AND DIVIDEND POLICY: AN INDONESIAN EVIDENCE

Krismiaji, Accounting Academy, YKPN Yogyakarta
Budhi Purwantoro Jati, Accounting Academy, YKPN Yogyakarta

ABSTRACT
This research examined the impact of ownership structure and International Financial Reporting Standard (IFRS) implementation on dividend policy of Indonesian listed companies. This study uses 437 companies listed in Indonesia Stock Exchanges in the period 2010-2013 as a sample using purposive sampling method. The data used in this study was secondary data obtained from the Indonesia Stock Exchange website (http://idx.co.id). The variables of this study consist of ownership structure and IFRS as independent variables with firm size, leverage and EPS as control variables, and dividend policy as dependent variable. Ownership structure consists of ownership concentration and majority ownership. Majority ownership consists of governmental ownership, managerial ownership, family ownership, and foreign ownership. The analytical method used is multiple linear regressions. The results show that the governmental ownership, managerial ownership, family ownership and foreign ownership negatively affect dividend policy, whereas concentrated ownership and IFRS implementation positively affect dividend policy.

Keywords: dividend policy, IFRS, ownership structure, firm size, leverage, and EPS.
FINANCIAL PERFORMANCE ANALYSIS AND VALUATION OF PT. BUMI SERPONG DAMAI TBK IN COMPARISON WITH OTHER INDONESIAN PUBLIC LISTED REAL ESTATE ENTERPRISES DURING PLATEAUING MARKET AT 2011 TO 2015

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Subiakto Soekarno, Institut Teknologi Bandung

ABSTRACT
Real estate industry ought to develop better in fast-growing population country following the high demand. However, after the major growth of 60.11% through 2008 to 2013, Indonesian real estate property sales have been stagnant. Among the real estate enterprise listed in Indonesia Stock Exchange (IDX), PT Bumi Serpong Damai Tbk’s stock price grows over the years. It reflects shareholders' interest in the firms expected profit. This study aims to analyze PT Bumi Serpong Damai Tbk’s recent performance, find out the factors behind its success and what can be improved, and argue whether PT Bumi Serpong Damai Tbk is the right pick for the investor. In this research, the author will examine the financial performance of the firm and evaluate its value. Compound annual growth rate, cross-section analysis, common-size analysis, and DuPont analysis will be used to examine the financial condition. Discounted cash flow will be used to calculating the valuation. The data will be gathered from the firm financial statements and IDX data of the year 2011 to 2015. The author found PT Bumi Serpong Damai Tbk has quite high performances in solvency, profitability, and market ratios compared to the other major firms. It has great efficiency in its business operation. It is able to keep reducing its cost of revenues despite the increasing price of construction material. It maintains its equity as the leverage for its business in 6:4 ratio to the liability. The number of average market capital also plays role in BSDE success. The firms value is undervalued compared to recent market price. Thereof give BUY recommendation to investors. This research proposed to generate a recommendation for the local and foreign investor to make a thorough investment decision. Furthermore, giving suggestion to the other real estate property company in order to be able to operate in more stable performance. The research and its method could also be beneficial for further research on the different industry.
THE DISCLOSURE PRACTICES OF ISLAMIC EQUITY FUNDS

Yunieta Anny Nainggolan, Institut Teknologi Bandung
Irwan Trinugroho, Universitas Sebelas Maret

ABSTRACT

This article investigates the voluntary disclosure practices of ethical screening and compliance information of a special class of socially responsible investment (SRI) equity funds rooted in Islamic ethics: Islamic equity funds (IEFs) that invest across jurisdictions. These funds screen investments on compliance with the morals and values of Islam, which prohibit conventional interest, gambling, excessive uncertainty, and non-ethical products. The disclosures of those screenings and their compliance information are important for ethical investors, especially for religious investors who are highly loyal to their beliefs when making investment decisions. This article explores the disclosure practices of Islamic funds and examines their determinants at both fund and country levels. Disclosures on Sharia advisors and screening information are quite high, but they are lower for compliance information such as Sharia advisory report and holdings data. The results show that younger funds with better Sharia advisory board (SAB) governance that are domiciled in countries belonging to an Islamic international standard-setter body have the highest disclosure levels. In contrast, funds domiciled in countries with a central Sharia SAB and following common law disclose less Sharia-related information. These findings are important for fund managers and regulators who wish to consider the effectiveness of their disclosure framework for investors that want to make informed decisions. Specifically, for investor protection, regulators should make disclosure of Sharia compliance information mandatory.

Keywords: compliance information; ethical screening; fund disclosure; Islamic equity fund; socially responsible investment.

A COMPARATIVE ANALYSIS ON ISLAMIC BANKING PERFORMANCE IN ASEAN COUNTRIES

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ABSTRACT

The purpose of this study is to compare Islamic Banking Performance in ASEAN Countries (Indonesia, Malaysia, Brunei Darussalam, Thailand and Philippines). The data was obtained from annual report and financial statement period 2009-2014. Variable used consists of Capital Adequacy Ratio (CAR), Return on Assets (ROA), Non Performing Financing (NPF) and Financing to Deposit Ratio (FDR). The statistic methods used parametric and non parametric statistic with Mann Whitney U Test and Analysis of Variance (ANOVA). The results of this research indicate that there is significant difference between Indonesia Islamic banking and other ASEAN Islamic bank with indicator NPF and CAR, and there is no significant difference between Indonesia Islamic banking and other ASEAN Islamic bank with indicator CAR and ROA.

Keywords: Capital Adequacy Ratio (CAR), Return on Assets (ROA), Non Performing Financing (NPF), Financing to Deposit Ratio (FDR), Mann Whitney U Test, ANOVA.
DO MUDARABAH AND MUSHARAKAH FINANCING IMPACT ISLAMIC BANK CREDIT RISK DIFFERENTLY?

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Irwan Adi Ekaputra, Universitas Indonesia
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ABSTRACT
Extant literature still ponders over the influence of profit-loss sharing financing on Islamic bank credit risk. Comprehending that Mudarabah and Musharakah as profit-loss sharing financing retain dissimilar features, this study aims to investigate whether they influence credit risk differently. Specifically, this study intends to analyze whether Mudarabah is riskier than Musharakah. Employing data from 63 Islamic banks in the Middle East, South Asia, and Southeast Asia, we find that Mudarabah is not riskier than Musharakah. Furthermore, Mudarabah does not show non-linear impact while Musharakah financing exhibits reverse U-shaped (non-linear) influence on Islamic bank credit risk. Our empirical results suggest that credit risk reaches its maximum level when the proportion of Musharakah financing is approximately 37-39 percent of the bank total financing.

Keywords: Mudarabah, Musharakah, Profit Loss Sharing Financing, Islamic Bank

ASYMMETRIC INFORMATION AND NON-PERFORMING FINANCING (NPF): CASE STUDY ISLAMIC BANKING IN INDONESIA

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ABSTRACT
The purpose of this study are first, to analyze the indications of moral hazard and adverse selection on Indonesian Islamic commercial banks; secondly to analyze the influence of moral hazard and adverse selection on the Non Performance Financing of Indonesian Islamic banks. Two methods was used for this purpose, a qualitative content analysis approach derived from the results of interviews with Indonesian Islamic commercial banks namely BRI Syariah, Bank Syariah Bukopin and BJB Syariah; and a quantitative approach using Error Correction Model (ECM), with data taken from these listed Islamic banking for the period of 2010 to June 2016. Asymmetric information on Mudharabah financing as one cause of appearance of moral hazard and adverse selection on the three Islamic banks analyzed. We found out that customers have more information regarding the bank financial data compared to the Islamic banks side, moral hazard that occurs is also caused by the negligence from the banks management side in conducting controls of customer`s financing application documents. Adverse selection can possibly occur because of the behavior of the employees within the bank itself. Bank employees knowingly approved the financing request of customers; where the administration procedure needed was not fulfilled as well as the analysis conducted on those customers reveal that they are not eligible to be finance. The Error Correction Model (ECM) test results shows that the indications of moral hazard represented by Gross Domestic Product (GDP) has a positive and significant effect on the non-performing financing (NPF) at the short run. The indication of the presence of moral hazard occurs at the long run on GDP variable and the allocation of murabaha financing (RM) has a significant and positive effect on the mudharabah (FM) profit and loss sharing. The test results show also that adverse selection which is represented by the profit
sharing rate (PSR) has a significant and positive effect on the level of risk sharing toward non-performing financing (NPF) at the long run. These findings are in line with the findings of Kennedy who stated that the main causes of the NPL ratio is the neglect of the precautionary principle and action of moral hazard, or a not healthier lending / borrowing procedure. On the other hand, these findings differs from those one of Zamir Iqbal and Abbas Mirakhor who stated that Islamic values inherent in Islamic banks have an important role in addressing the problem of moral hazard risk.

**Keywords:** Asymmetric Information, Moral Hazard, Adverse Selection and Islamic banks.

**ANALYSES**THE LEVEL OF EFFICIENCY OF SHARIA COMMERCIAL BANK (SCB) AND SHARIA BUSINESS UNIT (SBU) IN INDONESIA WITH DATA ENVIRONMENTAL ANALYSIS (DEA) METHOD PERIOD 2008-2013

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Jakarta

**ABSTRACT**

This research have purpose to measure efficiency and analyze the efficiency comparison between Sharia Commercial Bank (BUS) and Sharia Business Unit (UUS) in Indonesia and compare the efficiency during the period 2008-2013. There are 10 Islamic banks which are used as sample soft his research consisting of 3 Sharia Commercial Bank (BUS) and 7 Sharia Business Unit (UUS) that was chosen by purposive sampling. Efficiency measurements in this research using Data Envelopment Analysis (DEA). To determine differences in efficiency between Sharia Commercial Bank (BUS) and Sharia Business Unit (UUS), this study uses a different test parametric in dependent sample t-test. The result of this research showed that there is no significant difference between the efficiency of Sharia Commercial Bank (BUS) and Sharia Business Unit (UUS), during the period of 2008-2013 with possible intervention value (-0.429)×t table(2.002) and probability value=0.000.

**Keyword:** Efficiency, Data Envelopment Analysis, Sharia Bank
FINANCIAL LITERACY AND RETIREMENT PLANNING AMONG WOMEN IN PRODUCTIVE AGE IN JAKARTA

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ABSTRACT
A survey conducted by World Bank Survey (2015) shows that Indonesia have a low financial literacy level compared to other countries. We examine Financial Literacy and Saving Behavior among the productive age in Jakarta, the capital city of Indonesia, and see the impact from both aspects to their retirement preparedness. A survey was conducted using questionnaire in Jakarta with 226 respondents. This research diversified respondents into three types of planners: Simple, Serious and Committed Planner following Lusardi and Mitchell (2008) framework. Results of Logistics regression shows that only saving behavior is significantly affect someone for being a simple and Serious Planner while high financial literate people have higher probability to be a Committed Planner. Interestingly, we also found that education and maturity factors such as Marital Status, Age, and having children also affect someone preparedness for being a planner. The results also show women are lower in financial literacy level and retirement planning preparedness compared to men.

FINDING THE RELATION BETWEEN PERSONAL VALUE AND INVESTMENT DECISION

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ABSTRACT
Socially Responsible Investing (SRI), which consider environmental and societal issues has been developed lately. One of them is tobacco used issue. This study aims to determine the role of personal value in investment decision and what factors affect it in Indonesia since it has the greatest number of smokers in the world. Both early and experienced investors are used as the objects of experimental study. The research conduct experimental study under controlled situation following Pasewark and Riley (2010), which respondents have to investin tobacco or non-tobacco company with a difference of return as treatment. Binary Logistic Regression is run to know what factor influencing investor decision. In this study, researchers found that personal value doesn’t affect investors’ decision, they tend to choose higher return in their investment decision.

Keywords: Personal Value, Investment Decision, Tobacco Use, Socially Responsible Investing
EFFECTIVENESS OF FINANCIAL DECISION, THROUGH FINANCIAL COMMUNICATION, FINANCIAL KNOWLEDGE, SOCIO-DEMOGRAPHIC FACTOR TO FINANCIAL BEHAVIOR SURVEY ON DUAL INCOME FAMILY

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Ayunita Ajengtiyas Saputri Mashuri, Universitas Pembangunan Nasional Veteran Jakarta

ABSTRACT
This research aims to examine the variables of financial communication, financial knowledge and factors of socio demographics through financial behavior. The purpose of the research is to empirically test the effectiveness of financial decision through financial communication, financial knowledge, and factors of socio demographics into financial behavior. This research used 100 respondents, which has characteristics a married couples that has relation above 10 years married age with dual income. The sampling technique used in the research was purposive sampling. The type of data used is prime data obtained from questioners by 100 couple married. The techniques of data analyze use are the descriptive analysis, ANOVA test, and Structural Equation Models. The results indicate that financial communication; financial knowledge and factor of socio demographics have significant effects on the financial decision through financial behavior. The ability of financial communication, socio demographics and financial knowledge in explaining the dependent variable in terms of simultaneous test has 86,6% effectiveness and the remaining 13,4% is explaining by another variables. Otherwise in partial test, financial communication solely has significant effects on financial decision.

Keywords: Financial decision, Financial communication, financial knowledge, socio demographics,

EMOTION OF INDONESIA EARLY INVESTOR: EFFECT ON THEIR INVESTMENT DECISION PERFORMANCE AND STOCK PREFERENCE

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ABSTRACT
Indonesia as the one of developed country in South-East Asia has great potential in terms of economy and capital market development. Having significant economic growth and capital market investment rate each year makes Indonesia be the second largest economy in South-East Asia. The Objective of this research is to examine the effect of emotional conditions experienced by early investors in Indonesia on the investment decision in the capital market. Moreover, this study is also have a objective to know the behavior of the early investors when they are in a certain emotional condition, the behavior under this study is how they choose the stock that will be the goal of investing. The quantitative method used in research in. The fundamentals used in this study depend on primary data that gathered from 215 early investors in Indonesia. The respondents involved in this study were selected using a convenient sampling technique. The data will be obtained using Logistic Regression by SPSS so that objective can be achieved. The result of this study indicates that a significant relationship between emotions conditions and investment decision performance. Significance occurs when the investor in Enthusiastic Emotion condition. The result also revealed that a significant relationship between the early investors emotion conditions and their stock preference.

Keywords: Behavioral Finance, Emotions Condition, Investment Decision Performance, Stock Preference.
TOURISTS’ DECISION MAKING IN CHOOSING DESTINATION PLACE: A CASE STUDY IN BANDUNG

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ABSTRACT

Recently, the tourism industry is one of the largest industries and a services sector with the most rapid growth rates in the world. The purpose of this research is to understand what factors determine tourists when choosing a tourist destination in Lembang, Bandung. Qualitative methodology was chosen and analyzed with case study. In this research, a destination place which becomes popular rapidly selected as a case study because many photos that taking in that destination going viral. The data is collected by conducted interviews with tourist that visiting an attractive destination in Lembang. In order to decrease the data bias, interview was conducted in that destination. The findings in this research, current tourists, especially tourists who visit Bandung, prefer a destination place that can provide uniqueness which is they can not acquired in other destinations. Uniqueness will help them to get interesting photos for their next upload on their own social media.

TOURISM FLOATING MARKET LEMBANG DEVELOPMENT STRATEGY BASED ON CORE COMPETENCE

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Dony Hendarto, Institut STIAMI Jakarta
Resista Vikaliana, Institut STIAMI Jakarta

ABSTRACT

Tourism Floating Market Lembang Bandung is a city tour which opened in December 2012. With the concept of culinary and natural attract enough tourists. It lies in Lembang support the concept rustic carried. Tourism Floating Market is there is only one floating market in Bandung making it quite attract tourists. However, this floating market is not really floating in the middle of the lake because generally there are 46 boats on the lake shore making it easier for visitors to buy what they want. Umar Situ scenery and Tangkuban boat from a distance adds to the portrait of the beauty at the Tourism Floating Market Lembang. In order to increase the number of visitors who come, Tourism Floating Market Lembang must understand its core competencies. By knowing the core competencies possessed, Tourism Floating Market Lembang The results may determine the development strategy to develop their business. Based on those reasons, this study aims to determine the core competence is owned by a tourist attraction Floating Market and strategic formulation adaptive core competencies possessed by the object of research. From the analysis of core competence is based on the ability Heritage Floating Market Lembang in overcoming weaknesses and optimize strength and responding to external conditions, identified several business units that can be formed, namely: Tourism Object new unique concept and culinary business. It is based on its core competency, which is a tourist attraction unique concept, site selection is natural and natural, effective marketing.

Keywords: development strategy, Floating Market Lembang, Core competence model
SHIFTING TOWARDS ONLINE PLATFORM FORMARKETING TOURS AND TRAVEL PACKAGES

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ABSTRACT
The increasing number of internet users in past decades has caused the tourism industry to evolve towards internet-based approach. Consumers may now book accommodations through online travel agencies which offers a broad range of services. Due to this phenomenon, traditional travel agencies sector gradually decline as airlines and travel companies started to remove layers in which traditional travel agencies play role to eliminate the need to share percentage on each sale. However, as a consequence to certain benefits that online travel agencies are unable to provide, traditional travel agencies still manage to maintain a base of high loyalty consumers. Without deprecating existing practices that are still in use by traditional travel agencies, this paper tries to propose a model that will involve all stakeholders to develop an effective internet-based platform towards serving an integrated marketplace for consumers, hence expanding broader market shares.

Keywords: Travel agency; online markets; co-creation; service blueprinting; Soft Systems Methodology; technology acceptance model

ANALYSIS OF THE INFLUENCE OF TOURISM AND HOTEL SECTOR TO SMALL INDUSTRY GROWTH IN MALUKU PROVINCE

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ABSTRACT
This study aims to analyze the influence of tourism and hotel sector on the growth of small industries in Maluku Province. This study uses secondary data obtained from the Central Bureau of Statistics (BPS) of Maluku Province. The data collected is the number of tourists, the number of hotels, the number of small industries. Analytical technique used is multiple linear regression analysis using time data series for 10 years (2006-2015). Result of the analysis it is known that the tourism and hotel sector has no effect on the growth of small industry in Maluku Province.

Keywords: Tourism, hotel, Small Industry
MARKET KNOWLEDGE OF SMEs IN BUSINESS ONLINE: THE RELATIONSHIP WITH ENGAGEMENT

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ABSTRACT

Market knowledge of the SME in online business requires a good relationship with employees, customers and the supply chain. Because it becomes very important in a marketing strategy to run the role of marketing function in achieving competitive advantage. It is an empirical need to explore marketing and operational capabilities. Through the view of Dynamic Capability (DC) and a conceptual model that produces several hypotheses from 250 SMEs firms are involved to answer the questionnaire. The results reveal that establishing an attachment for mutual value creation and sustainability can improve business performance. The findings also resulted in a new discourse in management strategies in order to minimize the ability of SMEs to carry out marketing functions in online businesses.

Keywords: market knowledge; multi actor engagement; business performance

THE MAPPING OF SMEs ORGANIZATIONAL CULTURE IN PADANG CITY BASED ON COMPETING VALUE FRAMEWORK

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ABSTRACT

This research aims to identify and mapping the organizational culture of SMEs in Padang city in order to developing the organization based on competing value framework, especially heading to global market with more extensive and rigorous competition level. This research design can be categorized as ex post facto research, with the interdependence relationship characteristic between the variables observed. This research uses the Organizational Culture Assessment Instrument (OCAI) developed by Cameron and Quinn. The results show that majority of SMEs in Padang implementing clan culture.

Keywords: organization culture, competing value framework, OCAI, SME
COMPETITIVE ADVANTAGE MAPPING OF SMES IN EAST JAVA, INDONESIA

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Moehammad Fathorazzi, University of Jember
Gusti Ayu Wulandari, University of Jember

ABSTRACT
This article describes the situation and potential of SMEs in East Java Indonesia. Small and medium enterprises are essential to support the economic progress of a country. By using descriptive analysis and multiple regression then generated mapping. The mapping generated from this research is expected to provide an overall picture of SMEs in district of Jember, Bondosowo, Situbondo and Banyuwangi, East Java Province, Indonesia, so that it can assist government and business actors in determining business strategies and policies.

STRATEGY DEVELOPMENT CREATIVE INDUSTRY CENTERS FOOTWEAR OF WEDORO

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Moehammad Fathorazzi, University of Jember
Gusti Ayu Wulandari, University of Jember

ABSTRACT
Small and Medium Enterprises (SMEs) have an important role and strategic for economic growth. Because, at the time of the economic crisis in Indonesia, SMEs are the economic sectors which have the most excellent durability. Wedoro Village, District Waru, famous for the creative industry centers footwear, especially slippers and shoes. A wide variety of slippers and shoes with different types available. Stores, outlets, to home industry, spread across Wedoro. Wedoro region has been known as one of the predecessors of creative industries in the field of fashion, especially in the field of footwear. Currently the industrial centers of creative footwear is experiencing a decline in sales compared with its heyday in 2001-2006 years ago. This research aims to design a strategy of development of the creative industry center Wedoro footwear. The method used is the SWOT analysis and Grand Strategy. The results of this study indicate that the cause of the decline in sales is a flood of Chinese products, rising raw material prices, and the lack of innovation in product design. Hence the need for guidance from the government in developing innovation in product design and innovation in marketing. Hence the existence of a creative industry center Wedoro can grow and create jobs for local residents as well as increasing revenue Sidoarjo.

Keywords: Strategy, Industry Centers, Footwear, Wedoro
AN ANALYSIS OF BUSINESS INCUBATOR PERFORMANCE IN THE PARTNERSHIP OF TENANT BUSINESS (A CASE STUDY ABOUT TECHNOLOGICAL BUSINESS INCUBATOR OF SOLO TECHNOPARK)

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ABSTRACT

Business Incubator is an institution that produce a new strong entrepreneurs who are able to become one of the efforts in the SMEs development, to increase the economic growth and the national competitiveness. The aims of this research is to assess performance of business and technology incubator in mentoring business tenant. The research was held in business and technology incubator of Solo Technopark and done by interviewing manager and tenants incubator. The type of research used is a quantitative descriptive. The source obtained was analyzed by a method balanced scorecard (BSC). Based on Balance Scorecard Analysis, the score of performance achievement of "Inkubator Bisnis Teknologi Solo Technopark" is 48.52797259. Based on that result, the role of "Inkubator Bisnis Teknologi Solo Technopark", according to Price Waterhouse Coopers in the tenant business partnering, shows that "Inkubator Bisnis Teknologi Solo Technopark" needs more efforts. "Inkubator Bisnis Teknologi Solo Technopark" has already contributed in developing the performance of tenant business, especially increasing of the turnover, the quantity of labor, the production capacity, and the access to the capital resources.
The study is to reveal the BundoKanduang's value in Internal Control Systems. BundoKanduang is the nickname given to a woman who could be an example both in the family and in society. As a woman who becomes a role model, many of the values that can be learned and passed on the next generations. Data obtained from this study using ethno methodology, then analyzed using indexical and reflexivity based on the values BundoKanduang which appear in field. The finding of this research indicate that internal control at the site be done through the "Rasojopareso" it means using the mind and conscience.

**Type of Paper:** Empirical

**Keywords:** Internal Control, BundoKanduang’s Values, Accounting Information Systems, Ethno-methodology

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The aim of this study is to investigate the effect of the characteristics of auditor (Continuing Professional Education/CPE, workload, and audit planning) and the characteristics of audit firm (supervision and review, audit firm size, and industry specialization) on audit quality. Audit quality is measured by number of violations of auditing standards relating to risk response and reporting. Data are collected from examination report of public accountants conducted by Finance Professions Supervisory Centre (PPPK) Ministry of Finance for examination period 2011 until 2015 with 155 samples. The results show that audit planning, supervision and review, and audit firm size significantly have positive effect on audit quality. But CPE, workload, and industry specialization have no significant effect on audit quality.

**Keywords:** audit quality, CPE, workload, audit planning, supervision, review, firm size, industry specialization, auditing standard, risk response, reporting
AUDIT COMMITTEE ACCOUNTING EXPERT & EARNING MANAGEMENT WITH “STATUS” AUDIT COMMITTEE AS MODERATING VARIABLE

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Suwarno, Universitas Sebelas Maret
Henny Murtini, Universitas Sebelas Maret
Rahmawati, Universitas Sebelas Maret
Dyah Sawitri, Universitas Gajayana Malang

ABSTRACT

This research aims to analyze the effect of accounting expert of audit committee on earning management. This research also assesses the role of audit committee on earning management with audit committee status as moderating variable. The population is all of firm’s which listed in Indonesia Stock Exchange (IDX). Purposive sampling is used to collect data. Data used financial statements and annual report companies from (IDX) website. Moderated regression analysis (MRA) is used to analyze the hypothesis. The result shows that Accounting Expert of audit committee has negative effect on earning management. Yet, variable of audit committee status cannot moderate the relationship between Accounting Expert of audit committee and earning management in Indonesia.

Keywords: Status, Accounting Expert of Audit Committee & Earning Management

EARNINGS QUALITY, IFRS CONVERGENCE AND THE TIMELINESS OF FINANCIAL REPORTING IN INDONESIA

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ABSTRACT

One of the essential elements in a financial reporting is its reliability to give relevant information in the decision making of stakeholders. This study investigates the effect of earning quality and convergence of PSAK with IFRS on the timeliness of the financial reporting as the most important aspect to base the financial statement relevance of public companies in the manufacturing sector in Indonesia based on the data of 2008-2013 by controlling complexity variables, databases, capital structure, company size, auditors and audit opinions as the corporate intrinsic identity. The result of this study indicates that the high quality of corporate earning is related to the timeliness of financial reporting. However, the convergence of PSAK with IFRS is found to be insignificant in explaining the timeliness of financial reporting of public company in the manufacturing sector in Indonesia.

Keywords: timeliness of financial reporting, convergence of PSAK with IFRS, timely earning quality, timeliness
THE ASSOCIATION BETWEEN BOARD OF COMMISSIONERS AND AUDIT COMMITTEE CHARACTERISTICS AND AUDIT FEES: EVIDENCE FROM INDONESIA
Desi Adhariani, Universitas Indonesia
Abraham Zulfikar, Universitas Indonesia

ABSTRACT
The purpose of this research is to investigate the relationship between the board of commissioners and audit committee characteristics on the audit fee, which represent the audit quality in previous literature. Characteristics tested in this research are the independence, expertise, the commitment as measured by the number of meetings, and the size of the board. The results showed that the board independence, board size, and board expertise significantly affecting the audit fee; while only the audit committee meetings show a significant relationship to the audit fee. This imply that some of the board of commissioners and audit committee characteristics are used as one of the considerations in calculating the audit fee.

Keywords: Board of commissioner, audit committee, audit fee
DECISION ANALYSIS OF FIELD DEVELOPMENT STRATEGY IN LOW QUALITY OIL RESERVOIR WITHIN BLOCK CONTRACT EXPIRATION PERSPECTIVE USING INTEGRATED ANALYTICAL HIERARCHY PROCESS (AHP) AND MONTE CARLO SIMULATION

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Utomo Sarjono Putro, Institut Teknologi Bandung

ABSTRACT
The exploitation of low quality oil reservoir required advance technology due to its difficulty to produce as additional investment required. The management starts focus to improve oil recovery from this reservoir since the remaining reserve huge to developed. It is identified three development strategy that will be applied in this study; Directional Well with Flexible Pump, Directional Well with Hydraulic Fracture Stimulation, and Horizontal Well. Further analysis on integrated AHP and Monte Carlo Simulation methods is elaborated to select the best alternative development strategy for low quality reservoir in Alpha Field that meet with technical and economical on the perspective of block contract expiration challenge.

Keywords: decision making, Analytic Hierarchy Process (AHP), Monte Carlo simulation, low quality reservoir, development field strategy

SHARING ECONOMY: INHERENT NEEDS OF SHARING LOGISTIC

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ABSTRACT
The idea of sharing logistic occurred as an alternative solution of empty truck in backhauling process at transportation of the product. This new system emerges as extended and inherent needs of sharing economy segments that contributes in mobility transportation system. Sharing logistic is proposed to maintain low transportation cost, maximize utilization of the truck, and reduce carbon emission. Previous studies have discussed about the idea of truck-sharing to solve empty container truck problem. This study aims to provide an overview of sharing logistic transportation and current practice of sharing logistic that is generated from sharing economy and shared mobility. The barriers to implement this idea come from carriers; consumers; producers; and infrastructure and environment. This study describes those barriers under specific condition through fishbone diagram as well as deliver the know how of sharing logistic works.

Keywords: Sharing logistic, sharing economy, shared-mobility, truck sharing
CRAFT ENTREPRENEURSHIP ON ENVIRONMENTAL WASTE RECYCLING: CREATIVITY AND PRODUCT INNOVATION BY SANGGAR ASTA KARYA PANCA WIGUNA MALANG MUNICIPALITY

Sri Muljaningsih, University of Brawijaya

ABSTRACT
The background of this study is the increasing garbage problems in line with the population growth. Community empowerment has become one of the solutions in Malang. Garbage has been turned into valuable and artistic products after being processed; it is also environmentally friendly. However, the effort is not easy, as it takes perseverance. Sanggar Asta Karya Panca Wiguna (AKPW) in Malang has done garbage-recycling business. The products produced include dammar kambang, suket wayang, lampshade, and others. This study uses qualitative method to examine the entrepreneurship behaviour of the garbage-recycling business. The key informant is the chairperson of the studio. AKPW works in these following fields of environment, education, economy, culture, and health. The result of the research shows that the garbage-recycling business takes creativity and product innovation based on persistence and perseverance. AKPW works on the concept of social green entrepreneurship that combines the concept of three pillars of ecological, economic, and social sustainability through art and culture. AKPW should conduct more efforts to socialize more intensively.

Keywords: Garbage-recycling, creativity, innovation, AKPW, social entrepreneurship, Malang

PROPOSED PERFORMANCE IMPROVEMENT BY USING SIX SIGMA METHOD AT BUSINESS DEVELOPMENT DIVISION LINE INDONESIA

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ABSTRACT
This research study is focused on social media that starts as instant messaging app called LINE. LINE is an app originally from South Korea that started entering Indonesian market in 2013. It has been struggling to maintain its MAU during the past few months and wishes to get back on its feet as soon as possible. Hence, the purpose of the study is to analyze the problem being faced by LINE Indonesia currently and come up with proposed solution to create performance improvement. This research focused only on LINE Indonesia’s business development division because it is the division’s job to maintain the MAU number. This study uses Six Sigma to analyze deeply about the problem faced and come up with proposal solution for business development division to implement. This study uses DMAIC method because it is suitable to improve existing processes. At the end of the analysis, this study proposes two projects called LINE TebakHarga and LINE Makan. Each project has matched all criteria to be fulfilled. It will also be monitored continuously and will be evaluated using CTS factor, CTQ, and its KPI.

Keywords: Performance, Business Development, Six Sigma, DMAIC
THE INFLUENCE OF GREEN PRODUCT TOWARD BRAND IMAGE AND PURCHASE INTENTION IN AUTOMOTIVE INDUSTRY

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Dwi Kartini, Padjadjaran University
Faisal Afiff, Padjadjaran University
PopyRufaidah,Padjadjaran University

ABSTRACT

Necessity to play a role in environmentally friendly are increase and inevitable, but research on green product for automotive industries has rarely been implemented. This research aims to understand the impact of green product to brand image and purchase intention in the automotive industries. Data were collected from 320 people of prospective green car buyers in Jakarta, Indonesia. Data analysis that applied is Structural Equation Modeling (SEM) using Lisrel 9.1. The research result showed that green product contribute to rising purchase intention, in addition to the brand image. The influence of green product relatively small against the brand image, so that the influence of green product through the brand image not significantly to purchase intention. This indicates that consumers did not care about the brand to assess green products when intending to buy a car.

Keywords: Green Product, Brand Image, Purchase Intention

MARKETING PERFORMANCE OF BATIK TULIS BASED OF ENTREPRENEURSHIP ORIENTATION IN DAERAH ISTIMEWA YOGYAKARTA SME’S.

Lusi Suwandari, Jendral Soedirman University
Yuyus Suryana, Padjadjaran University Bandung,
Yuyun Wirasasmita, Padjadjaran University Bandung,
Sutisna, Padjadjaran University Bandung,

ABSTRACT

This study aims to examine the effect of entrepreneurship orientation and external factor to value creation and value creation to marketing performance in Batik’s SMEs. Small Medium Enterprise of Batik Tulis is one of business in Indonesia, its movement can also influence economic. Batik as the original culture of Indonesia gets admission from UNESCO, but this industry development is getting decreased. In facing ASEAN economic, Small Medium Enterprise of Batik Tulis needs to keep struggle through the evaluation value creation of entrepreneurship orientation based and support from external factors, which is government. In reviewing BatikTulis, it is conducted survey in 120 Small Medium Enterprise which is in Daerah Istimewa Yogyakarta. This analysis used structural equating modeling with Partial Least Square, it is done descriptive analysis and causality of entrepreneurship orientation, external factors, value creation, and marketing performance. The study result that entrepreneurship orientation and external factor are positive affected to value creation and value creation is positive affected to marketing performance. It is appropriate with the assumption on hypothesis, that value creation can be developed by Small Medium Enterprise of Batik Tulis through entrepreneurship orientation and external factors control. Besides that, marketing performance
can be also influenced by value creation. Those reviews conclude that marketing performance can be improved by value creation of entrepreneurship orientation based and support from external factors. Information from this study result can be used by Small Medium Enterprise generally in decision making of entrepreneurship orientation based. In addition, it can be input for government in facing ASEAN economic with the review of Small Medium Enterprise development as independent business.

**Keywords:** Entrepreneurship Orientation, External Factors, Value Creation, Marketing Performance

**LOCAL PRODUCT MARKETING STRATEGY (HOME INDUSTRY) IN ASEAN ECONOMIC COMMUNITY (AEC) ERA**

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Lilis Ardini, Sekolah Tinggi Ilmu Ekonomi Islam Indonesia (STIESIA) Surabaya

**ABSTRACT**
The ASEAN free market era (ASEAN Economic Community) encourages countries that are members of ASEAN organizations to compete globally, including Indonesia. This research is a qualitative research with focus group discussion method (FGD). The subject of this research is home industries that joined in Self Help Group (SHGs) group of 19 groups. These SHGs are chosen because they have high entrepreneurship power. Entrepreneurship is needed as a fundamental force of SHG in order to create a sustainable and growing business. The result of focus group discussion is the formation of the same perception and goals in making the home industry business is survive and sustainable through several strategies. Some of the strategies adopted based on FGD results are marketing strategy through exhibition both national and international. This strategy is expected to introduce local products from home industry in the eyes of the world to face MEA competition. This will increase local wisdom value in the era of ASEAN Economic Community (AEC).

**Keywords:** AEC, local product, home industry, and marketing

**UNIFIED MODEL OF USE BEHAVIOR (UMUB) FOR STRENGTHEN BUSINESS E-COMMERCE IN INDONESIA**

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Martha Fani Cahyandito, Universitas Padjadjaran
Arief Mustain, Universitas Padjadjaran

**ABSTRACT**
Nowadays, internet access becomes popular all over the world including in Indonesia. This condition brings big opportunity for many internet based business such as shopping online that we called e-commerce. Regarding the large use the internet, consumer behavior including life style change significantly. Indonesia is considered as one of the fastest growing internet penetration. Indonesia has big potential market for e-commerce. But the e-commerce user still 12% from internet user. This condition indicate that adoption e-commerce in Indonesia still low. Regarding this situation, it is very important to find out the key factors influenced the user inter netto adoptone-commerce. Several studies found that one of the problem related whit unique collectivist culture and personal perception strong significantly influence of using e-commerce in Indonesia. Using the insights from an extensive review of literature and the discussions with
people from the expert, this study proposes a conceptual model to predict consumer behavior toward e-commerce. The proposed model is a unified model of use behaviour e-commerce in Indonesia with several factors that build which are Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Habit, Perceive Risk, Perceive Convenience, Behavior Intention as intervening variable and Use Behavior as dependent variable. This new model is a unified from several model’s previous research that related with consumer behavior. This model will be check on this research to find out the fit model for use behavior e-commerce in Indonesia.

The Unified Model of Use Behavior will become fit model for e-commerce adoption in Indonesia. With the fit model for capture the e-commerce user behavior, this will become key success factor business e-commerce in Indonesia. So this is very important for the operator to implemented the fit model on use behavior model in the business sector.

**Keywords:** E-commerce adoption, Use Behavior;

**THE ROLE OF BRAND EXPERIENCE, BRAND PERSONALITY CONGRUENCE, BRAND SATISFACTION, BRAND TRUST, AND BRAND ATTACHMENT IN THE FORMING OF BRAND LOYALTY**

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Bernardinus Maria Purwanto, Gadjah Mada University

**ABSTRACT**

This research aims to describe the process of forming brand loyalty by looking at the relationship with the brand experience, brand personality congruence, brand satisfaction, brand trust, and brand attachment. The data on this research were the result of surveys taken from 317 respondents. Analysis tool that was used to test the hypothesis of this research was SEM analysis on the AMOS version 22.0 program.

The results of this research indicate that the brand experience has positive influence on brand personality congruence, brand satisfaction, and brand trust. Brand attachment has positive effect on brand loyalty. Brand personality congruence was proved that has positive influence on brand satisfaction. Then, brand satisfaction has positive effect on brand trust. Brand trust has positive influence on brand attachment. While, brand experience, brand personality congruence, brand satisfaction, and brand trust were not proven that have effect on brand loyalty. Moreover, brand experience does not effect on brand attachment.

In addition, this research found that brand trust mediated fully in relationship between brand experience and brand loyalty. The formation of brand loyalty occurs through three types of processes. There are, first, brand experience formed into brand loyalty through brand personality congruence, brand satisfaction, brand trust and brand attachment. Second, brand loyalty can be formed by brand experience, brand satisfaction, brand trust, and brand attachment. Third, brand experience formed into brand loyalty through brand trust and brand attachment.

**Keyword:** brand experience, brand personality congruence, brand satisfaction, brand trust, brand attachment, brand loyalty
EFFECT OF SERVANT LEADERSHIP, ORGANIZATION CULTURE, SPIRITUAL QUOTIENT, ORGANIZATIONAL COMMITMENT AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR ON ISLAM'S HOSPITAL PERFORMANCE IN EAST JAVA

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Brahmasari Ida Aju, Universitas 17 Agustus 1945 Surabaya
Brahma Ratih Ida Aju, Universitas 17 Agustus 1945 Surabaya

ABSTRACT

The purpose of this research is to prove and analyze the influence of Servant Leadership, Organizational Culture, Spiritual Quotient, Organizational Commitment and Organizational Citizenship Behavior (OCB) on the performance of Islam's Hospital in East Java. In the research, there are 41 Islam’s Hospital in East Java consists of: class A = 0, B = 3, C = 12, D = 15, Non-class = 11. Populations of the research are all type B of Islam’s Hospital employee. The populations of the research are 1676. The sample is 200 employees. Data analysis uses Structural Equal Modelling (SEM) with AMOS 20.

In the research, can be obtained that: 1. The directly variables that improve the performance of Islam’s Hospital are Servant Leadership, Organizational Culture, Spiritual Quotient, Organizational Commitment and OCB. 2. The directly and indirectly variables that improve Islam’s Hospital performance are: Servant Leadership indirectly improves Islam’s Hospital Performance through Organizational Commitment and OCB, Organizational Culture indirectly improves Islam’s Hospital Performance through Organizational Commitment and OCB, Spiritual Quotient indirectly improves Islam’s Hospital Performance through Organizational Commitment and OCB, Organizational Commitment indirectly improves Islam’s Hospital Performance through OCB.

Keywords: Servant Leadership, Organizational Culture, Spiritual Quotient, Organizational Commitment, OCB and Islam’s Hospital Performance.
THE INFLUENCE OF EMOTIONAL DISSONANCE, EMOTIONAL INTELLIGENCE AND ORGANIZATIONAL COMMITMENT ON JOB SATISFACTION OF EMPLOYEES OF BANK BUMN IN JEMBER REGENCY

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ABSTRACT
This study aims to determine emotional dissonance, emotional intelligence as well as organizational commitment and their influences on job satisfaction of employees of Bank BUMN (state-owned banks) in Jember Regency. The approach used in this research is a quantitative approach. The research population is 83 front office employees from 7 state-owned banks in Jember Regency consisting of tellers, customer services staff, and marketing staff. All the 83 populations studied entirely. The methods of data analysis used multiple linear regression analysis. The results of test and analysis show that emotional dissonance has a negative and significant effect on job satisfaction of employees of Bank BUMN in Jember Regency, emotional intelligence has a significant effect on employee job satisfaction and commitment have a positive and significant impact on job satisfaction of employees of Bank BUMN in Jember Regency.

Keywords: emotional dissonance, emotional intelligence, organizational commitment, employee job satisfaction

THE IMPACT OF ISLAMIC WORK ETHICS ON INTERNAL SERVICE QUALITY

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ABSTRACT
The foundations of IWE and internal service quality were assessed using a validated questionnaire. A total of 242 employees from 121 sharia banking branches participated in the survey. The empirical results indicate that the IWE is highly adapted in the sharia banking. In addition, the respondents collectively declared that the internal service quality in the Indonesia sharia banking sector is mounting. The IWE measure was found to be significant with correlation and positive relationship with the internal service quality scale.

In response to the substantial need to examine IWE and workplace outcomes in a moslem countries, therefore, the paper embraces the extent to which IWE sways internal service quality in the public sector.

Both scholars and practitioners will find the study valuable.

Keywords: Islamic Work Ethic, Internal Service Quality, Sharia Banking, Islamic Human Resources
THE EFFECT OF ORGANIZATIONAL CULTURE, TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL ENVIRONMENT TO THE ORGANIZATIONAL COMMITMENT AND PERFORMANCE OF PRIVATE HIGHER PERFORMANCE IN EAST KALIMANTAN PROVINCE

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Ida Ayu Brahmasari, University of 17 August 1945 Surabaya
I Dewa Ketut Raka Ardiana, University of 17 August 1945 Surabaya

ABSTRACT

This study aims to analyze the influence of organizational culture, transformational leadership and organizational environment on organizational commitment and performance of Private Universities in East Kalimantan Province. The method used in this study is a survey conducted on Private Universities in East Kalimantan Province. The population of private universities in the study amounted to 58 consisting of 8 Universities, 34 High School and 15 Academy. A sample of 200 respondents. The data used in this study is the primary data sourced from the questionnaire. Data analysis and hypothesis test in this research using Structural Equation Model (SEM). The results showed that each variable of organizational culture, transformational leadership and organizational environment had a significant effect on organizational commitment and performance of Private Higher Education in East Kalimantan Province except organizational environment had no significant effect on the performance of Private University in East Kalimantan Province. Organizational commitment variable can be a variable that can improve the effect of organizational culture, transformational leadership and organizational environment on the performance of Private Universities in East Kalimantan Province.

Keywords: organizational culture, transformational leadership, organizational environment, organizational commitment, organizational performance

THE COMPARATIVE STUDY OF CAREER DEVELOPMENT IN PRIVATE AND PUBLIC SECTOR HOSPITAL

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Slamet Widodo, University of Bengkulu

ABSTRACT

The objective of this research is to know perception of officer of RSUD Dr M. Yunus and PT Bank Bengkulu about career development and also know difference of perception of officer to execution of career development at both organizations. This research represents descriptive comparative research with survey approach, namely research by using questionnaire as data collecting instrument. The samples of this research determined by purposive sampling with officer criterion which have got position of promotion. The responders amount to 35 people, consist of 20 peoples officer of RSUD Dr M. Yunus Bengkulu and 15 peoples officer of PT. Bank of Bengkulu. The analysis method was used compare mean statistic with independent sample t-test. The result of this research indicate that there are difference on significant perception of officer RSUD Dr M. Yunus and PT Bank of Bengkulu about of career development, seen of fair treatment aspect, caring of direct supervision, information transparency, and satisfaction level to position promotion. While enthusiasm to be promoted is not there are difference.
“411- 212” ACTION, ALIENATION & SOCIAL CHANGE
Evie Ariadne Shinta Dewi, Universitas Padjadjaran

ABSTRACT
The main thesis of this article is how to comprehend the phenomenon of mob movements that did not know each other but managed to organize themselves well and fought for a major political message without having to damage the positive image of Muslims in the event “Islamic Defending Movement” on November 4th, 2016 (known as 411) and February 21st, 2017 (212). Analysis is done by using some political communication theory such as bullet theory, agenda setting theory, two step flow theory, computer mediated communication theory and political economy theory, besides study of Islamic history in Indonesia relation with social structure of society and social change theory. Islam should appear flawlessly in both democratic and city life ethics. In brief, they want to create the image that the massive protest movement that they did, at least, did not become a burden for the greatness and sanctity of the name of Islam —their religion. Therefore, it can be stated that 411 and 212 vents are the expressions of Islamic people to recreate the social world they recognize in order to achieve the ability to project their hopes in the shared understanding that support the social structure.

Keywords: Alienation, Political Communication, Social Change, Social Structure.

CAN WE USE SOCIAL MEDIA TO MOTIVATE STUDENTS?
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ABSTRACT
Students currently classified with an average age between 17-20 years old. This age is categorized into the final generation of early generation Y and Z. For the educators, especially in college, now they have a very literate students with technology or gadgets, where it provide benefits or otherwise. This generation IS ALSO called iGeneration, net generation or the internet generation (born in 1995-2010). The changing pattern of teaching by lecturers and educators to students involves technology continues to evolve in line with the development of generations of students. This study tried to look at the influence of social media on student learning motivation, especially at the Universitas Terbuka. The number of respondents was 142 students. The result showed that mostly students were aware of social media and they used it for some reasons.

Keywords: Internet, social media, motivation
FINDING THE NEW CONCEPT OF SOCIAL JUSTICE FARM INCOME

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Unti Ludigdo, Brawijaya University
Rosidi, Brawijaya University
Aji Dedi Mulawarman, Brawijaya University

ABSTRACT
This research is a qualitative research with the method of analysis of Islamic prophetic social theory. This method is used to undertake the social transformation that required by the peasent by paying attention to for who the transformation is build and where the transformation takes place. The purpose of this research is to construct the profit of peasents with social justice by considering social and religious values. The result of this research is the social justice value that has to be implemented in on farm activity as well as off farm activity in order to build the new concept of social justice farm income. The social justice values are honesty, belief, hablumminannas and hablumminallah. This research contributes to developing shariah agriculture accounting practices as a new guideline for peasents and to make accounting policie of agricultural policies by decision maker.

Keywords: Farm Income, Social Justice, Islamic Prophetic social Theory, and Prosperity

STUDY ON SELFIES PHENOMENA: WHEN PRODUCT PHOTOS ARE POSTING UBQUITOUS ON SOCIAL MEDIA PLATFORMS

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Putri Meuthia Pratiwi, Telkom University

ABSTRACT
Social networking sites, such Facebook, Twitter and Instagram, often defined an easy way to participate in the attention-seeking, self-important habit of narcissists. Narcissism is also related with a behavior in posting specific picture, further known as *selfies. This product selfies posting are perhaps best understood as a ground-up phenomenon. In Indonesia, users of social media platforms always post the product purchased regularly that seen based on observation.
This research is a descriptive research that conducts field survey to find and describe about the motive and reason behind the product selfies posting behavior among consumer. The purpose of this research is to explore the selfie phenomena regards on product pictures posting on social media platforms indicated as the consumer behavior. This research tries to find out the motives and reason out behind product selfies posting behavior among consumer related with purchase decision making and social media usage in any platforms. Populations of this research are social media users who use social networking sites platforms, such Facebook, Instagram, Path and Twitter, in their daily activities. Besides for confidents and embellish purpose of sites, users stated that posting the photos of product in mission of information sharing among users, because 41.1% of respondent describe about the uniqueness of product when posting such the form, color, shape, and functions. 52 respondents behave as informants in telling detail name of products and price. Related of narcissism, 48 users (30.4%) reported that posting of product selfies proves the unforgettable memories with the products.

Keywords: Social Media; Product photos; Narcissism; Selfie
JAVANESE CULTURE: BARRIER FOR THE IMPLEMENTATION OF BUREAUCRATIC REFORM ASSESSMENT AT SEBELAS MARET UNIVERSITY?

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Muhammad Jamin, Sebelas Maret University
Waskito Widi Wardojo, Sebelas Maret University

ABSTRACT
This research uses empirical method with qualitative analysis. The characteristic of this research is descriptive developmental which provide a systematic explanation for the object of the research. The methods used in data collection are interview and Focus Group Discussion (FGD). The research uses primary and secondary data, and later being analyzed to figure out the problems.

The implementation of bureaucratic reform in UNS is assessed with a balanced scorecard. One application of balanced scorecard in UNS is Active culture. This balanced scorecard has several criteria. Of the several criteria, the most influential is the Javanese culture because UNS is in Solo area which is closely related to Javanese culture. Balanced scorecards are commonly used in the private sector, although they are also likely to be used in public sector organizations. This research tries to provide empirical evidence of applying balanced scorecard at the university as public sector organization in Indonesia.

Keyword: University, balanced scorecard, good university governance

Paper type Research paper
DOES MOMENTUM EXIST IN INDONESIAN STOCK MARKET?

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ABSTRACT
Momentum is a tool used in investing strategy. Momentum is useful for traders and investors. However, momentum mostly has been done in short term period which is more suitable to trader than investors. Investors usually have longer perspective than traders. Further, momentum shows different performance in different market, especially, in developing market. Momentum of Jegadeesh is combined by Fama-French 3 factor to investigate the availability of the momentum. By using the 4 factor of Carhart (1997), we investigate how momentum exist in Indonesia market and it influenced by the holding period. Our finding shows that momentum is exist in Indonesian market and it is influenced by the holding period.

Keyword: momentum, Indonesia, developing market

SENTIMENT ANALYSIS AND ITS EFFECT OF INVESTOR’S PERCEPTION, IN ANTICIPATING EQUITY VALUATION UPDATE UNDER STOCK RIGHT-ISSUE POLICY

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Ervin Salim, Institut Teknologi Bandung

ABSTRACT
Investor and trader sometimes easily affected by the others in trading stocks, especially when they see the news, rumors, and also the response by the public. All this information can be seen in online media such as online news and online forum. This study will discuss those effects under special circumstance: new right issues activity. Right issue is an offer to existing shareholders to purchase additional new shares of the company. Using Big Data Analytics approach, this study tries to measure sentiment and perceptions of investor, combined with the standard valuation model that use historical transaction data and specific firm fundamental. This study will select Stockbit® (www.stockbit.com) as the main source of information in measuring investors’ sentiment and perception. The unstructured data (such as statements, analysis, and other comments) related to right-issue stocks event inside the Stockbit® are being crawled, collected, and processed using bag of words and at the end, each of statement results in a quantitative measure of sentiment score. These data will be processed together with the more traditional quantitative data such as historical transaction data and fundamental firm value. The methodology of analysis is employing the decision tree process and neural networks prediction model. In this study, we use a combination of script software such as PHP and research graded prediction tools software such as RapidMiner®. The results of this study show that sentiment or perception is becoming important factors in predicting the future value of right-issue stocks.
fact, it gave stronger relations and more significant effects compared to the traditional factors such as historical transaction data and fundamental firm data. These results show that the Big Data Analytic approach especially in measuring sentiment and perception has potential power for being used as among the future tools for investors.

**Keywords:** Sentiment analysis; Equity valuation update; rights issue; Big Data Analytics;

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**EQUITY PREMIUM PUZZLE: A LONG-RUN RISK MODEL EXPLANATION CASE STUDY OF INDONESIA**

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**ABSTRACT**

This paper aimed to investigate the existence of the equity premium puzzle phenomenon (EPP) in Indonesia’s financial market. A generalized method of moment (GMM) estimation on consumption-based model by Mehra and Prescott (1985) is used to reveal the existence of the puzzle in Indonesia. The GMM estimation result of Indonesian data from 1995 (Q1)-2013 (Q4) shows that the risk-aversion parameter is not statistically significant and in some sub-samples have negative value, this may indicate the existence of the puzzle. Further, long-run risk approach estimation by Ferson, Nallaredy, and Xie (2013) is used to resolve the puzzle. The long-run risk system GMM estimation result of Indonesian data within the same period show that both of Indonesia’s consumption and dividend data contain some long-run growth component that may explain the puzzle.

**Keywords:** Equity Premium Puzzle, consumption-based model, long-run risk model

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**EXPOSURE TO COMMON IDIOSYNCRATIC VOLATILITY ON STOCKRETURNS IN ASEAN STOCK MARKETS**

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Zaafri A. Husodo, Universitas Indonesia

**ABSTRACT**

This research aims to examine whether the shocks from common idiosyncratic volatility (CIV) is priced in emerging markets, especially in South East Asia. We estimate idiosyncratic volatility employing Exponential GARCH method to control for time varying behavior. Further, we construct CIV from average of monthly expected idiosyncratic volatility across firms in our sample. After that, a 60-month rolling regression is conducted to estimate CIV-Beta to form quintiles portfolio that sort in CIV-Beta. This study found that there is no significant results in CIV-Beta investment strategy, long in highest CIV-Beta and short in lowest CIV-beta, and shown that exposure to CIV is not priced in stock market returns in ASEAN.

**Keywords:** firm volatility, idiosyncratic risk, cross-section of stock returns, emerging markets
ABSTRACT
This paper examines whether coinsurance effect influences cost of bank loans by studying the relationship between position of firms within pyramids and cost of bank loans. I examine this issue from the perspective of outside creditors using a data set on bank loan contracts of Indonesian business groups (2006-2016). Consistent with a coinsurance effect, I find banks charge lower loan prices to firms located at lower layers of a pyramidal chain. This confirms the argument that within a pyramid, more internal resources are available down the ownership chain to bail out troubled member firms from bankruptcy or lower member firms’ credit risk.

Keywords: ownership structure; business groups; pyramids; coinsurance effect; cost of debt; bank loans

SENSITIVITY OF LIQUIDITY, INVESTMENT DECISION AND FINANCIAL CONSTRAINTS

This research aims to test the sensitivity level of liquidity and investment opportunity to investment decision between non-financially and financially constrained firms. Sample in this research is the firm of Jakarta Islamic Index listed in Indonesia Stock Exchange from period 2011 to 2015, obtained sample 13 firms with 65 observations. Result of research refer that liquidity and investment opportunity have an influence on positive to investment decision. Liquidity is more sensitive to investment decision for financially constrained firms. Investment opportunity is more sensitive to investment decision for non financially constrained.

Keywords: liquidity, investment decision, financial constraints.
THE INFLUENCE OF INTELLECTUAL CAPITAL AND CAPITAL STRUCTURE TO THE CORPORATE VALUE

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Yuladzul Fitrohtil Huda Firdaus, Universitas Jember

ABSTRACT
This study aims to determine the influence of intellectual capital and capital structure to the firm value. This study used MVAIC to measuring intellectual capital, DER to measuring capital structure, and Tobin's Q to measuring firm value. The sample in this study was 42 companies listed on the Indonesian Stock Exchange (IDX) in 2011-2015 and has a characteristic high IC intensive. The method of determining the sample used purposive sampling. The hypothesis was tested by using multiple regression analysis. The analysis shows that (1) intellectual capital has no effect on firm value and (2) capital structure has significant effect to the firm value.

Keywords: intellectual capital, MVAIC, firm value, capital structure

PREDICTING FINANCIAL DISTRESS PROBABILITY OF INDONESIAN PLANTATION AND MINING FIRMS

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Yunieta Anny Nainggolan, Institut Teknologi Bandung

ABSTRACT
We aim to predict financial distress probability of Indonesian firms by employing recent established model and incorporating corporate governance measurements such as board independence and institutional ownership. We examine plantation and mining industry because the growth of these industries has been declining due to the diminishing of commodities price which could provide a case of industries with high financial distress probability. Our findings show that only stock price, stock returns volatility and net income could predict financial distress within one year but not within three year model, suggesting the needs for other variables that could predict financial distress on longer term. We also find that by incorporating the corporate governance measurements, the model goodness-of-fit could be improved but the measures are insignificant for predicting financial distress. This may indicate that while corporate governance could help the model to better reflect financial distress probability, we do not find evidence that our measures could be used as accurate predictors. Finally, the model shows to be able to predict financial distress of Indonesian plantation and mining firms for the year 2016 with accuracy of 76.920% using cutoff percentage of 0.999%.

Keywords: Corporate governance; Financial distress; Indonesia market; Mining industry; Plantation industry
ANALYSIS OF ACQUISITION EFFECT BETWEEN INDONESIA FORESTRY SOES USING DISCOUNTED CASH FLOW, ENTERPRISE VALUE, AND DIFFERENCE-IN-DIFFERENCE ANALYSIS

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Ahmad Danu Prasetyo, Institut Teknologi Bandung

ABSTRACT
Lately, the issue of holding strategy between Forestry State-Owned Enterprises held by the government has the objective to improve the company financial performance, especially for those who have unhealthy financial records. Then, at the end of 2014, the government established PT.Inhutani I-V as a subsidiary firm of Perum Perhutani. This research aims to investigate the success of this acquisition strategy by comparing the changes financial performance that occur in PT.Inhutani I-V between before and after the acquisition and the significances of the parent company role. This finding led with Discounted Cash Flow Method, Enterprise Value Analysis, and Difference-in-Difference Analysis by calculating companies data in years of 2013–2016. The calculation showed that there was no significant role of the parent company to improve financial performance PT.Inhutani I-V after the acquisition. This result can be an evaluation consideration for the parties involved in this acquisition, including the government as the holding organizer.

Keywords: Acquisition Strategy, Discounted Cash Flow Method, Enterprise Value Analysis, Difference-in-Difference Analysis.
FINANCIAL LITERACY AND PERFORMANCES IMPROVEMENT OF MICRO SMALL MEDIUM ENTERPRISES IN INDONESIA

Iramani, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya
Abu Amar Fauzi, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya
Dewi Ayu Wulandari, Sekolah Tinggi Ilmu Ekonomi Perbanas Surabaya

ABSTRACT
The purpose of this study is to examine the relationship of financial literacy and performances improvement of Micro Small Medium Enterprises (MSMEs) in Indonesia. Data collection from survey questionnaire of 95 respondents were used to examine the research model. The research model was analyzed primarily using Logistic Regression, supported by SPSS V.20 software. The test result finds that Financial Literacy can predict MSMEs performance that consists of sales growth, profit growth and customer growth. The contribution of financial literacy dimension in predicting MSMEs performance has not been optimal. Consequently, for the future research should add other possible dimensions of financial literacy that can improve the growth performance of MSMEs such as saving literacy and investment literacy. The results of this study can be used as guidance for Indonesian Financial Service Authority (OJK) to promote strategies or programs for perpetrators of MSMEs in Indonesia in improving their skills related to book keeping, debt management, and budgeting. Economic environment of Indonesia is absolutely different from economic atmosphere of other countries. This study, therefore, is directed to examine financial literacy covering book keeping literacy, debt literacy, and budgeting literacy and its influences toward performances improvement of MSME in Indonesia.

PERFORMANCES improvement, Micro small medium enterprise (MSME), Book keeping literacy, Debt literacy, Budgeting literacy

DETERMINANTS OF FINANCIAL LITERACY OF ATHLETES: AN EMPIRICAL STUDY

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Getha Saraya, Institut Teknologi Bandung
Irwan Trinugroho, Universitas Sebelas Maret

ABSTRACT
Every country needs to be ready to face the global financial crisis. The important is that everyone has the same responsibility for securing his or her financial management. In this regard, financial literacy has a fundamental role to help managing individual finance. This study measures the financial literacy index among Indonesian athletes specifically in West Java. In Indonesia, specifically for West Java athletes, the professional athletes are also having the same experience of struggling in managing their money after their retired in sports. On the other hand, when they are retired and not facilitated anymore, they are actually not financially independent. In other words, they cannot manage their money or investment properly. For example, there are several retired athletes who are bankrupt after years. This may indicate that they have a low financial literacy and knowledge.
To collect the primary data, this research conducts to distribute 183 questionnaires for West Java athletes by using the convenience sampling. The questionnaire includes basic and advanced financial literacy concept. The gathered data is analyzed by using One-Way ANOVA
Analysis. Then using the Tukey Kramer’s analysis to find the impact of demographic profiles to the financial literacy.

The result shows that the financial literacy index among West Java Athletes is low, both the basic and advanced financial literacy. So, the respondents need to be targeted as a group of people who need strategies to increase their financial literacy awareness. This research also shows the impact of demographic profile to its financial literacy. Therefore, strategies to elevate the level of financial literacy among West Java Athletes have been identified in this research.

**Keywords:** Financial Literacy, West Java, Athletes

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**THE EFFECTS OF BIG FIVE PERSONALITIES ON INVESTMENT INTENSITIES AND PERFORMANCES**

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Dedy Priatmodjo Koesrindartoto, Institut Teknologi Bandung

**ABSTRACT**

This study proposed a research about behavior effect in investment. The study is focusing on personality as the part of psychological traits which has an impacting role in personal trading behavior. The objective discussed in this paper is to determine whether personality indicates particular intensity of trading, as well as the performance. The type of personality taken in this research is Big Five Traits, consisting Neuroticism, Extraversion, Openness to Experience, Agreeableness, and Conscientiousness. This study applied a quantitative method research, with the data obtained from Indonesian investors via online questionnaire. Participant gathered in amount of 187 with a various demographic data. Related to the trading intensity, the result shows that Openness is the one of Big Five traits that indicating a significant interrelation with trading intensity and performance, with addition of control variables effects included investor behavior on risk, financial market understanding, obtaining information from financial report and specialized adviser.

**Keywords:** Big Five Personality, Investment Intensity, Investment Performance, Behavioral Finance.
ANALYSIS OF INDONESIA’S TRADE BALANCE WITH CHINA
DURING 1989-2015

Agnes Ivana Hasugian, Universitas Brawijaya
Dias Satria, Universitas Brawijaya

ABSTRACT
Indonesia's cooperation with China is expected to help Indonesia in offsetting the influence of the United States, the European Union and Japan in the Asia Pacific region and of the trade liberalization between the two countries as a result of the signing of the ASEAN China Free Trade Agreement (ACFTA) in 2004. This study examines the impacts of Rill Exchange Rate Connector, Indonesia’s GDP, China’s GDP, Domestic Consumption, Indonesia’s population, China’s population, and Foreign Direct Investment to the Indonesia's Trade Balance with China. The study use Vector Error Correction Model (VECM) to examine those relationship. it is concluded that the effect of foreign direct investment variable is positive that the high levels of investment inflows into Indonesia will increase the value of Indonesia's bilateral trade balance with China. Moreover, the effect of Indonesia's rill GDP is positive that the increase in rill GDP will boost the value of Indonesia's trade balance with China. Additionally, the effect of Rupiah exchange rate variable is positive that the increase (depreciation) of Rupiah value will increase the value of Indonesia's trade balance with China in accordance with Marshall-Lerner Condition.

THE IMPACT OF WORLD FOOD PRICE FLUCTUATION TOWARDS INDIAN MACROECONOMICS

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Regina Niken W., Jember University
Agus Luthfi, Jember University

ABSTRACT
Stability of price is a crucial factor for export and import activities, especially food commodities. Indonesia with the characteristics of a small open economy are vulnerable to external price shock as the implication of economic globalization. Understanding the food price shock useful for designing risk mitigation to minimize the effects of shocks to macroeconomic variables. The purpose of this research is to analyze the impact of macroeconomics from Vector Auto-Regression (VAR) methods. The sensitivity of impulse response estimation and variance decomposition which outlines how large and how the effect of the food price shock. Impulse response analysis shows shocks on global food price got the response by fastest and the most powerful by inflation. While the description of variance decomposition, variation described by economic growth. The results show that the global food price affects economic growth that is transmitted through inflation.

Keywords: Food price shock, Macro economy, VAR
FOREIGN DIRECT INVESTMENT AND ECONOMIC GROWTH: EVIDENCE FROM INDONESIA, MALAYSIA, THAILAND, AND PHILIPPINES

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ABSTRACT
Capital is the main economy activator beside labor force. Therefore, the role of investment through Foreign Direct Investment (FDI) is important in order to make the economy of a country grows. However, several results of empirical evidence show the opposite of that idea. This research is intended to reexamine whether FDI is indeed able to encourage the economic growth, especially in developing countries (Indonesia, Malaysia, Thailand, and Philippines) in Southeast Asia during 1970-2013. The method of analysis used in this research is panel data regression. The main finding of this research is that the contribution of FDI to economic growth is not directly. FDI through its interactions with human capital and export has positive influence and statistically significant. Meanwhile, for the interaction with domestic investment is statistically not significant. Therefore, FDI can be used as the stimulant of economic growth in developing countries, especially in Southeast Asia area.

Keywords: Economic Growth, FDI, Developing Country, Panel Data Regression.

ECONOMIES OF SCALE IN INDONESIAN RICE PRODUCTION: A COST FUNCTION APPROACH

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ABSTRACT
Indonesia is middle income country which has achieved remarkable economic growth in the past decade. In the process of economic development, Indonesia faces structural adjustment problems, namely food security, income inequality, income disparity between agricultural sector and other sectors, and the declining of global competitiveness in agricultural sector. Therefore, solving the structural adjustment problem of the agricultural sector is one of the most important policy issues for the Indonesian government.
Rice is the most important food crop in Indonesian agriculture. However, Indonesian rice has lost its global competitiveness in the main producing areas of Central Java and East Java, due to petty farm size. In order to recover this competitiveness, indispensable policy measures to enlarge farm size are required. Although achieving economies of scale is the necessary condition for enlargement of farm size, economies of scale might not be achieved in the Indonesian rice sector because most of the rice growing farmers do not own agricultural machines, but rent them from their owners. Therefore, we need to examine whether economies of scale can be achieved in this sector or not. This study aims at investigating whether economies of scale can be achieved in this sector or not, using PATANAS data collected by Indonesian Ministry of Agriculture. For that purpose, and for the robustness of the testing, we examine the existence of scale economies via estimation of cost function derived from the production function of rice, and examine the relationship between production cost and scale, using the estimation results of cost function. From the results of this analysis, we find that economies of scale can be achieved in almost all provinces. Our findings imply that economies of scale can be achieved even in the areas where average farm size is very small and most of the farmers rent machine from the owners. The findings also suggest that a necessary condition for enlargement of farm size is already met even in Java.

Keywords: rice, cost function analysis, economies of scale, farm size
CREATING ECO-INNOVATIONS FOR BUSINESS COMPETITIVENESS

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Bulan Prabawani, Diponegoro University

ABSTRACT
Business and environment has been viewed as a dichotomy. Business actors assume that if business invested money for dealing with environmental concern, it would add cost of production, which is in turn, will reduce the business competitiveness. But, the businesses participating at Proper (business performance rating program) show that by creating innovation in dealing with the environment impacts and in administering CSR can achieve the business competitive and the comparative advantages. To achieve beyond compliance rating (gold and green rating) of Proper, industries are required to create innovation. To achieve green rating, industries must apply pro-active approach which is called cleaner production, to manage the production from the raw material, the process, and the output. This approach will minimize the energy usage, the water consumption, the material utilization the hazardous waste. To achieve a gold rating, industries must conduct innovation in implementing community development as part of CSR in realizing community reliance for people live in surrounding industries.

Keywords: eco-innovation, people planet profit, Proper, industrial innovation

SERVICE INNOVATION ON PERFORMANCE IN LOCAL ENTERPRISE WATER SERVICES

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ABSTRACT
The public sector is currently receiving demands to improve and provide quality service to the public or customers, so innovation becomes essential services in order to provide a timely response to customers with a new service or solution that is much improved from the previous service. Innovation as a main source of business growth and a main determinant of a company's competitive advantage.

The purpose of this study to explore how the influence of market orientation towards service innovation and performance in local enterprise water services and how to influence services innovation on performance in local enterprise water services. The number of respondents in this study were 120 employees represented by each portion corresponding to the task of serving the customer (production, distribution, control of water loss, as well as service offices), using purposive sampling method. The analytical tool used structural equation modeling (SEM). The results showed that the market orientation affect on service innovation and the performance in local enterprise water services. While the service innovations affect the performance in local enterprise water services.

Keywords: market orientation, service innovation and performance in local enterprise water services.
CREATIVE PEOPLE AS A NEW SOURCE OF COMPETITIVE ADVANTAGE IN
CREATIVE INDUSTRY

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ABSTRACT
Today’s development of creative industries in the economy of Indonesia has shown a significant improvement; creative industries have contributed in improving the growth of Gross Domestic Product (GDP), employment opportunities, and national industries. Unfortunately, those improvements are not in line with their internal developments. It is found that only three sub-sectors out of 15 have positive contributions as mentioned above. They include craft, fashion, and culinary. Primary data were obtained through a questionnaire survey and observation carried out in batik and woven-fabric business units in 6 provinces in Indonesia. By conducting survey as the research methodology in which the data were evaluated using statistic tools such as IBM SPSS Statistic 22 and IBM SPSS AMOS 20, it is found that creative people as renewable resources have been able to improve Indonesia competitive advantage in crafts industries by reflecting local culture and heritage through creativity on various innovations.

Keywords: Creative people, Innovation, Competitive Advantage, Creative Industries

THE ENTREPRENEURIAL HUMAN CAPITAL AND INNOVATION: SEARCHING
THE CONNECTION

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Retno Kusumaastuti, University of Indonesia

ABSTRACT
The entrepreneurship has shown its important role in supporting the economic growth of countries in the world. It is an answer for many social and economics problems such as poverty, unemployment, downsizing, unskilled workers and many more. It is explained that a country needs to have around 2.5 percentages of entrepreneurs in order to have a developed economics. However, the critical point of entrepreneurship is remained to the capital of the individuals which called as the entrepreneurial human capital. This kind of capital is different from the general human capital. In this case, the entrepreneurs must realize the internalization of this capital in themselves. Besides that, it also demands the innovation. To think and act differently is the main access to be success in entrepreneurship. Therefore, the existence of innovation is crucial. Innovations can formed into certain types in which it shows the difference between the former and the new one. Having said that, this paper is an exploratory study of the entrepreneurial human capital in relation to innovation. By using the literature reviews, this research identifies the entrepreneurial human capital (EHC), the innovation in entrepreneurship and the relation between EHC and innovation in pursuing the success of the entrepreneurship.
THE ROLE OF KNOWLEDGE SHARING IN ORDER TO INCREASE INNOVATION ABILITY AND EMPLOYEE PERFORMANCE IN INDUSTRY SECTOR OF SMALL-MEDIUM ENTERPRISE

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Meiliani, University of Bengkulu
Effed Darta Hadi, University of Bengkulu
Akram Harmoni Wiardi, University of Bengkulu

ABSTRACT
This study aims to examine the effect of knowledge sharing and innovation ability on employee performance. In this study, it also analyzes the role of innovation ability as mediating variable of the relation of knowledge sharing and employee performance. The method in his study is survey method, the sample of study that is the respondent in this study is employees working on handicraft industry of SME in the Province of Bengkulu. The result of this study shows that knowledge sharing significantly affects positively toward employee performance, knowledge sharing does not affect positively toward corporate innovation ability. The characteristic of SME that is characterized with its limitation of knowledge available that is mostly only tacit causes the process of knowledge sharing does not run well so that it does not give significant effect on corporate performance. The innovation ability of employee positively and significantly affects corporate performance. The output of this study is expected to be able to give contribution on management scientific journals in international level.

Keywords: knowledge sharing, SME, innovation, performance.
COLLABORATION AMONG CAPACITY BUILDING AND IMPLEMENTATION OF INFORMATION TECHNOLOGY TO DEVELOP ENTREPRENEURSHIP OF RURAL COMMUNITY IN KARANGGENENG HAMLET

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Hasbiyansyah, Universitas Gadjah Mada
Ratna Fitriana Dewi, Universitas Gadjah Mada
Tabiah, Universitas Gadjah Mada

ABSTRACT
Karanggeneng hamlet is the part of Yogyakarta region which has snake fruit as the main commodity of the area. 25% land in Karanggeneng hamlet is snake fruit garden as the potential. Entrepreneurship is identical with the potential of a region. Nevertheless, all of the potential in Karanggeneg hamlet not yet support the development of entrepreneur optimally. The problem faced by Rural Entrepreneurs to develop Small and Medium Scale Industries (SMIs). The focus of this paper is in rural communities in developing SMIs by collaborating among capacity building and information technology. Because entrepreneurship plays the integral role in rural area development. We are focus specifically on the result of social mapping in Karanggeneng village and collect all of the problems of the area. At the result, we got a few key element in the process of developing rural entrepreneurship and introducing models that we have applied in Karanggeneng hamlet. The key element emphasize the potential of the environment, capacity building, information technology, and networking impacts for rural community. By knowing the influence of all these key elements, it will be easier to provide assistance and contribute to developing entrepreneurship in rural communities.

Keyword: Entrepreneurship, rural, information technology, capacity building

HOW DOES FOREIGN DIRECT INVESTMENT CONTRIBUTE TO TECHNOLOGY TRANSFER? THE CASE OF INDONESIA

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ABSTRACT
Inward foreign direct investment (FDI) has been increasing and benefiting developing countries, including Indonesia, in the form of technology transfer and technology spillover. In view of the economic importance of FDI, technology transfer, and economic growth of Indonesia, therefore, this article aims to explore the contribution of FDI to technology transfer in Indonesia. A desk review of both primary and secondary literature was conducted, and descriptive analysis was used. This study founds several studies that demonstrated positive externalities of FDI through technology transfer in the Indonesian economy. However, there are studies that also show that FDI does not improve the economy of Indonesia. In the light of the findings, the Government of Indonesia (GoI) should enact policies that loosen the investment climate in Indonesia. Moreover, policies that strengthen the patent regime should also be considered to foster technology transfer in Indonesia to improve the Indonesian welfare and economy.
DETERMINANTS OF USER SATISFACTION TO INTEGRATION OF STATE FINANCIAL APPLICATION SYSTEM

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Ari Kuncara Widagdo, Universitas Sebelas Maret

ABSTRACT
This study aims to provide empirical evidence that performance expectancy, effort expectancy, facilitating conditions, information quality, system quality and attitude toward using have an effect on user satisfaction of integrated state financial application system called Financial Application System of Institutions Level (SAKTI). Performance expectancy and effort expectancy indirectly affect the user satisfaction mediated variable attitude toward using. Respondents used in this study are SAKTI users from accounting units throughout Indonesia with a sample of 282 respondents. Data were analyzed using Partial Least Square (PLS) Smart 3.2.6. The result of hypothesis testing shows that performance expectancy, effort expectancy, facilitating conditions, information quality, system quality and attitude toward using effect on SAKTI user satisfaction. Similarly, performance expectancy and effort expectancy have an effect on SAKTI user satisfaction through attitude toward using.

DETERMINANTS OF INTENTION TO USE VILLAGE FUND INFORMATION SYSTEM

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Ari Kuncara Widagdo, Universitas Sebelas Maret

ABSTRACT
This study aims to examine factors that affect the intention to use of village fund information system (SISKEUDE). Respondents in this research are village apparatus as operators of SISKEUDES. Data was collected by using questionnaires. Sample method is purposive sampling producing 212 respondents. Method of analyze is Structural Equation Model by using Partial Least Square (PLS). The result indicates that quality of human resources and social factors influence the use of SISKEUDES. In addition, the quality of human resources affects the intention to use of SISKEUDES through system quality, perceived usefulness and perceived ease of use. In contrast, the information quality does not mediate the relationship between quality of human resources with the intention to use of SISKEUDES.

Keywords: Village fund, quality of human resources, usage of information system
TAX AVOIDANCE AND CORPORATE SOCIAL RESPONSIBILITY: THE CASE OF TRANSFER PRICING AGGRESSIVENESS OF INDONESIA-LISTED FIRMS

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ABSTRACT
This study examines the effect of corporate social responsibilities (CSR) on tax avoidance through transfer pricing aggressiveness or transfer pricing manipulation. We examine 439 listed firms in Indonesia (exclude financial and insurance institutional) from 2008 to 2015. Our study measures CSR by using CSR expense disclosed in listed firms’ annual report, tax avoidance by using effective tax rate (ETR), and transfer pricing aggressiveness by using the arm’s length principle which used to analyze the fairness of listed firms’ related party transactions. We find that the CSR is positively affected the tax payment compliance which measured by using ETR and also positively related to the arm’s length transaction which measure using transnational net margin method (TNMM). Our findings suggest that future studies on transfer pricing aggressiveness should incorporate CSR.

Keywords: corporate social responsibility; tax avoidance; transfer pricing; Indonesia
ANALYSIS STRATEGY OF CORPORATE SOCIAL RESPONSIBILITY (CSR) ON PT PERKEBUNAN NUSANTARA XII

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Drajat Tri Kartono, Universitas Sebelas Maret
Adi Ratriyanto, Universitas Sebelas Maret

ABSTRACT
CSR is a manager's skill in combining business context and social context. This study used a qualitative approach analyzed descriptively, with case study research strategy. PTPN XII is a company engaged in the field of agribusiness, in accordance with operational characteristics have an organizational structure with lower employees (employees executing / labor) in large quantities. This brings consequences for companies to balance between internal stakeholders (employees) and external stakeholders (the wider community) in the strategy of determining the beneficiaries. Forms of CSR implementation in the form of partnership and empowerment program with farmers and breeders associated with "core business" and involves employee or employee engagement. Community development program in the form of direct assistance in the form of grant or charity in the form of assistance to victims of natural disasters, planting trees and to orphans and for the construction of houses of worship.

CSR AND ITS IMPACT ON REPUTATION AND CORPORATE VALUES

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ABSTRACT
This study aims to fill the gap between Corporate Social Responsibility and corporate value. Most companies consider CSR to be a burden that reduces profits and others perceive it as an investment that impacts in the long run. This research was conducted at the Indonesian Stock Exchange (BEI) at the official site www.idx.co.id. The data used is data panel in 2012-2014 with a purposive judgment sampling method. The collection of data used by documentary and literature. Data were analyzed with path analysis. The finding of this study are CSR disclosures in annual financial statements a positive impact on the company's reputation and value of the company.

Keywords: Corporate Social Responsibility, Reputation, Corporate Value

DOES SUSTAINABILITY PERFORMANCE IMPROVE FIRM'S ENVIRONMENTAL DISCLOSURE?

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ABSTRACT
This study investigated the effect of sustainability performance on environmental disclosure’s level—measured by the score of completeness using a GRI-based index (Clarkson et al 2008; Clarkson et al 2011). The results show that companies’ achievement of sustainability performance positively associated with a broader scope of environmental disclosure. Though competition is revealed to negatively associate with companies’ commitment to protect the environment, this study fails to document the moderating role of competition on sustainability performance—environmental disclosure association. Conversely, it is considered as a separate independent variable that may be a driver for a broader environmental disclosure.

Keywords: sustainability performance, environmental disclosure, competition
DEVELOPING E-COMMERCE FOR MSME IN SURAKARTA TO COPE WITH CULTURAL TRANSFORMATION OF ONLINE SHOPPING

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Mohammad Suharto, Universitas Sebelas Maret
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ABSTRACT
Technology advancement leads to strict competition among online shops and conventional Micro, Small, Middle Enterprise (MSME) which drives people to have more tendencies to choose online shop. If MSME does not immediately apply online shopping strategy, it is predicted to fail to develop dynamically like online shopping flourishing in today’s era. Therefore, MSME needs to transform its strategy and establishes long-term relationship with consumers. E-commerce is a set of dynamic technology, application and business process which connects certain companies, consumers, and communities through electronic transaction. Trade of goods, services and information is performed electronically. The development of E-commerce system for MSME aims to change its culture which still relies on conventional (face-to-face) purchasing into online shopping, improve MSME’s sales in order to promote, market, and sell products to internet users through website without any space and time limits. This study is conducted to examine (1) factors contributing to societies’ tendencies to choose online shopping, (2) the characteristics of online media (e-commerce) needed by societies, and (3) obstacles faced by MSME in handling business competition. The research subjects are people involving in MSME and communities of Jebres village, Surakarta. This study applies qualitative paradigm. The research subjects were taken using purposive sampling techniques. Data were collected using various techniques: (1) structured interview, (2) questionnaire, (3) observation, and (4) content analysis or archive analysis. Data were later analyzed using four stages, namely data reduction, classification, data presentation and verification.

Keywords: E-commerce, MSME, cultural transformation, online shopping.

ELICITING SALIENT FACTORS IN ONLINE SHOPPING BEHAVIOR RESEARCH

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ABSTRACT
This paper argues the importance of an exploratory study prior to hypotheses testing in any causal-effect/explanatory predictive behavioral research. It proposes a stage of eliciting salient factors using a framework from theory of planned behavior. The paper opted for an exploratory study by firstly examining 12 academic research of online shopping behavior in Indonesia. Secondly, using the open-ended questions given to 30 respondents, the paper explored reasons respondents shop or not shop online. Those immediate responses were documented and termed as salient factors. Thirdly, the salient factors were then combined with foregone factors based on literature reviews. The final set of factors was chosen as predictive variables in order to provide more accurate potential antecedents for predicting and explaining online shopping behavior. The paper provides sound and practical guidance in eliciting salient factors and formulating a final set of factors in causal-effect/explanatory predictive behavioral research on
online shopping behavior. It suggests that academic research should place importance on the stage of eliciting salient factors. Foregone factors are used to strengthen the choice of predictive variables. Both salient and foregone factors are necessary for the final set of factors in such online shopping behavior studies. The paper only provides an introductory analysis of eliciting salient factors. Advanced discussion of statistical methods are encouraged as a follow up study. The paper includes implications for the online vendors and government agencies to promote e-commerce. This paper fulfills a need to conduct exploratory study on online shopping behavior to understand such phenomenon of high internet penetration yet low rate of online buying behavior by focusing on salient factors of the studies.

**Keywords:** E-commerce, online shop, salient factors, theory of planned behavior

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**ONLINE ADVERTISING STRATEGIES IN IFRAME MULTIMEDIA IN INFLUENCING CONSUMER DECISION MAKING**

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Widodo Muktiyo, Universitas Sebelas Maret Surakarta

**ABSTRACT**

Advertising world is now entering a new era of online advertising era or digital era. The emergence of online advertising as triggered by the rapid growth of internet technology. It is also supported by the high number of internet users in Indonesia. Based on data released by the Association of Internet Service Providers Indonesia (APJII) in 2016 shows the number of Internet users about 132.7 million people. This figure shows the vast market potential. Therefore, for business people become the main target market. Because the internet community (netizen) targeted the business market then in it happens the promotional activities of advertising goods and services. So since then the world of advertising into a new era of the era of online advertising through the Internet network.

Iframe Multimedia a lifestyle business that leases selfie devices such as cameras since the establishment in 2012, making the internet as the primary means to conduct promotions. Even according to Iframe Multimedia M. Zulfi Ifani's director since the beginning of this business does not do good advertisement in print media (newspaper, magazine) and advertisement of electronic media (radio and television). This is done in addition to financial considerations also see the trend of advertising promotion is growing. Incidentally online ad promotion is becoming a trend and in terms of advertising costs are cheaper than conventional advertising. In addition, consideration of the market segment targeted by Iframe Multimedia. Where market segments targeted by Iframe Multimedia are generation y and z (millenia). This generation in life cannot be separated from gadgets, smartphones are always connected to the Internet network.

Based on field observation in Iframe Multimedia advertising promotion strategy is done through online advertising strategy that channeled through website, Facebook, twitter and Instagram. The results show the customer or service users Iframe Multimedia nearly 100 online ad campaigns obtained
DESIGNING MARKETING SYSTEM OF HOME INDUSTRY THROUGH E-SHOP WEB BASED SALES ACTIVITY

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Lilis Ardini, STIESIA Surabaya
Bambang Suryono, STIESIA Surabaya

ABSTRACT
Home industry is one of community empowerment that has aim to improve the economic condition of the community. One form of home industry that developed in the city of Surabaya is a self-help groups (SHG). SHG is a holistic program of micro-enterprises covering all aspects of self-employment. This study is a three years continues study (2015 – 2017) of a handy craft home industries. The previous study found the characteristic of the community and factors (product value and firm value) that influence the sustainability of home industries. This study aims to develop the design of marketing techniques through web-based E-Shop. This research is descriptive research to explain E-Shop based marketing system. This research cooperated with Surabaya city government BAPEMAS. The result of this research is e shop design as marketing system to increase sales of KSM home industry product. The implication of this research is as new media for KSM in marketing the product. For prospective buyers E-Shop will be profitable in terms of efficiency and effectiveness. For BAPEMAS and partner of KSM E-Shop can be used as media to control the sales of KSM products and materials of financial performance evaluation.

Keywords: Home Industry, Marketing, E-Shop, and SHG
A NEW INSIGHT IN RELATION BETWEEN ABUSIVE SUPERVISION AND WORK OUTCOMES: A CONCEPTUAL REVIEW

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ABSTRACT

This study is to explain the relation between abusive supervision and employee’s work outcomes. Moreover, this study also examines the role of gender and self-efficacy as moderating variables which are expected to provide a detailed description of the relation between abusive supervision and employee’s work outcomes. The result of the study is a conceptual framework which is expected to cater a new insight in the relation between abusive supervision and employee’s work outcomes. Abusive supervision is potential to give positive impact on the employee’s work outcomes when it is applied on the masculine gender with high self-efficacy. Furthermore, the conceptual framework proposed in this research is expected to be a future reference for the scholars in the research related to abusive supervision phenomena.

Keywords: Abusive supervision, work outcomes, gender, self-efficacy

MANAGING WORKPLACE DIVERSITY FOR SUSTAINING ORGANIZATIONAL COMPETITIVE ADVANTAGE: A REVIEW OF LITERATURE

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Tri Wikaningrum, Sultan Agung Islamic University, Indonesia

ABSTRACT

The purpose of this article is to review workplace diversity at literature and to explore how workplace diversity improves employees’ performance and organizational effectiveness. There are five different perspectives introduced on how workplace diversity benefits employees and supports organizational performance based on the extant literature: (a) workplace diversity promotes work and cost relationship effectively by using the better talent of employees; (b) workplace diversity enhances customer relationship; (c) workplace diversity improves creativity, flexibility, and innovation; (d) workplace diversity reduces the costs associated with turnover, absenteeism, and lawsuit; and (e) workplace diversity promotes development and sustainable business advantage. This review article presents a comprehensive framework for delineating positive impact of workplace diversity for the benefit of practicing managers, academics, and researchers.

Keywords: Diversity Management, Diversity Perspective, Benefits of Diversity
THE INFLUENCE OF MOTIVATION ON EMPLOYEE JOB SATISFACTION: A CASE OF A PRIVATE SECTOR IN EAST LAMPUNG, INDONESIA

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Sri Supriyati, Universitas Diponegoro
Ary Yunanto, Universitas Diponegoro
Mahfudz, Universitas Diponegoro

ABSTRACT
In the world of work, motivation is needed to improve the quality of employees and foster high morale so as to generate maximum job satisfaction. In contrast, when there is no motivation that led to the lack of satisfaction can lead to some serious consequences. Among the consequences as it is the intention to turnover which can lead to turnover activity. The goal of this research is to know the effect of motivation on employee job satisfaction in a private sector of East Lampung, Indonesia. Data collection techniques used in this research is questionnaire. The questionnaire was made of two kinds of questionnaires motivation and job satisfaction. The shape of the scale in this study using a Likert scale. The sample in this study were all employees at a private sector of East Lampung, Indonesia total of 35 employees. This study addresses two research variables such as motivation and job satisfaction. Using linear regression, the result indicated that there is significant relationship between motivation on employee job satisfaction in a private sector of East Lampung, Indonesia.

Keywords: motivation, job satisfaction, employee, private sector
THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE AND JOB SATISFACTION: THE MEDIATING ROLE OF ORGANIZATIONAL COMMITMENT IN FOUR STATE-OWNED BANKS IN PONTIANAK, WEST KALIMANTAN, INDONESIA

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Abdul Halim Busari, Universiti Malaysia Sarawak (UNIMAS)
Nur Afifah, University of Tanjungpura
Ahmad Shalahuddin, University of Tanjungpura

ABSTRACT
The main objectives of this study is to examine the relationship between transformational leadership style and job satisfaction and to examine the mediating role of organizational commitment in the relationship between transformational leadership style and job satisfaction in four State-Owned Banks in Pontianak, West Kalimantan, Indonesia. The research design applied in the study is a quantitative method. Data used in evaluating the model were gathered from the four State-Owned Banks in Pontianak, West Kalimantan, Indonesia. 345 permanent employees of those four State-Owned Banks participated in the survey. The Structural Equation Modeling (SEM), using LISREL software will be employed to examine the relationship among the constructs in the study, which are transformational leadership style, organizational commitment, and job satisfaction. The findings of the study concluded that transformational leadership style positively effects on job satisfaction, transformational leadership style positively effects on organizational commitment, organizational commitment positively effects on job satisfaction, and organizational commitment mediates the relationship between transformational leadership style and job satisfaction in four State-Owned Banks in Pontianak, West Kalimantan, Indonesia. With respect to practical contributions, the findings of this study can be used as a guideline for the management to improve the quality of transformational leadership style, organizational commitment, and job satisfaction in four State-Owned Banks in Pontianak, West Kalimantan, Indonesia.

Keywords: Transformational Leadership Style, Organizational Commitment, Job Satisfaction.
POPULATION CONCENTRATION IN METROPOLITAN AREA AND PRODUCTIVITY: EVIDENCE FROM INDONESIA

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Djoni Hartono, Universitas Indonesia
Kenny Devita Indraswari, Universitas Indonesia

ABSTRACT

Economic activities are highly concentrated in a very small geographical area which commonly known as urban area because most of economic agents prefer to locate in area that provide beneficial increasing returns. This is why the number of population in ten metropolitan areas in Indonesia tend to increase every year. While vast amount of empirical evidences has shown that higher population size enhances urban agglomeration externalities, little is known whether urban population distribution also has influence in that context. Motivated by this setting, this study aims to examine how urban population concentration of ten Indonesia metropolitan areas affects its productivity. Based on estimations of a pooled cross-section time-series model for ten metropolitan areas in Indonesia during the period of 2000 to 2012, this study discovers that population distribution is indeed having a strong influence towards metropolitan area’s productivity. In terms of the elasticity of productivity with respect to population concentration, average increasing in the degree of population concentration by one percent, as indicated by hoover index, resulted in an increase in productivity per worker by approximately 0.3 percent. In summary, this study provides new evidence which explicitly expresses that the degree of population concentration is an important source of aggregate urban agglomeration economies.

Keywords: population concentration, population size, agglomeration economies, productivity, metropolitan area.

REGIONAL BUDGET ANOMALY IN REGIONAL GOVERNMENT IN INDONESIA

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ABSTRACT

The demand of the budget effectiveness and efficiency has increased as many local regions do not optimally and effectively manage their budget. The objective of this study was to investigate the determinants of the regional budget deficits. Multiple regression analysis tools with Common Effect Model Method using panel data from 33 provinces were used. The results showed that the budget deficit in the provincial government administration in Indonesia is determined by the expenditure of goods and services as well as the financing surplus (SILPA).

Keywords: budget deficit, financing surplus, goods and services expenditure, inflation, economic growth
THE SINERGY STRENGTHENING OF LOCAL GOVERNMENT AND LOCAL BANKING POLICY THROUGH EMPOWERMENT ACTIVITY OF MICRO ENTERPRISE AT MERANGIN REGENCY, JAMBI

(Case Study of Revolving Fund Utilization of Enterprise Loan of Community’s Economy Empowerment (KUPEM) Program by Store Retailer)

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Mahendra Wijaya, Universitas Sebelas Maret
Suwarto, Universitas Sebelas Maret

ABSTRACT
Capital access is one of local government policy (Government of Merangin Regency) and local banking (Jambi Bank) which side with small medium enterprises (UKM) at Merangin Regency, Jambi, in the form of activity of store retailer empowerment through the revolving fund utilization of KUPEM program. This study used qualitative method with case study approach. The implementer team of KUPEM at Merangin Regency and store retailer were informants. Data collection techniques used observation techniques, in-depth interview, documentation and Focus Group Discussion (FGD). Data validation used triangulation method and data source which analyzed with interactive model. The results showed that the policy of local government and local banking were the dominant factors in the implementation of the KUPEM program. Therefore, to achieve optimal result, they required the synergy strengthening between local government and local banking policy based on sharing program. It hoped to be useful to create the complementary policy according to the function and role of both institutions, thus they could build the effectiveness and efficiency in the implementation. Then the importance of implementation of empowerment program in developing the concerning principle of the empowerment target, intended to the loan application the world of banking through the principles of 5C (Character, Capacity, Capital, Collateral and Condition of economy) can be realized as expected.

Keywords: Policy, Empowerment, KUPEM Program.
ABSTRACT

We investigate the contribution of regional banks on regional economic development in the context of Indonesia which has a unique feature regarding regional banks. They consist of rural banks and regional development banks. We study 33 Indonesian provinces over the period of 2009-2014 to empirically examine the effect of bank lending of those banks on some measures of regional economic development. Our results show that in the regions with higher proportion of bank lending of regional banks over regional GDP, they have a higher economic growth and lower unemployment rate. Going deeper, we also find that the effect of regional banks’ lending on economic development is stronger in the regions having good governance which ensures that regulations are enforced particularly with regards to creditor rights. However, our additional estimation provide evidence that interest rate on loans of those banks are higher than other banks due to they might have to serve costly and risky borrowers. Some policy implications are discussed.

Keywords: Regional banks, lending, regional economic development, local governance, interest rate on loans, Indonesia
INVESTORS PERSPECTIVE TOWARDS MARKET VOLATILITY: CASE OF INDONESIAN EARLY INVESTORS

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ABSTRACT
While Behavioral Finance assumes how the individual are not thinking rationally when they try to decide any decision regarding their investment decisions, Volatility are considered as an important variable that affecting many aspect in financial markets. The study of this research purposed to seek any relationship between the early investor irrational behavior towards the volatility of Indonesian Capital Market, the study also try to see how the behavioral biases itself could explain the different psychology type of investors, which explained in the book “The Psychology of Smart Investing” by Ira Epstein and David Garfield. Questionnaire conducted and distributed into 120 early investors around Java and Sumatra in Indonesia. The method used for this research will be linear regression and binary logistic regression tests. While the result of this research revealed that there are no significance relationships between Behavioral biases towards the market volatility, the research suggest that the bias that conducted by early investor could explain the psychology types of early investors.

Keywords: Investors Perspective, Market Volatility, Indonesian Early Investors, Behavioral Bias,

FACTORS AFFECTING LIQUIDITY IN SUB SECTOR METAL INDUSTRIES LISTED ON INDONESIA STOCK EXCHANGE

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ABSTRACT
The purpose of this research is to verify and analyze the factors that affect the liquidity in sub-sector metal industries listed on Indonesia Stock Exchange. The population in this research is the 16 sub-sector metal companies listed on Indonesia Stock Exchange 2011-2015. Using purposive sampling, 10 out of 16 companies are selected for the samples. The data used in this research is secondary data, by collecting the required information from Indonesia Stock Exchange 2011-2015. The methods that are used to analyze the correlation between independent variable with dependent variable are multiple regression analysis and assumption testing. The factors that are affecting the liquidity in this research are net working capital turnover, account receivable turnover and inventory turnover. The result using F-test shows that net working capital turnover, account receivable turnover and inventory turnover affect the liquidity simultaneously. On the other hand, partial T-test’s result shows that net working capital turnover, account receivable turnover and inventory turnover also affect the liquidity, but not significant.

Keywords: net working capital turnover, account receivable turnover, inventory turnover and liquidity.
MARKET REACTION TO STOCK DIVIDEND ANNOUNCEMENT

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ABSTRACT
The purpose of this study was to determine the return of the reaction of the announcement of stock dividend. This study using event study approach, where the observation of the abnormal return during the event period, which is seven days prior to the announcement of up to 7 days after the announcement. The method used is quantitative method. Hypothesis testing is used to see the significance of abnormal return values occurring in the event by comparing t arithmetic with t-table and test independent sample t-test to determine differences in the value of abnormal return of some subsample. The results of this study indicate that (1) there is no positive abnormal return significantly to the announcement of stock dividend around the event period, (2) there is no average abnormal return is greater in companies issuing initial stock dividend compared to companies that issue stock dividend subsequent, and (3) there is no average abnormal return is greater in companies with issuing stock dividend ratio is high compared to the company that issued the stock dividend ratio is low.

Keywords: Stock Dividend, Initial Stock Dividend, Stock Dividend Subsequent, High Stock Dividend, Low Stock Dividend, Abnormal Return

A STUDY OF RELEVANCE OF BLACK SCHOLES MODEL ON OPTION PRICES OF INDIAN STOCKMARKET

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ABSTRACT
In the modern world, with the continuous evolution of the financial market, there has been a continuous development of different financial instruments. Derivative trading is becoming an integral part of stock market. In the recent years trading volume in stock market has increased tremendously which has led to the high volatility in the option prices. A derivative is a type of such evolved financial instrument which has attracted the financial marketers all over the world. It is a financial contract between two or more parties whose value depends on a given underlying asset, and any change in the value of the underlying has a subsequent change in the value of the derivative contract. An option is a type of financial derivative that represents a contract between the seller (option writer) and the buyer (option holder), which offers the buyer the right, not the obligation, to execute the contract. The options contract allows the buyer to buy (or sell) a security or other financial asset at an agreed-upon price (strike price) during a certain period or on a specific date. Black Scholes option model is used for fair value pricing for option contracts. In this research work, an attempt has been made to find out the relevance of Black Scholes Model values with the market values for stock options. The study found out that the option values have insignificant relevance to the market values.

Keywords: Options, Black-Scholes model, underlying, volatility, market value.
THE EFFICIENCY OF ISLAMIC BANKS AROUND THE WORLD: 
A LITERATURE REVIEW

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Tom Cronje, Curtin University Australia
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ABSTRACT

Islamic banking has grown rapidly around the world. Nowadays, they exist not only in countries with Muslim population as majority, also in countries where Muslims is minority. The total asset of Islamic Bank Industry in the world increased from USD 1.5 trillion in 2012 to USD 1.62 trillion in 2013 with compounded annual growth rate of 17.04% during the period of 2009 to 2013 (Islamic Financial Service Board 2014). It is evident that Islamic Banking Industry grow faster compared to non-Islamic bank throughout the world. This research aims to review the literature relevant to this issue.

This research studies 17 papers about Islamic Banking efficiency and 17 papers regarding comparative efficiency between Islamic and non-Islamic banks around the world. All of the 17 studies of Islamic banking efficiency, although they employed various methods, applied a non-parametric DEA model; two also applied a parametric Stochastic Frontier Approach model and one applied Distribution Free Approach. Most of the studies used similar input and output variables, and mainly, defined the inputs and outputs based on an intermediation approach, because it accommodates the intermediation characteristics of Islamic banking (Yudistira, 2003). DEA model, especially intermediation approach, is also popular tool for comparing the efficiency of Islamic and non-Islamic banks. Researchers found different results regarding the comparative efficiency of Islamic and non-Islamic banks. However, few of those findings were supported by statistical evidence. Only the study by Yahya, Muhammad, and Hadi (2012) provides evidence that Islamic banks were more efficient than non-Islamic banks, and their difference is statistically significant. On the other hand, studies by Afiatun (2010), Bader, Mohamad, Ariff, and Hassan (2008), Hassan, Mohamad and Bader (2009), Ika and Abdullah (2011), and Kashani and Obay (2010) suggest that there were no statistically significant differences in the efficiency of Islamic and non-Islamic banks.

SHARIAH RURAL BANK IN DEVELOPING ECONOMY OF THE RURAL AREA IN INDONESIA

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Abdul Hamid, State Islamic University Syarif Hidayatullah Jakarta
Amiur Nuruddin, State Islamic University North Sumatera

ABSTRACT

The paper aimed to empirically explore the shariah Rural Bank (SRB) development in relation to the economic growth of the rural areas society in Indonesia. This study was undertaken in the
small area of Malang, East Java. Qualitative approach was applied by deciding the objective to be achieved in this study. The main instrument of the study was the researchers themselves. The involvement of the researcher is a must to picture a complete data through the natural conversation and body gesture of the informants. Three main methods were used in collecting the data: library research, interviews and documentation. The data was analyzed in the form of theme classification after having been displayed and reduced based on the research need. Findings of the study revealed that SRB played its role in couple ways such as liberating community from money lenders, empowering the micro and small economy, alternative institution to the rural community for financing need, and as the home of Islamic value transmission for its customers and staffs. SRB is also a mean to liberate society from the money lender practice. The role of the SRB plays is pivotal in the economy development in the rural areas in a various sectors such as agriculture, farming, mining and social services.

Keywords: shariah rural bank, economy sectors, agriculture, mining, social services.

THE MEASUREMENT OF EFFICIENCY AND EFFECTIVITY OF THE ALMS MAINTAINING AGENCIES

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ABSTRACT

The Purpose of this research is to measure the financial performance of Alms Maintaining Agencies by use of efficiency and effectivity variables. Designs/Methods that this research uses are Structural Equatation Modelling (SEM) method and AMOS Program. The Input(s), Output(s), and Outcomes variables serve as Latent Exigent variables. While Efficiency, Effectivity, and the agency’s Performance serve as 1, 2, and 3 Indigent variables. The Result of this Research shows an indicator which serve as the input(s), output(s), and outcomes variables had an influence towards the efficiency and effectivity thus the efficiency and effectivity variables also influenced the performance of the Alms Managing Agencies. Conclusion: these agencies’ performance can be measured using the efficiency and effectivity variables, thus they can be also used as the standard for measuring all Alms Maintaining Agencies’ performance across Indonesia.

Keywords: efficiency, effectivity, performance, alms managing agency (AMA)

HISTORICAL DEVELOPMENT OF ISLAMIC BANKING AND FINANCE IN GERMANY: CHALLENGING AND SUPPORTING ISSUES

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ABSTRACT

The study aims to trace the historical development of Islamic banking and finance in Germany. Three main research questions proposed to answer this study, which are: first, how does Islamic banking and finance (IBF) develop in Germany; second, what is the model of Islamic banking finance that develop in Germany; third, what are the challenging and supporting issues behind the development of IBF in Germany. The research mainly relies on two types of data: primary and secondary data. The first gained through interviews or focused discussion with the key informants while second type gained through documents in the forms of working papers, market
surveys and other online researches, and data available through the conducted research papers as well as authorized publications and online sources. The result of the study reveals that although Islamic finance in Germany grows slowly but certainty to answer the problem of Muslim population in their economic and financial need under the light of their religious teaching. Model of Islamic finance which developed formerly was Islamic insurance followed by sukuk, a new instrument that previously used to Islamic bonds and Islamic bank, KT bank AG as the intermediary institution was established in 2015 and currently it is developing widely in some strategic areas in Germany. The fast development of Islamic finance in that country is faced by two contradictory supporting and challenging issues.

**Keywords:** Islam, Islamic finance, Islamic insurance, sukuk, murabahah
THE IMPACT OF SOVEREIGN CREDIT RATING TO FOREIGN DIRECT INVESTMENT IN INDONESIA

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ABSTRACT
Foreign Direct Investment is one of the most important factors that contribute to the economic growth in Indonesia. The inflow of FDI in Indonesia starts to grow heavily in 2005 and maintain a steady growth throughout the years. With the importance of economic growth in Indonesia, the government needs to make sure that the level of investment in Indonesia to keep improving every year. Therefore, this paper discusses the impact of sovereign credit rating to the FDI inflows in Indonesia from 1992-2016. The data employed are based on the data of historical credit rating and FDI in Indonesia. Other control variables used in this research are historical exchange rate and the real interest rate. All of these variables then be analyzed using the random effect model of panel data analysis based on the result of the hausman test. The results given by this random effect panel data analysis suggest that the significant factors contributing to the level of FDI comes from the historical exchange rate and the downgrade announcement of the credit rating. The other variables, namely the real interest rate and upgrade of credit rating do not give any significant impact to the level of FDI in Indonesia.

Keywords: Foreign Direct Investment, sovereign credit rating, panel data analysis
An interesting aspect of the public information arrival effect that has not been covered is the impact of GFC on banking stocks in Indonesia. The aim of this research is to investigate market reaction of banking stocks at Indonesia Stock Exchange (IDX) towards economics event on Global Financial Crisis (GFC) in case the events of the bankruptcy of Lehman Brothers on 15th of September 2008 and the closing of Indonesia Stock Exchange (IDX) on 8th of October 2008. In this research, the researcher conducts event study to explore the reaction of stock market regarding of these events on banking stocks. The results of this study find that there was a weak strong impact of the Lehman Brothers collapse towards banking stocks, however, there was a pretty strong impact of the IDX closure towards banking stocks at IDX.

**JEL Classification:** G01 - Financial Crisis, G14 - Event Studies
THE ROLE OF SELF-EFFICACY AND INNOVATIVE BEHAVIOR TOWARDS THE SUCCESS OF WOMEN BATIK ENTREPRENEURS IN BOJONEGORO

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ABSTRACT
The success of an entrepreneurial woman does not occur by chance, but through hard work, self-belief, innovation and ambition behavior. Self-efficacy and innovative behavior is required by women entrepreneurs to achieve their success. The purpose of this research is to find out the role of self-efficacy and innovative behavior towards the success of women batik Jonegoro entrepreneurs. This research uses descriptive and quantitative analysis research design. The population in this research is all women batik entrepreneur in Bojonegoro, the sample collection technique has been carried out by using non-probability sampling in which samples are determined based on certain criteria in accordance with the research purpose. The numbers of samples which meet with the research criteria are 32 respondents. The Data collection techniques have been done by issuing questionnaires and conducting interviews. The obtained data are analyzed by using Partial Least Square (PLS) which is the equation model of Structural Equation Modeling (SEM) which is based on components or variants. The results of the research shows that 1) self efficacy gives influence to the success of women batik entrepreneurs. 2) Self-efficacy gives influence to the innovative behavior of women batik entrepreneur.3) Innovative behavior gives influence to the success of women batik entrepreneurs.4) Self-efficacy gives indirect influence to the success of women entrepreneur through the mediator i.e. innovative behavior.

Keywords: Self-efficacy, Innovative Behavior, The Success of Women Entrepreneur

INSTAGRAM FOR ENTREPRENEUR AND HOW TO GET LOYAL CUSTOMER

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ABSTRACT
Social networking sites (SNS) have attracted million people that bring into their daily activities. The use of social media has change in this era from text sharing into photo sharing. Instagram is one of the photo sharing application that really famous recently that has significant increasingly of users from year to year. This rapid growth of Instagram users, have been made the business industry flocked into that SNS in a similar vein as their customer. Now Instagram is one of the media of e-commerce. Instagram help the entrepreneur in promoting the products and seeking feedback from the customers. The competitions in Instagram business become increasingly tight because there is no barrier of entry in using Instagram for business. The entrepreneur can come and out easily in this business area. Therefore, not all of the entrepreneur who success in implementing Instagram as their media business in promotional. This study was use qualitative design and literature review toward Instagram users to obtain the factors influence. In term of e-commerce through Instagram SNS, to get the customers it is depend on people visiting their
Instagram include number of followers and number of like of every post that will become their customers and their customer loyalty. To get customer loyalty, entrepreneur should increase the number of followers and like in their Instagram to get more attention by people and several factors are found to attract people in social media Instagram to make the customer loyalty.

**Keywords:** social media, Instagram, e-commerce, customer loyalty, entrepreneur

**ENTREPRENEURSHIP MODEL FOR STUDENTS BASED ON DESIGN THINKING APPROACH**

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**ABSTRACT**

Since the global financial crisis hit the world economy, entrepreneurship has become one of the important aspects to be noticed, especially by the government to promote growth and employment. Not all aspects of entrepreneurship are beneficial to growth. Many researchers have revealed that formal entrepreneurship education will have a positive effect on the entrepreneurial spirit as a whole in each individual. The role of design thinking in entrepreneurship or building a business demonstrates a better impact to financial performance in the future, as it brings creativity to the development of innovation for customers. This paper discusses the entrepreneurship model for students by approaching design thinking. This approach is used to analyze or prepare college graduates to be able to enter the business world after they graduate or before graduation and it is supported by secondary data.

**Keywords:** student entrepreneurship, design thinking, education entrepreneurship

**RELIGION, ATTITUDE, AND ENTREPRENEURSHIP INTENTION IN INDONESIA**

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Ira Iriyanti, Universitas Indonesia  
Muhammad Miqdad Robbani, Universitas Indonesia

**ABSTRACT**

The present research investigates the relationship among behavioral belief, attitude toward entrepreneurship, religiosity, and entrepreneurship intention in Indonesia. Using a structural equation model and the sample of 167 micro and small enterprises, we find the remarkable result to add the entrepreneurship literatures regarding the relationship between religiosity and entrepreneurship. Although religiosity was mostly discussed as moderator variable in various scope (Balog et al., 2014; Audretsch et al., 2013; Belu and Fiume, 2004), this study finds that religiosity also has a strongly direct relationship to entrepreneurial intention rather than being measured as moderator. Further, most of independent variables also show significant result to influence the entrepreneurship intention.

**Type of Paper:** Empirical research
Soft skill for workplace is one of factors that determine one’s success. There are studies which mentioned that the success is determined by 80% soft skills and 20% hard skill. Several researchers mention that soft skill can be developed in a person if it is taught using the following strategy: (1) experience based education, (2) education based on the needs of certain field of study, (3) innovative and creative education, and (4) long live learning education based on student’s level. The result of this study shows that entrepreneurship education in UNS Surakarta is taught by implementing similar education strategy with workplace soft skill development. This research was taken place in UNS Surakarta employing qualitative research type focusing on Faculties of Teacher Training and Education, Economics, Law and Agriculture. Techniques of collecting data used were interview, observation, and documentation study. Data analysis was carried out using domain data analysis technique. Thus, entrepreneurship education in UNS Surakarta can become an alternative for soft skill development in students, which will be needed in their future workplace. Even though there are studies on soft skill development and entrepreneurship, but these two aspects have never been studied in one study. Thus, this study can be used as reference for readers who are interested in entrepreneurship education in UNS in order to develop soft skills needed in the workplace.

**Keywords:** entrepreneurship education, soft skill, workplace
PROSPECT AND SUSTAINABILITY OF SORGHUM PRODUCTION IN DEMAK REGENCY CENTRAL JAVA INDONESIA

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ABSTRACT
Sorghum is an important source for food, feed and energy (bio ethanol). In the semiarid tropics, it is consume for a large segment of the human population. However, in Indonesia, sorghum has so far been regarded as a minor crop and its research and development remain insignificant. The study examined prospect and sustainability of sorghum production, through 1) identify the social-economic characteristics of farmer, 2) analyze economy feasibility and, 3) identify conditions and problems of sorghum production. Primary data were used for this study. They were obtained through interview schedule. A total of 62 households engaged in sorghum production were investigated. Data collated were analyzed using suitable statistical tools such as descriptive statistics and budgetary analysis. Result showed that social and economic condition in the development of sorghum have good future because most farmers in the productive stage, although the average education level was low but farming experience was quite good. From the economic side, sorghum was quite viable. The condition of the average farmer's land is limited (<1 ha) and most of farmers were rental status and a lot of the number of dependents, there are some factors that made farmers very selective in choosing a commodity to be cultivated. Decreasing of sorghum production in Demak due to competition with other food commodities that more profitable, more over the existing government policies not support the development of sorghum.

Keyword: economy analysis, production, sorghum

UTILIZATION OF GINGER PLANTS FOR MEDICINAL PLANTS IN INDONESIA BASED ON PATENT INFORMATION

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Dini Oktaviyanti, Center for Innovation-Indonesian Institute of Science

ABSTRACT
Nowadays, one of the developments for the pharmaceutical, cosmetic and food sectors is the development of products with components derived from natural ingredients, which naturally exploit biodiversity derived from nature. Indonesia has a very abundant horticultural crop population of 15 types of medicinal plants. This, of course, makes Indonesia has its advantages to producing medicinal plants derived from natural ingredients, wrong with using ginger plants. Ginger plants themselves hold the highest rank with a percentage of 37.98%. This study
attempted to extend the profile with ginger with an analysis of information trends accumulated in WIPO databases in the period until 2017. Several parameters were analyzed to determine what is Indonesia's ability in preliminary results in the ginger benefit invention. Utilization of this ginger itself can be used as a medicinal plant and research for college and also the opportunity to cooperate with other countries. Based on the benchmark requirements through IPC or patent grouping, the invention derived from group A or the health field shows the highest and specific invention of the health or drug method adopted from ginger plants. In A23 shows the use of patents as foods or foodstuffs; Their treatment, not covered by other classes. While A61 demonstrates specific therapeutic activity of chemical compounds or medicinal preparations. With the grouping based on IPC, a value obtained information from the utilization of ginger is dominated by processing Ginger as the main ingredient of the drug. Already in the public sphere, this research shows that the existing technology information in this document can be used for research and investment in some areas

**Keywords**: ginger; patent; herbal; Indonesia

**LAND OWNERSHIP DISTRIBUTION, FARM HOUSEHOLD INCOME BASED ON LAND INSTITUTIONS AND FARM ENVIRONMENT IN SUB-WATERSHED SOLO UPSTREAM, INDONESIA**

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Suwarto, Sebelas Maret University
Sapja Anantanyu, Sebelas Maret University

**ABSTRACT**

Land ownership distribution may affect farm income distribution, because farm land is an important production factor in farm production. The rise of non farm sector increases farmer income in that sector, can contribute real toward farm household income which further can lead to the decrease of the imbalance of farm household income distribution in rural area. The research is done with survey and indepth study to 112 foodcrops farmer families by census, to farmers in a village that close to reservoir, town, or market, and farmers in a village in the most upstream area of Bengawan Solo, far from town or market. Data are analysed using gini ratio and with multiple regression heteroscedasticity model. The result of the research shows that food crop land ownership at high imbalance, food crop income at medium imbalance, and farm household income at low imbalance. The factors which affect the farm household income are: the number of family members who work, foodcrop farm income, perennials and horticultures farm income, animal husbandry income, and owner-cultivator farmer income.

**Keywords**: farm environment, household income, land farm distribution, and land farm institutions.
SUCCESS FACTORS IN THE PROJECT INTEGRATION MANAGEMENT AT PT SUSTAIN-AUTO INDONESIA

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ABSTRACT

Investment in Indonesian commercial vehicle market becomes lucrative for international company due to government plans to invest billions in developing the infrastructure and the availability of low-cost labor in the country as one of the reasons. PT Sustain-Auto Indonesia (SA Ina) as one of multinational divisions of Auto AG acts as the sole agent, assembler and manufacturer of Sustain-Auto products in Indonesia foresees the opportunity and created a project called “Project X” where it produces Indian truck for Indonesian market. The development of the truck is mainly adopting the Auto India Commercial Vehicle (AICV). Like any other projects, when applying project management integration they will have project life cycle during its development, in fact many projects are failing due to under-costing, overspending and late delivery. Qualitative analysis by using semi-structured interview was conducted to nine-project X team from different operation functions and different position level. Observation and literature review from previous studies also being used to identify the success factors in the Project X that should be considered during each life cycle. It was found that project premise, customer requirement, government regulation, scheduling, cost, roles and responsibility, communication, level understanding, information transparency, supplier management, and project documentation are the most important factors during the project life cycle. To achieve project success, this research recommends a more integrated project management that combines several knowledge areas in each of the project phase and provides an effective sharing knowledge.

Keywords: New product, project integration management, project life cycle

THE USE OF 5-WHY'S TECHNIQUE TO FINDING PRODUCTIVITY IN MINING SERVICE FIRM, INDONESIA

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Ivan Susilo Prasajo Basir Abdullah, Universitas Mercu Buana

ABSTRACT

The purpose of this paper is to analyze the cause of not achieving the target production with a focus on productivity of Armada Komatsu PC2000 in mining service Indonesia. The methodology this research is action research study uses 5-whys analysis technique to reduce or eliminate the speed loss. Variables in this study are the cycle time dump truck, job efficiency excavators, match factor, and loading time to a dump truck. This study focused on finding the root causes of the productivity of the fleet, using five whys. By integrating data from enterprise and data during the study, 5 whys are used in order to find the root of the problem Komatsu PC2000 excavator productivity. 5-whys illustrate the level of questions on the cause of the problem. End of 5 level questions will reach the root of the problem. Results of this study showed that there is no standard of guidelines, there is excess excavation depth, mixing
different fleets, the bedding of loose sand on the mine road, PC2000 allocation in place with a width of fewer than 30 meters and bedding sand material has a high resistance rolling.

**Keywords**: productivity, dump truck cycle time, the match factor, loading time, 5-whys analysis technique

### ANALYZE BUSINESS PROCESS MANAGEMENT: COMPARING TO CONCEPTUAL AND PRACTICE IN AN INDONESIAN MINING COMPANY

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Dekar Urumiah, Islamic University of Indonesia

**ABSTRACT**

This study is about business process management by analyzing its path through the comparison between conceptual and practice. The purpose of this research is to determine business process management practices that have been run by the company comparing to the conceptual theory. The method in this study is conducted by the survey with the distribution of questionnaire. The result that have been analyzed, the result of practices, run the company in accordance with the conceptual theory of business process management in literatures. Those indicate that the company has been undergoing business process management properly and in accordance with the plot. Unfortunately, some of them were having a significant valid among all variables that has been studied. It may different and applicable to other companies' tasks and responsibilities when practicing to business process management, while the theory may applicable and has several theories that compliance to the research.

**Keywords**: business process management, comparison, conceptual, practical

### DECISION STAGES IN A CLOSED LOOP SYSTEM: LESSON LEARNED FROM INDONESIA ELECTRICITY DISTRIBUTION NETWORK

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**ABSTRACT**

Distribution network within a closed loop supply chain system was suggested to implement two stages decisions; started with local optimalization analysis and followed by unified solution among all local optimal solutions. Such approach arguably would reduce redundant supply as well as minimizing both over and under supply in the system. The complexity of building the analytical model was also discussed.

**Keywords**: supply chain management, closed loop system, distribution network, deterministic simulation, heuristic analysis
CORPORATE SOCIAL RESPONSIBILITY AND DIVIDEND POLICY: THE CASE OF
INDONESIAN FIRMS IN 2008 – 2015

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ABSTRACT
Corporate social responsibility (CSR) has appeared as a global trend and encouraged companies to build sustainable businesses. In Indonesia, CSR is mandatory to all listed companies and regulated under the Law Number 25 of 2007 and Law Number 40 of 2007. This research is aim to examine CSR effects to companies’ financial performance and its implication to dividend policy. It is the first research on CSR that includes dividend policy in Indonesia. We will measure the CSR by using the number of CSR expenses, while the dividend will be measured using cash dividend scaled by total assets (and by net sales).

Keywords: corporate social responsibility; financial performance; dividend policy; dividend payment; Indonesia

COMMUNICATION PATTERN BETWEEN COMPANIES AND COMMUNITIES ON
THE INDEPENDENT WASTE BANK CSR PROGRAM PT HOLCIM INDONESIA
TBK CILACAP PLANT

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ABSTRACT
The waste problem in Cilacap Regency is still a serious problem. This is because the ratio of waste tonnage produced per day, compared to the number of trucks carrying garbage has not been balanced yet. Currently people still think that waste as leftovers is not useful, so many people who throw garbage without being managed properly and this is what causes environmental pollution. Independent Waste Bank is a Corporate Social Responsibility (CSR) program of PT Holcim Indonesia Tbk. Cilacap Plant as a form of corporate participation in handling waste problems in Cilacap Regency. In the implementation of CSR programs, communication activities become an important thing to be done by the company.

Method in this study used case study method and this research was included into the type of descriptive qualitative research. This research was conducted on the CSR program of Independent Waste Bank PT Holcim Indonesia Tbk. Cilacap Plant located in (Posdaya) Ketapang Damai RW X, Kebonmanis Subdistrict, Cilacap Regency Central Java Indonesia.

The results of the study indicate that the pattern of dialogical communication with several communication methods such as: using a family approach, involving local communities and important individuals in community groups as communicators, customizing local habit characters, using audio visual media and communication through the community Communication Forum (FKM) is considered effective so that the Independent Waste Bank
Program can be implemented by the community in RW X Kebonmanis Cilacap and the sustainability of the CSR program can be achieved.  
**Keywords:** Communication, Corporate Social Responsibility (CSR), Waste Bank

**THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY IN CREATING SOCIAL PERFORMANCE THAT DETERMINE SUSTAINABLE PERFORMANCE**

Indarto, Semarang University

**ABSTRACT**
This study examines the impact of CSR and corporate culture oriented employees towards the performance of the employee social and sustainable performance. Social performance is one of the key elements in determining sustainability performance in addition to business performance and environmental performance. The data used are primary data obtained through questionnaires of the sample. The test results by using structural equation model showed evidence that CSR and corporate culture oriented employees positively and significantly related social performance as forming a sustainable performance. **Keywords:** corporate social responsibility, corporate culture employee oriented, social performance, sustainable performance

**HOLISTIC OF CORPORATE SOCIAL RESPONSIBILITY: IMPLEMENTATION SHARIA COMPANIES IN INDONESIA**

Ahmad Rodoni, Islamic State University, UIN, Jakarta

**ABSTRACT**
The purpose of this study is to analyze the value of integration and CSR activities as well as to review CSR practices in sharia companies. This study uses qualitative analysis. Sources of data are obtained from the results of sharia companies CSR documents from 2000 to 2014, the annual report, prospectus of sharia companies, good corporate governance reports and notes of the financial statements. Then the data is supported by theories and results of previous studies, such as scientific journals, books and so forth. This study result shows that a more holistic multidisciplinary is not yet integrated, covering aspects of philosophy and managerial perspectives which becomes the social responsibility of sharia companies listed in the Indonesia Stock Exchange. This CSR practices in sharia companies have not used the concept of CSR by Islamic perspective. This study also shows that three important aspects of Corporate Social Responsibility (CSR) do not correspond with each other, which includes environmental, social and economic responsibilities. Differences and similarities with the other academic community: this study refutes the results of Ketola (2008) who found the model of integrated or multidisciplinary Corporate Social Responsibility (CSR), which comprises of utilitarian/egoistic, duties/rights/justice and ethical value of the company to raise awareness of psychological resilience in the activities of the company, in order to achieve environmental, social and economic responsibilities of company activities.  
**Keywords:** Corporate Social Responsibility (CSR), holistic and corporate sharia.
INVESTIGATE FACTORS INFLUENCING THE CUSTOMER PURCHASE INTENTION TOWARD HALAL LABELED FOUNDATION (MAKEUP)

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Herry Hudrasyah, Institut Teknologi Bandung

ABSTRACT
The increases of women Muslim awareness to cover their aurat with use veil is work up the Muslim demands for product and service which is in accordance with Islamic law or sharia that called as halal product or services. It is due to fulfill the Islam obligation to consume or use halal product or service. Moreover, the significant growth experienced by cosmetics product, it is because cosmetics has become part of everyday women life, whereas praying five times a day also a duty that must be done by Muslim. Therefore the purity of the self must be maintained by using the halal cosmetics to avoid the invalid ablution that can cause the pray not valid. This paper is focus to investigate what factors that give significant impact on consumer intention to purchase halal labeled foundation. All data gathered through a questionnaire which distributed online to the Muslim women in Bandung. The consumer purchase intention-behavior is measured by using the extended model of The Theory of Planned Behavior with added of the 8 dimension of quality theory. There are 400 data from the respondent that measured by using multiple regression which shows that all independent variables namely attitude, subjective norm, purchase behavioral control, and quality are significant. This study is addressed to halal cosmetics industry in Indonesia to understanding the consumer purchase intention on halal labeled foundation. Expanding the research area and another specific makeup can use for the future research.

Keywords:
Halal Labeled Foundation (makeup), Attitude, Subjective Norm, Perceived Behavioral Control, Quality, Purchase Intention.

CONSUMERS’ DEMAND ON MUDHARABAH SAVINGS OF ISLAMIC FINANCIAL COOPERATIVES INCIAMPEA – BOGOR, INDONESIA

Muniaty Aisyah, State Islamic University (UIN) Syarif Hidayatullah Jakarta
Umiyati, State Islamic University (UIN) Syarif Hidayatullah Jakarta

ABSTRACT
This research aims to analyze the influential factors involved in consumers’ demand on Mudharabah savings of Islamic Financial Cooperatives (KJKS) or BaitulMaalwaTamwil (BMT) in the area of Ciampea district, Bogor, Indonesia. By using simple random sampling and multiple liner regression analysis, the data was processed from 159 members. The findings show that the profit sharing, service quality and consumers’ religiosity simultaneously influence consumers’ decision to use Mudharabah savings. However, partially only the profit sharing and consumers’ religiosity influence the decision to use the Mudharabah savings, while the service quality does not. This indicates that services provided by KJKS or BMT in Ciampea is below of customers expectation, thus the management need to enhance their quality of service. This research also offer recommendations for improving service quality for the benefit of members and organization.

Keywords:
profit sharing, service quality, religiosity, consumers’ decision, Mudharabah, Islamic financial service cooperatives, BMT
HALAL CERTIFICATION: CONSUMERS DEMAND AND ITS IMPLICATION FOR RESTAURANTS IN INDONESIA

Muniaty Aisyah, State Islamic University (UIN) Syarif Hidayatullah Jakarta

ABSTRACT
Rapid urbanization in Indonesia that lead busier lifestyles with more time spent at work and less time for the preparation of meals at home, has heightened consumers demand for convenient food services like restaurants and food stalls. For the Indonesian, where majority of the population is Muslims, restaurants providing halal food and beverages with halal ingredients and processes are important as the religion requires that Islamic principles and beliefs be upheld in any transaction. A halal restaurants certification system, using halal trademarked logos, provides guarantee to consumers to determine which restaurants are producing food and beverages according to halal regulations. However, only about 50 percent of food service businesses in Indonesia who had owned halal certification. The absence of standardization efforts and the lack of halal certification is still a major constraint for food services in Indonesia to compete in international markets. For that reason, this research aims to investigate the influential factors involved in consumers’ decision to patronize halal restaurants based on the Theory of Planned Behavior. As hypothesized, attitude, subjective norms, perceived behavioral control, and consumer intention, predict consumer decision to patronize halal restaurants. This research contributes by highlighting the consumers’ demand on halal restaurant certification in order to stimulate marketers, restaurant owners or managers to provide halal guarantee to Muslim consumers which in turn stimulates the growth of Indonesian halal food services in local and international markets.

Keywords: halal certification, restaurant, consumer decision, theory of planned behavior

IMPLEMENTING THIRD-ORDER CFA MODEL FOR THE FACTORIAL VALIDITY OF MUSLIM CONSUMER RELIGIOSITY

Muniaty Aisyah, State Islamic University (UIN) Syarif Hidayatullah Jakarta

ABSTRACT
This research is intended to test the implementation of a third-order Confirmatory Factor Analysis (CFA) model for the factorial validity of the proposed theoretical framework of Muslim Consumer Religiosity (MCR). Rather than applying a one-to-one measurement of Christianity or Western terminologies, this research shed light on religiosity measurement from Islamic perspective that derived from the holy Qur’an and the Hadith of Prophet Muhammad. This research is the continuity of prior researches that implemented a first-order and a secondorder CFA model for the factorial validity of Muslim consumer religious behavior, and also a third-order CFA model of hablumminallah behavior (relationship with Allah) and hablumminannas behavior (relationship among human beings) within the Muslim consumer religious behavior framework separately. To test the proposed theoretical framework, 433 data sets were analyzed using Structural Equation Modeling with AMOS 22.0 software. The result demonstrated that a third-order CFA model for MCR had certain acceptable goodness-of-fit. Thus, this research offers suggestions for suitable marketing strategy in Islamic market based on consumer religiosity which affect purchase decision and choices related to the products that are considered permissible or prohibited for religious reasons.

Keywords: Muslim, consumer behavior, religiosity, confirmatory factor analysis, Islamic market
THE INFLUENCE OF CONSUMER SKEPTICISM ON GREEN BUYING: THE ROLE OF ENVIRONMENTAL ATTITUDE AND PCE AS INTERVENING VARIABLE

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Dwi Kartini, Universitas Padjadjaran
Popy Rufaidah, Universitas Padjadjaran
Martha Fani Cahyandito, Universitas Padjadjaran

ABSTRACT
This study attempts to examine the effect of consumer skepticism, environmental attitude, perceived consumer effectiveness (PCE) on green buying. Data were collected using questionnaires distributed to respondents in the existing shopping pairs in Pekanbaru City. A total of 261 respondents participated in this study. The results showed that skepticism had a negative and significant effect on environmental attitude, PCE, and green buying. In addition, there were also significant positive effects for the influence of environmental attitude toward green buying. This study failed to find a significant influence on the effect of PCE on environmental attitude and green buying. The results of this study can be used by various parties to understand consumer behavior in shopping environmentally friendly products.

Keyword: Skepticism, Attitude, PCE, Green Buying
MODEL OF PERFORMANCE APPLICATION AND MEASUREMENT IN THE COOPERATION USING PROSPECTOR AND ATHENA’S ORGANIZATIONAL CULTURE STRATEGY

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Kristyana Dananti, Universitas Kristen Surakarta

ABSTRACT

Generally, cooperation management has not been synergy between Department of cooperation, SMEs and managers on it. It is seem on management aspect, especially in terms of performance measurement that is need to equal attitudes and actions in design making. Due to the model of cooperation assessment conducted by the Department just focused on the financial statements. The purpose of this research is to create cooperation program performance measurement applications using prospector strategy and organizational culture of Athens. The approach focused to test the implementation of the program. The unit of analysis is the Cooperation in Surakarta. Observation unit is associated with the cooperation organizers. Respondents choosing based on the success criteria organizer in generating financial reports. The method of this research is descriptive qualitative analysis. The output of this research is web-based application program in the form of cooperation performance measurement.

Keywords: Performance, Cooperation, Prospector Strategy and Athens Culture

THE EFFECT OF THE DEGREE OF IMPORTANCE OF THE USE OF NONFINANCIAL MEASURES AND FINANCIAL MEASURES ON INTERPERSONAL TRUST AND MANAGERIAL JOB PERFORMANCE

Praja Hadi Saputra, STIE Muhammadiyah, Samarinda
Bambang Riyanto LS, Gadjah Mada University

ABSTRACT

Management accounting literature regarding the performance measurement system has shown evidence that the performance measurement system comprising both nonfinancial and financial measures are positively related to interpersonal trust between members of the organization. However, it is not certain if these results derived from the use of nonfinancial measures or derived from financial measures. This study provides insights into prior studies’ findings by testing empirically by distinguishing those effects resulting from the degree of importance of the use of nonfinancial measures and those resulting from the use of financial measures which will have an impact on the managerial job performance improvement. Based on a survey of 104 managers who were taking their master degree (part-time student) in Master of Management Program, Gadjah Mada University, the results were analyzed using Structural Equation Modelling-Partial Least Square (SEM-PLS) provides empirical evidence that the degree of importance of the use of nonfinancial measures and financial measures is positively associated with interpersonal trust and indirectly affect the managerial job performance through interpersonal trust (trust in supervisor). Moreover, conceptually, the result of this study also indicate that the effect of nonfinancial measures on interpersonal trust is relatively similar to the
financial measures, but the effect of nonfinancial measures on managerial job performance is substantially stronger than the financial measure.

**Keyword**: Performance measurement system, nonfinancial measures, financial measures, interpersonal trust, job performance.

**COMPENSATION TOWARD RETENTION AND EMPLOYEE PERFORMANCE WITH SELF EFFICACY AS MODERATING VARIABLE IN MEDAN THIRD STAR HOTEL EMPLOYEES.**

Dina Sarah Syahreza, State University of Medan
Samsul Bahri, Malikulsaleh University Aceh

**ABSTRACT**
The hotel is the first place to think of people who will visit an area within a period of more than 1 day, either coming from domestic or from abroad. The hotel industry is one of the contributors to regional income, in addition to other sectors. As a service industry, the size of the success or failure of a hotel is certainly viewed from the services provided by the workers. Workers become an important factor for the hotel in running its business.

The inadequacies of hotel workers to survive work have become an issue in some countries. Some research indicates that there is a high exit of hotel employees in some countries, both developed and developing countries.

This study looks at how three-star hotels in the city of Medan to retain employees, because if employees do not last long in the workplace, it will interfere with hotel productivity, which will affect the performance of the hotel. With the respondents as many as 240 employees, this study follows the theoretical pattern of Herzberg, the data in though using SMART PLS produces variable compensation effect on retention positively and significantly. The compensation variable also influences the performance positively and significantly. While employee retention is successful positively and significantly mediates between compensation and employee performance.

This research also finding that self efficacy variable as moderation effect to performance, has no effect and not significant to moderate retention to performance, at third star hotel industry in Medan city.

**Keyword**: compensation, retention, job performance, self efficacy

**THE EFFECT OF COMPETENCY, TASK CLARITY AND JOB SATISFACTION TOWARDS WORK BEHAVIORAL AND WORK PERFORMANCE OF MIDWIVES IN BAKORWIL III REGION, EAST JAVA PROVINCE**

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H. Ujianto, Universitas of 17 Agustus 1945 Surabaya
Ida Ayu Brahmasari, Universitas of 17 Agustus 1945 Surabaya
FX Bhakti Hendrakusuma, Wiyata Mitra Husada Midwifery Academy

**ABSTRACT**
For organizational providers of health services such as health centers (Puskesmas), it should be understood that the competence and clarity of task behavior midwife will encourage job creation and job satisfaction of midwives, which affects the growth of a sense of belonging and a conducive working environment. Furthermore, midwife satisfaction foster positive behaviors that drive increased performance of midwives, which would encourage the creation of an external service value, which in turn will raise the quality of work that midwives bring down maternal and infant mortality during delivery.
The Research Population are all in health centers midwife located at Bakorwil III East Java Province in amount 471 midwives, with respondent criteria are: health centers midwives at Bakorwil III East Java Province served at least 1 year minimum. From the test results of the models in this study, the Generalized Least Square Estimation (GLS), analysis of the Structural Equation Model (SEM), proportional random sampling method and software assistance Amos 20, at 217 respondents health centers midwife. The results showed that: 1). Competence of midwives can significantly affect the behavior of midwives working at Bakorwil III East Java Province. 2). Competence midwives can significantly affect the performance of midwives. 3). Clarity midwives task significantly affect the behavior of midwives working. 4). Clarity midwife task significantly affect the performance of midwives. 5). Midwives job satisfaction significantly influence the behavior of midwives working. 6). Midwives job satisfaction significantly affect the performance of midwives. And 7). Midwives work behavior significantly affect the performance of midwives. From the four variables hypothesized to affect the performance of the midwives in this research, the largest value is a direct link between competence midwives working with midwives performance. It is confirmed that the competence of midwives working very dominant effect on the performance of midwives at Bakorwil III East Java Province.

**Keywords**: competence, task clarity, job satisfaction, work behaviour, midwives performance.
AN ALTERNATIVE METHODOLOGY IN BUILDING
A GENUINE AND INDEPENDENT ISLAMIC ECONOMIC SYSTEM

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Tjiptohadi Sawarjuwono, Universitas Airlangga Surabaya

ABSTRACT
There are several varieties of methodology in building Islamic Economic system, including the popular and widely used, Conventional Economy based methodology. In practice, this methodology uses a pattern, concepts and analytical techniques derived from Conventional Economics. There are some shortcomings in this methodology, because the philosophy and thought of Conventional Economics are different from the philosophy and thoughts of Islamic Economics. In addition, by using a methodology based on Conventional Economics, the Islamic values in Islamic Economics would seem to be just as mere accessories. As a result, it may later be believed that Islamic Economics is a sub-discipline of Conventional Economics, which; therefore, should be taught and developed according to conventional economic models. In the end, Islamic economics will not appear as an economic system that is genuine and independent. Based on those ideas, we need a methodology that is more appropriate to build the Islamic Economics system. For that reason, by using explorative qualitative methods, this study will carry out the exploration and analysis of the sources of Islamic literature and its history, and will do an analysis to formulate an alternative methodology based on Islamic sources, to build the Islamic Economic system, which is genuine and independent.

Keywords: methodology, Islamic Economic system, qualitative methods, genuine, independent.

SOCIO-ECONOMIC DEVELOPMENT OF ENTREPRENEUR OF SMALL MEDIUM SIZED ENTERPRISE IN REALIZING MAQASHID SHARIA WELFARE

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ABSTRACT
Small Medium Sized Enterprise (SMEs) is a business that is easy to do, benefit the national economy, but it is also easy to fail because of the many problems faced. Economic and social development of SMEs is an important aspect in the development process. Therefore, it is necessary to maintain the ability of sustainability socio-economic to become a model study of Islamic perspective which is expected to realize the SMEs welfare of maqashid sharia. This study aims to examine how the economic and social developments in Islamic perspective are able to prosper based on sharia maqashid for SMEs-entrepreneurs. The method used in this research is descriptive qualities and in depth conducted to get a model of economic and social development to achieve maqashid sharia welfare for SMEs-entrepreneurs. The results of this study show that: Islamic economics development either on economics or social development could realizes at SMEs welfare, especially in maqashid shariah, ad-din, an-nafs, al-aql, an-nashl, and al-maal.

Keywords: socio economics development, micro enterprises, welfare, maqashid sharia
DETERMINANTS OF SHARING UTILITY ON POVERTY

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ABSTRACT
This study aims to analyze the determinants of sharing utility such as Zakat, Infaq and Shadaqah (ZIS), Gross Regional Domestic Product (GDP) and Minimum Wage of Regency / City to Poverty in Banten Regency / City in 2011-2015. The data used in this study is secondary data and the method used is panel data regression analysis using Random Effect Model with the help of Eviews 9 program to obtain a comprehensive picture of the relationship between variables one with other variables. The results of this study indicate that poverty in the Banten province can be explained by ZIS, GDP, and Minimum Wage of Regency / City rate to 31.51% ($R^2$). Furthermore, the partial regression coefficient shows (1) ZIS has significant effect on 5% real level with probability value of 0.0071 and negatively related with coefficient value obtained at -0.001492, (2) GDP variable has significant effect on 5% real level Probability value 0.0008 and negatively related with coefficient value obtained at -0.000343, and (3) Minimum Wage of Regency / City have significant effect on 5% real level with probability value 0.0007 and positive correlation with coefficient value obtained equal to 0.010820. Then poverty in Banten Province significantly influenced by ZIS, GDP and Minimum Wage of Regency / City simultaneously equal to 5.52% (F-statistic).

Keywords: Zakat, Infaq and Shadaqah (ZIS), Gross Regional Domestic Product, Minimum Wage of Regency / City, Poverty, Panel Data.

HANDLING UNEMPLOYMENT IN ISLAMIC ECONOMICS

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Huda Kurnia Maulana, Universitas Muhammadiyah Surakarta

ABSTRACT
Unemployment is an apparent problem prevalent in almost every country, and Moslem-majority countries are no exception. While there are numerous unemployment causes agreed by experts, a simple explanation can be suggested: the fact that there is a discrepancy between the demand and the supply. It is obvious that conventional economic system is not able to propose the breakthrough needed in solving the problem. This is proved by the fact that unemployment still exists even in high income-per-capita countries. Islam, on the other hand, proposes solutions that are inherent in its core teaching. This is in the form of the presence of familial bond, pious children, and the recognition of domestic works carried out by women.

Keywords: unemployment; Islamic economics; economic policy; emerging countries.
THE IMPACT OF CHANGES IN MONETARY POLICY AND THE GLOBAL FINANCIAL CRISIS ON THE INTERBANK MONEY MARKET IN INDONESIA

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Zaafri Ananto Husodo, Universitas Indonesia

ABSTRACT
The objective of the study is to observe the potency of risk from a group of banks to another bank within interbank money market transactions when liquidity shock happens; for example, global finance crisis in 2008 (Afonso et. al, 2011; Acharya dan Merrouche, 2012) and monetary policy changes. In addition, stress tests are necessary to find out the group of banks that provide a risk signal within interbank money market. In order to detect the occurrence of integration between groups of banks in interbank money market transactions, we observe whether there is a substantial change to the level of correlation, covariance and interbank money market lending rate volatility between group of banks with overnight tenors (O/N) during the period before and after the onset of the global financial crisis along with the monetary policy changes made by Bank Indonesia. Furthermore we conducted stress tests proposed by Miguel Sarmiento, Jorge Cely and Carlos Leons (2017) and conditional coverage test proposed by Christoffersen (2003) to find out which group of banks has the highest risk signal in case of liquidity shock in interbank financial market.

The sample used is from January 2007 to December 2009. The results indicate a significant change in correlation level; covariance and interbank money market lending rate volatility between group of banks in the period before and after the global financial crisis that coincided with the monetary policy changes. Moreover, the results of stress tests indicate a sharp increase in the risk signal during the global financial crisis; although based on the test results conditional coverage test showed that the increased frequency of signal risk is still relatively small (not significant) when compared with the total number of days of the transaction.

Keywords: correlation, covariance, volatility, risk and interbank money market

ANALYSIS OF MACRO ECONOMIC AND STOCK MARKET FACTORS TOWARDS STOCK-BOND CORRELATION IN INDONESIA, PHILIPPINE, AND MALAYSIA PERIOD OF 2003 – 2014

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ABSTRACT
This thesis aimed to get the conclusion about determinants such as macro economy and stock markets that influence stock-bond correlation with quantitative approach. The research model which being used was the correlation between return of stock and return of bond with Dynamic Conditional Correlation (DCC) method. Moreover, the analysis of the determinants of stock-bond correlation was performed by an OLS regression. The results of this study indicate that macroeconomic factor (inflation) has more influence than stock market towards stock-bond correlation in Philippine and Malaysia. However, stock market factor (EPR) has more influence than macroeconomic factor to explain the stock-bond correlation in Indonesia.

Keywords: Stock-bond correlation, DCC, Macroeconomics, stock markets.
INTERNATIONAL SPILLOVERS OF THE US UNCONVENTIONAL MONETARY POLICY 
AND FLUCTUATIONS OF CHINA SHOCKS TO EMERGING MARKET: THE CASE OF INDONESIA AND THE PHILIPPINES 

Lucik, University of Jember 
Adhitya Wardhono, University of Jember 

ABSTRACT 
This study measures the spillovers effect of US monetary policy and the fluctuations of the Chinese economy against the Indonesia and the Philippines. Spillovers effect occurs through two transmission lines of financial and trade. Spillovers effect of the financial path consists of the normalization of United State monetary policy that is proxies by the Fed Fund Rate while the Spillovers Effect of the trade route is the economic growth of the country of China and then followed by global commodity price shocks. We used the Structural Vector Autoregressive Exogenous (SVAR) analysis method with time series data from 1999.Q2 through 2016.Q1. The estimation results show that United States economic growth has the biggest Spillovers impact on Indonesia's economic condition. While China's economic growth has a relatively large impact spillover on Philippine economic conditions. Based on the research results, obtained implications of the findings that the government of each country need to mitigate risks as a scheme to minimize the effect that can be caused by spillover effects.

Keywords: Spillovers Effect, Economic Growth

IDIOSYNCRATIC CASH FLOW VOLATILITY AND IDIOSYNCRATIC RETURN IN EMERGING AND DEVELOPED MARKET 

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Zaafri Ananto Husodo, Universitas Indonesia 

ABSTRACT 
This research aims to study the relationship between idiosyncratic return volatility and idiosyncratic fundamental cash flow in emerging markets and developed market. We employ pooled cross sectional time series data estimation method to Indonesia, Malaysia and South Korea market to estimate unexpected cash flow shock toward earning variables. Yule Walker equation is used to estimate idiosyncratic cash flow volatility. We analyze three fundamental cash flow measurement particularly earnings, cash flow, and sales. We follow Campbell et al (2001) to estimate idiosyncratic return volatility. Result from our research show that we couldn’t find strong evidence that our idiosyncratic cash flow and idiosyncratic return share the same persistent in time series and cross sectionally.

Keywords: Idiosyncratic cash flow, Idiosyncratic return, Developed market, Emerging market.
ABSTRACT
We empirically re-examine the performance and risk taking differences of Indonesian banks across ownership structure. The ownership structures of Indonesian banks are disentangled into five categories: State-owned banks, regional development banks, foreign and joint venture banks, domestic banks owned by foreign institutions, and domestic banks owned by local institutions. We use 110 commercial banks in Indonesia over the period of 2005 to 2013 in monthly dataset. Several results can be concluded from the data analysis: First, state ownership is negatively associated with banks profitability risk taking. Second, regional development banks have higher profitability and lower risk taking. Foreign banks and joint venture banks have higher profitability and risk-taking.

Keywords: Ownership structure, Performance, Risk Taking, Return on Asset, Return on Equity, Z-Score.

WHY AND WHY NOT THE BUSINESS CONGLOMERATION, SHOULD STOP BREAKING INTO THE BANKING INDUSTRY? EVIDENCE FROM INDONESIA

It has been a common thing to spot a paradigm shift of a business as it grows and reaches its maturity level for maximizing its shareholder value. In particular, rather than continuing the profit maximization strategy from its core industry, that mature business tends to alter its strategy into a risk diversification by entering another industry. In this study, by focusing on the investigation of why almost all business conglomerations in Indonesia are breaking into the banking industry, we find an intriguing outcome that is many of those conglomerations are suffered both financially and operationally after their investment decision to enter the banking industry in the short-term but not in the long-term. Thus, as long as those conglomerations can survive from their rough times, they will absolutely gain their comparative advantage.

Keywords: Business Conglomeration, Banking Industry, Strategic Investment, Corporate Governance
OWNERSHIP STRUCTURE AND BANK PERFORMANCE IN INDONESIA

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Sri Indrastuti, Islamic University of Riau
Amris Rusli Tanjung, Islamic University of Riau
Muhammad Said, State Islamic University Syarif Hidayatullah Jakarta

ABSTRACT
The purpose of this study is to evaluate the performance of banks in Indonesia. The sample consists of 74 banks namely 56 private banks, 15 community development banks (BPD), and three federal banks from 1995 to 2006. The data was analyzed using least-squares regression method, the general least squares method, and the method of random effects. The findings of this study show that the BPD performed better compared to private banks. In addition, the amount of equity, economic growth, financial crisis, and the financial ratios affect the performance of the bank. However, bank status has no effect on bank performance. This study has contributed significantly to the policy makers. They should not change the structure of government-owned local banks in Indonesia and ensure that the political situation is stable, and the economy is well managed. In addition, this study also enriches the literature on the banking industry in Indonesia as it discusses a unique form of bank ownership in Indonesia i.e. the community development banks which are owned by the local government.

Keywords: bank performance, ownership structure, regional development banks, financial crisis

ASSESSMENT OF HEALTH RATE AND BANK BANKRUPTCY PREDICTION MODEL BASED ON RISK PROFILE AS BANK IMPLEMENTATION No.13 / 1 / PBI / 2011: CASE OF COMMERCIAL BANKS IN INDONESIA

Lis Sintha, Banking Academy of YUKI

ABSTRACT
The purpose of this research are to find (1) Rating of Bank Soundness by using Risk Profile approach based on Bank Indonesia Regulation (PBI) No.13 / 1 / PBI / 2011; (2) a precise prediction model for preventive as an early warning system. Variables used include dependent and independent variables. Variable Risk Profile that is, (1) Credit Risk; (2) Market Risk; (3) Liquidity Risk; (4) Operational Risk.

The result of analysis shows that Risk profile consisting of credit risk, market risk, liquidity risk and operational risk simultaneously affect the Bank bankruptcy. Partially, of the four sub-variables of credit risk i.e. earning assets (APB), PPA productive to productive assets (PPAPTAP), Non-Performing Loan gross (NPLgross), and Non-Performing Loans nett (NPLnett), only one variable that has a significant influence i.e. Non-Performing Loan nett (NPLnett). Market risk which is peroxide by the PDN no positive effect on bank bankruptcy. From the second proxy Liquidity risk is the Loan to Deposit Ratio (LDR) and Statutory Reserves (GWM), only Loan to Deposit Ratio (LDR) has positive effects on bank bankruptcy. While both the proxy Operational Risk namely ROA and Return on Equity (ROE), only the Return on Equity (ROE) the negative effect on bank bankruptcy.

Keywords: Risk-based Bank Rating; Risk Profile; Bank Health Level
INTERNATIONALIZATION IN INDONESIAN BANKING BOARD AND BANK PERFORMANCE

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Irwan Trinugroho, Universitas Sebelas Maret

ABSTRACT
We study the presence of non-Indonesian in the boards of Indonesian banking. More particular, we question to what extent non-Indonesian directors present in boards of Indonesian banking could affect performance. In order to test our hypotheses, we collect data on the composition of a set of the all Indonesian banking. 121 banks over the period of 2010-2014 in Indonesia are employed to test our hypotheses. Data are obtained from the annual report provided by each website of each bank in Indonesia. The board members consist of the board of commissioners and the board of directors. In general our results reveal that there is a significant effect of the presence of international top management team on bank performance.

Keywords: International board, bank performance, Indonesia
ABSTRACT

This research aims to give portrait of current accounting practice for biological assets in agricultural companies, specifically in plantation sector in Indonesia. Based on collected portrait, this research also explains about gap analysis between current accounting practice and accounting standard for biological assets based on PSAK 69. The method used to analyze the accounting practice of biological assets in Indonesia is content analysis which will then processed to Nvivo. The result showed that there are several gaps between the existing condition of accounting practice for biological assets and PSAK 69, especially in measurement.

Keywords: biological assets, accounting, agricultural, PSAK 69, plantation

TAX COMPLIANCE OF INDONESIAN INDIVIDUAL TAXPAYERS DURING THE INDONESIAN TAX AMNESTY PERIOD 2016

Reza Maulana Firdaus, Institut Teknologi Bandung

ABSTRACT

Tax Amnesty be a phenomena in Indonesia because Indonesia can reached the highest ransom from this program in the world. But we do not know what is the biggest factor that brings taxpayers participate in this program. So this study has an objective for observing the current condition of taxpayers and their tax compliance when Tax Amnesty 2016 period was happened and factor(s) that effects taxpayers to participate. So we can know and understand about this phenomena deeper and all stakeholders can use it to provide the right policy or action to improve the tax compliance of taxpayers. This study is a quantitative research that uses the premier data and measured by the likert scale. The population of this study is the individual taxpayers in Jakarta and Bandung with total of taxpayers is 2,376,000 people. The minimum number of respondent comes from the online calculation from website surveysystem.com as many as 384 respondents. Then Voluntary Sampling is the method that used in this research to get the sample. It means researcher offered the candidate of respondent who want to participate with in this research voluntarily. And for the analysis technique that be implied in this study is logistic regression analysis in Stata for Windows and IBM SPSS for descriptive statistic analysis. The result of this study shows that the factors that affect the tax compliance of taxpayers in demographic factors are age, marital status, number of child, and length of work.Meanwhile for tax morale factor does not have a significant evidence that explain this variable affects the people to participate in tax amnesty or not. Then for the other variable, tax responsibility, education level, salaries or income, and kind education are the significant variables that can change the willingness of taxpayers to pay tax. Whereas for tax morale factors do not have a significant contribution to motivate taxpayer to comply with taxes. So I suggest for the further research to see the impact of tax amnesty to the tax compliance after this program
is done, then for government should consider the personal stability of taxpayers in generating tax. And the last but not least due to family and economic prosperities are the factor that can affect people to pay tax. So government should keep the tantrum of country so that people can feel safe and assume that government can work well.

Keyword: Tax amnesty, Tax Compliance, Tax responsibility, Tax Morale, Demographic Factors

EFFECT OF RELIANCE AN ACCOUNTING PERFORMANCE MEASUREMENT AND RELIANCE ON MULTIPLE PERFORMANCE MEASUREMENT ON EMPLOYEE PERFORMANCE

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ABSTRACT
The study to investigate the influence of evaluation style by using accounting information and multi measurement on employee performance. Evaluation of performance using accounting information or Reliance an Accounting Performance Measurement (RAPM) and style evaluation using many measurements / multi information or Reliance Multiple Performance Measurement (RMPM). The evaluation style of RAPM and RMPM in prediction can improve employee performance. Some previous researchers examined the use of performance measurement based on accounting information to find the relationship of individual performance with conflicting results. Some studies on multi-performance measurements also provide different responses or in other words the inconsistency of research results. The gap is a gap for us to be able to research further. This research uses RAPM and RMPM and its effect on employee performance.

Keywords: RAPM, RMPM and Employee Performance.
CORPORATE GOVERNANCE AND CORRUPTION: Empirical Studies of Local Governments in Indonesia

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Y Anni Aryani, Universitas Sebelas Maret
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ABSTRACT
This study aims to examine the effect of corporate governance on corruption in local government. The sample used in this study 191 local governments in Indonesia. The data used in this study is the summary data of the examination results of the Badan Pemeriksa Keuangan (BPK) for the period 2010-2014, the Local Government Financial Report (LKPD) and the composition of the Dewan Perwakilan Rakyat Daerah (DPRD) from KPU (Komisi Pemilihan Umum). The result of the research shows that the coefficient of corporate governance variable has negative coefficient to corruption in local government, meaning that the better supervision by DPRD can reduce of corruption in local government. The control variables used in this study include weaknesses of SPIP (Government Internal Control System) and characteristics of local government. Weaknesses of SPIP comprise weaknesses of accounting and reporting controls; Weaknesses in controlling the implementation of revenue and expenditure budget; And the weakness of SPI, while the characteristics of local government consist of the size of local government, local government wealth and balance funds.

Keywords: Corporate governance, Corruption, SPIP, DPRD

CORPORATE GOVERNANCE MECHANISMS AND IMPRESSION MANAGEMENT THROUGH SUSTAINABILITY REPORT

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ABSTRACT
This study aims to analyze the influence of corporate governance mechanisms on impression management through sustainability report. Corporate governance mechanisms that focused on monitoring aspect are represented by Proportion of Independent Commissioner, Number of Board Commissioner Meetings, Board of Commissioner Size, Audit Committee Meetings and Audit Quality. The identification of impression management was conducted using the graphical approach within the object of corporate’s sustainability reporting. Two dimensions of impression management namely selectivity and distortion. There were total samples of 102 companies listed in Indonesia Stock Exchange during the period of 2012-2015. The result of this study showed that proportion of independent commissioner have positive effect on graph selectivity. Meanwhile, number of board of commissioner meetings and audit quality has negative effect on selectivity. However, corporate governance mechanisms failed to have influence on graph distortion.

Keywords: corporate governance, impression management, sustainability report, selectivity and distortion
FEMALE ON THE BOARD OF DIRECTORS AND CORPORATE TAX AGGRESSIVENESS IN INDONESIA: AN EMPIRICAL ANALYSIS

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Barkah Susanto, Universitas Sebelas Maret
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ABSTRACT
The composition and gender diversity of the board is a controversial issue in terms of corporate governance. The earlier research that concerns on gender issues indicate that female directors provide effective monitoring and oversight of board matters. Prior studies tied to gender diversity in board director and tax aggressiveness exclusively to Western countries. Therefore, little is known about the association between the board of directors on board and taxes aggressiveness in a non-Western environment. This study aims to examine the impact of female's presence on the board of directors on corporate tax aggressiveness. The sample is manufacturing companies listed on the Indonesia Stock Exchange over the 2013–2015 period. Sampling technique using purposive sampling. Based on a sample of 55 companies (165 company-year observations), our multiple regression results show that a positive and statistically significant association between the presence of female on the board of directors and tax aggressiveness when using the Cash ETR variable in measuring tax aggressiveness. However, when using the GAAP ETR variable in measuring tax aggressiveness, the presence of female on the board of directors has no significantly effect on tax aggressiveness. This result does not support previous empirical evidence conducted in Western countries such as Adams and Ferreira (2009); Lanis et al. (2015); Richardson et al. (2016). This finding suggests that the presence of female directors on the board of directors is not effective in their monitoring role. Keywords: Gender, Corporate Tax Aggressiveness, Board of Directors, Corporate Governance, Effective Tax Rates

MARKET REACTIONS TOWARDS BOARD OF COMMISSIONER’S TURNOVER
THE CASE OF INDONESIAN MARKET

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Yunieta Anny Nainggolan, Institut Teknologi Bandung

ABSTRACT
Board of commissioner is a body in firms with dual-board system that normally exist in civil-law countries. Being direct proxy of shareholders, the board performs thorough supervision and control towards the management board’s performance to ensure that their interests are best carried out. As previous studies focus heavily on corporate board of single-board companies, they fail to also highlight the existence of board of commissioner and the important characteristics of its members. This study seeks to be able to identify the board member’s characteristics that align with shareholders by examining market reactions surrounding their turnover announcement through abnormal return. Event study method will be used in studying Indonesian market, a civil law country. The sample consists of 153 board of commissioner turnover dates. The researcher expects to find significant (higher) negative abnormal returns on board member appointment with older age. However, significant (higher) positive abnormal return can be expected from the turnover of board members respectively with higher proportion of female, foreign nationality, Doctoral degree, and Master degree. Keywords: supervisory board, diversity, market reaction
PROTOTYPING DIGITAL SERVICE PLATFORM FOR SOLO TRAVEL ACTIVITIES IN INDONESIA USING SERVICE SCIENCE SYSTEM PERSPECTIVE (SOLO TRAVEL SMART TRAVEL)

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ABSTRACT

Service innovation is globally implemented and its role in stimulating economic growth and improving mankind’s wellbeing has been recognized in many industries. Tourism is an industry that requires and depends on service innovation to increase profit and value among the actors including tourism service providers and travelers. It is inevitable that there are travelers who prefer travelling alone or independently instead of doing it in groups. These persons are famously called solo or independent travelers. This study was purposely conducted to construct a platform of digital services platform that applied value co-creation concept to deliver mutual benefit to all the actors involving in solo traveling activities in Indonesia that embraces tourism services such as accommodation, transport, attraction, culinary, and interaction among independent travelers. In addition, mixed methodology approach using in-depth interview and factor analysis were also employed to gain comprehensive understanding. The qualitative study was undertaken with services providers in Yogyakarta while the quantitative study using exploratory factor analysis was employed with 129 Indonesian solo travelers as the participants to capture the determinant factors of solo travel and to strengthen the requirement analysis of this innovation on digital services system.

Keywords: solo travel, value co-creation, digital service, service science, service innovation, factor analysis

SWOT ANALYSIS: HOW TO PROMOTE HALAL TOURISM IN ACEH?

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ABSTRACT

Based on a study on Global Muslim Travel Index released by Mastercard-Crescent Rating 2017, Indonesia ranks as the third country which people visit as sharia/halal tourist destination in the world. Sharia Tourism or Halal Tourism is viewed as a new way to develop Indonesian tourism that upholds Islamic culture and values. Halal Tourism is not defined as tour to a graveyard (pilgrim tour) or to a mosque. Instead, it is a tourism that covers cultural values with nature-based or man-made (artificial) based environment framed in Islamic values. Today, Halal Tourism in Indonesia is not fully developed. Ministry of Tourism has established three provinces as Halal Tourism destinations in Indonesia: West Sumatra, Aceh, and NTB. Aceh, a place where people call Port of Mecca, has great halal tourism potential. If it is seriously worked out, halal tourism development in Aceh can be local income source. This study aims at describing potentials of halal tourism destination in Aceh, analyzing readiness of tourism
destination through perceptions of tourism businessmen and tourists in developing halal tourism in Aceh, and producing right strategies to develop halal tourism in accordance with tourist destination characteristics. The data and information collection is done through FGD (Focus Group Discussion), in depth-interview and distribution of questionnaire to 220 tourists in Aceh. The data is analyzed descriptively using SPSS 20.0 and SWOT analysis. Based on the result of the study, Aceh is quite optimal in launching halal tourism as its tourism product yet there should be more improvements and strategies in increasing tourist attraction. The result of this study is expected to help government of Aceh and tourism businessmen in increasing halal tourism potentials and setting strategies in developing halal tourism potentials so they could attract tourists to have halal tourism in Aceh or visit Aceh.

**Keywords**: Halal Tourism, Promotion, Aceh, SWOT Analysis

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**SYNERGY BETWEEN LOCAL CULTURE AND ECOTOURISM IN INDONESIA IN GLOBALIZATION ERA**

*(A CASE STUDY IN DIENG PLATEAU IN WONOSOBO REGENCY)*

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**ABSTRACT**

Modernization and advance of information technology have influenced values in the entire aspects of life. Preservation of local cultural values is highly important to do since it relates to the identity of local societies. Local cultural values’ alignment with local potentials is essential in development planning and becomes an urgent matter in order to cope with rapid globalization. It is indicated that the synergy between local culture and ecotourism can look forward to globalization. Dieng plateau as a tourism object with diverse local cultures and variety of ecotourism serves as the setting of this research. A qualitative method with explanatory case study approach was employed in the present research. The research results show various strategies which can be applied by societies living in Dieng plateau to preserve local culture in order to face globalization, including: (1) synergy between local culture and ecotourism through rituals; (2) synergy between local culture and tourism through improvement of organizations; and (3) synergy between local culture and ecotourism through relation with stakeholders. Thus, strategies on the synergy of local culture and ecotourism which are implemented in Participatory Rural Appraisal for each development program in this approach are considered highly strategic in preserving local culture to deal with globalization.

**Keywords**: ecotourism, globalization, institutional, local culture, participatory, and synergy
DETERMINANTS OF THE RELIABILITY OF FINANCIAL STATEMENTS OF SCHOOL OPERATIONAL ASSISTANCE

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ABSTRACT
This study aims to provide empirical evidence of determinants of reliability of financial statements of school operational assistance. Sample of this study is 120 treasurers of school operational assistance in Ponorogo district. Method of analysis is structural equation modeling by using Partial Least Square (PLS) Smart v.3.2.6. The results indicate that management support affects the reliability of the financial statements of school operational assistance. In addition, relationship between management support and the reliability of the financial statements of school operational assistance is partially mediated by quality of human resources, governance, and internal control system.  
Keywords: Management support, quality human resources, good governance and internal control system

ADEQUACY OF THE LOCAL GOVERNMENT FINANCIAL REPORTING MODEL IN THE CONTEXT OF INTERNAL DECISIONMAKING: EVIDENCE FROM INDONESIAN LOCAL GOVERNMENT

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ABSTRACT
This study addresses the adequacy of the Local Government financial reporting system for internal decision-making by developing an exploratory empirical study that evaluates internal users’ satisfaction concerning the reporting system within the province of West Sulawesi and East Java. It additionally examines to what extent internal control and financial reporting information relevancy are important for province’s internal decision-making. In Indonesia, important developments have recently emerged in public sector accounting systems in the context of internal decision-making and control, hence calling for further studying Local Government current financial reporting model in this context. From an experimental questionnaire applied to decision-makers of regencies in West Sulawesi province and East Java province in 2016, main findings show that the actual reporting system is not the most appropriate in providing information for internal decision-making in those provinces. Moreover, both internal control and relevancy of the financial reporting information seem to have significant importance at both provinces in the context of internal decision-making.
Keywords: Local Government financial reporting; Decision-making; Internal control; Information relevancy
DO COGNITIVE STYLE AND FAIRNESS AFFECT ACCOUNTING STUDENTS’ PERFORMANCE?
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Imam Ghozali, Diponegoro University
Fuad Fuad, Diponegoro University
Nur Afni Etna Yuyetta, Diponegoro University

ABSTRACT
This study examines the effect of cognitive style and fairness on individual performance in non-participative budgeting based on referent cognitions theory. This study shows the importance for organizations to understand and manage the level of justice and cognitive style of individuals in order to allocate organizational resources and improve individual performance. The 2x2-experimental design between subjects was used to test the hypotheses. Budget targets were manipulated by two levels of fair budget target and unfair target budget; while the cognitive style was manipulated by two levels as a field independent and field dependent. The participants were 88 students from the executive class of the Accounting Program. ANOVA’s two-way analysis was used to test the hypotheses. The results show that performance is lower when unfair budget targets are compared with a fair budget target set. If the budget target is set fair, there is no significant difference between individual performance with cognitive style both field independent and field dependent. When unfair budget targets are set, individual performance with field independent is higher than the field dependent.

Keywords: fairness; referent cognitions; field independence; performance.

DIFFERENCES IN ETHICAL JUDGMENT BETWEEN ACCOUNTING STUDENTS: AN EXPERIMENT USING ETHICAL-DILEMMA MOVIE AND IGNATIAN PEDAGOGICAL PARADIGM
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ABSTRACT
The study tries to seek evidence whether ethical judgment of the accounting students following a treatment of watching ethical-dilemma movie and make a reflection as suggested by Ignatian Pedagogical Paradigm Approach differ from those not having the treatment. The study is a quasi-experimental design using a “posttest only with experimental and control group” approach (Sekaran 2003). With the respondents of senior accounting students in a university in Indonesia, it is found that the score of the treatment group was higher than score of control group. Under a certain limitation, this study suggests that reflective learning is a good idea to improve students’ ethical judgment.

Keywords: accounting education, ethical judgment, Ignition pedagogical paradigm, ethics education
ACCOUNTABILITY AND TRANSPARENCY IN ACCRUAL-BASED GOVERNMENT ACCOUNTING

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Yeney Widya Prihatiningtias, Universitas Brawijaya
Roekhuddin, Universitas Brawijaya

ABSTRACT
The purpose of this study was to know the accountability and transparency practices in accrual-based government accounting. Accountability and transparency are the main reason to adopt accrual-based accounting in government. Any changes in government policy, like accounting changes, should lead to welfare improvements. This study used genetic structuralism which practices were observed from three interconnected elements; field, habitus, and capital. Agents use habitus and capital to determine practices in the field. This study finds habitus of local government officials put accrual accounting to obey regulations. They considered accountability and transparency have been done when accrual-based accounting has been implemented. Therefore, accountability and transparency are aimed more at political and managerial interests while the deepening of the public interest still ignored.

Keywords: accountability, transparency, public service, accrual-based government accounting, genetic structuralism.
AN ASSESSMENT OF THE DEMAND FOR NEW PRODUCTS: BUSINESS BUYER BEHAVIOR SERIES OF FAST MOVING CONSUMER GOODS (FMCG) IN INDONESIAN TRADITIONAL TRADE

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Salamah Wahyuni, Universitas Sebelas Maret
Tulus Haryono, Universitas Sebelas Maret

ABSTRACT
The purpose of this paper is to identify, describe, and obtain deep understanding comprehensively about buyer responses regarding the assessment on demand aspect concerning new product buying decision.

This research uses qualitative method by phenomenology theoretical design that is FMCG wholesaler phenomenon within transactional buying-selling process between wholesalers and distributors. Data interpretation for this research is constructivism philosophy that is based on the result identifies demand aspects those are demand of competitor product and categorical product, product segmentation, and demand of the product itself as the essences and buyer responses. Demand aspect is assessed by the buyer to estimate level of demand of new product within competition at internal or external condition. These result holistically and comprehensively answer the research question. Constructivistic the result of this research re-build the concept, so as theoretically implicate business buyer behavior Managers at manufactures, distributors and wholesalers companies are recommended to be focus applying each strategies while marketing new products. Estimating demand aspects on buying decision process of new product by wholesaler in traditional trade is originality and study uniqueness, since previous literature has not explained in detail and constructively yet.

Keywords: Demand, New products, Fast Moving Consumer Goods (FMCG), Business buyer behavior, Wholesaler.

SYNERGIZED NETWORK ASSET: A DRIVER FOR INDONESIA’S FURNITURE INDUSTRIES TO ELEVATE MARKETING PERFORMANCE

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Augusty Tae Ferdinand, Diponegoro University

ABSTRACT
This study aims to develop the synergized network asset as intervening variable to elevate marketing performance. The synergized network asset supported by its antecedent variables such relational capability and market dynamic adaptability encourages furniture craftsmen improving the quality of marketing network in relationship with retailer and managing the business dynamics.

The research model was tested with AMOS SEM to furniture craftsmen who focus at local market in largest Indonesia’s furniture industrial areas, Jepara and Surakarta city. The high validity of variable indicator was obtained by number of procedures; selecting respondents through purposive sampling technique, eliminating some potential outlier data and normalizing...
them. The output of statistical analysis confirm that two buffer variables such as relational capability and dynamic market adaptability sustain the synergized network asset and marketing performance. The synergized network asset holds a great role of mediation to improve marketing performance. The research model didn't explore the relationship between antecedent variables so the future research could propose the cross impact of relational capability and market dynamic adaptability that can be explained empirically. Furniture craftsmen could enhance synergized network capability through enlarge strategic partner business and optimize role of furniture association. The concept of the synergized network asset which is characterized by sustainability of collaboration quality contributes development of business network theory that be main factor in marketing relationship. 

**Keywords**: Synergized network asset, relational capability, market dynamic adaptability dynamics, marketing performance

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**ANALYSIS OF ENTREPRENEURSHIP ORIENTATION, BRAND ORIENTATION AND MARKETING INNOVATION ON BRAND IMPLEMENTATION IN SMALL MEDIUM ENTERPRISE**

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**ABSTRACT**

The enactment of ASEAN Economic Community by the end of 2015 as a form of market globalization era, enables players from all over the world to play in any domestic market. The establishment of a global market, making local and national companies now can no longer just oriented to the domestic market only. The challenge for marketers is not only to meet the needs and wants of consumers, but also to create the needs and wants of consumers by forming and developing products with a strong brand identity. The brand is not only use by large companies, but is applied to small and medium enterprises (SMEs). The competitive conditions faced by SMEs today require SMEs to constantly study market conditions and implement strategies and engage in effective marketing activities. Several studies have revealed that brand in SMEs cannot be separated from internal and external environment conditions. Research conducted to analyze the factors of entrepreneurship orientation, brand orientation and marketing innovation that influence the application of SME brand. The research method using quantitative method with explanatory research design that aims to determine the causal relationship between the variables entrepreneurship orientation, brand orientation and marketing innovation on the application of SME brand. Population in this research is SMEs at Cibaduyut shoes center of Bandung which already have brand. Sampling method by simple random sampling and samples used in this study were 100 SMEs. Data obtained from the results of the research will be analyzed by using multiple linear regression analysis. Results of SPSS output, research model obtained are: 

\[ Y = 3.174 + (-0.128) X1 + 0.044X2 + 0.313X3 \]

It is known that simultaneously the variables of entrepreneurship orientation, brand orientation and marketing innovation affect the application of the brand in SMEs shoe business centers in Cibaduyut. Based on the result of research and partial test of research variable, it is known that only marketing innovation variables that have significant influence on brand application on SMEs in Cibaduyut shoes business center.

**Keywords**: entrepreneurship orientation, brand orientation, marketing innovation, brand, Small Medium Enterprise
THE INFLUENCE OF MARKETING MIX AND CUSTOMER RELATIONSHIP MARKETING ON MARKETING PERFORMANCE OF DIGITAL CREATIVE INDUSTRY IN WEST JAVA

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Agus Achmad Suhendra, Telkom University
Efrata Denny Saputra Yunus, Telkom University

ABSTRACT
The creative industries is growing rapidly. The most rapid growth is industry-based creative digital technology. It is influenced by the development of internet technology that has entered various aspects of human life in society and the state. Today, almost all the activities and business processes intersect and take advantage of the internet. This phenomenon is known as a digital transformation, where any business that wants to develop must be connected via internet to be able to reach more consumers through telecommunications technology. However, the performance marketing of digital creative industry currently is not classified as optimal. That's because the problems related to the implementation of the marketing mix and customer relationship marketing are not optimal. Thus this study aims to examine the influence of the marketing mix and customer relationship marketing on marketing performance of digital creative industry in West Java. Data were collected from 50 companies in the digital creative industry in West Java. The results showed the influence of the marketing mix and customer relationship marketing to marketing performance of digital creative industry in West Java.
Keywords: marketing mix, customer relationship marketing, marketing performance.
RELATIONSHIP MODELING BETWEEN SERVICE ORIENTATION, SERVICE INNOVATION, AND ORGANIZATIONAL PERFORMANCE

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Fachri Eka Saputra, University of Bengkulu

ABSTRACT

The aims of the study are to develop strategies for service innovation, improvement in the public sector services company. Identification of development strategy is done by tracking the causes and effects that can create service innovation within organizations. Observed variable relationship modeling is developed using Structural Equation Model using Amos software 16.0 versions. The study was conducted through self-administered survey. 162 questionnaires are collected from 200 respondents of public service employees who serve the public directly in the service counter.

The results showed that only one out of the third hypotheses proposed that significant proved. The hypothesis proved significant is the relationship between service orientation towards service innovation. The results showed that service innovation is created from the results of service orientation. This study contributed new finding regarding the development strategy for improving service innovation in the public sector services company. In addition, this study also contributes to the development of structural model between variable service orientation, service innovation, and organizational performance.

Keywords: service orientation, service innovation, organizational performance, public sector

INTERVENING VARIABLES: ORGANIZATIONAL JUSTICE AND JOB SATISFACTION INDETERMINING THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE PERFORMANCE IN PLANTATION INDUSTRY OF STATE-OWNED ENTERPRISES

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ABSTRACT

Leadership is an individual factor that plays an important role in directing and changing employee behavior. Leadership is needed in the plantation industry in Indonesia because Indonesia is a country that produces many plantation products. This research was conducted to analyze the influence of transformational leadership on employee performance through organizational justice variable and job satisfaction in plantation Industry of State-Owned Enterprises (SOEs) in Indonesia. The sample of research is 120 respondents, where the analysis used is the model of structural equation. The results obtained that the role of intervening variables can increase the influence of transformational leadership on employee performance.

Keywords: transformational leadership, organizational justice, job satisfaction, employee performance, plantation industry
WHAT FACTORS DRIVE THE GLOBAL LEADER CHARACTERISTICS? (SURVEY ON WORLD-CLASS STATE OWNED ENTERPRISES IN INDONESIA)

Endang Pitaloka, Universitas Pembangunan Jaya

ABSTRACT
In order to optimize the role of world-class State Owned Enterprises (SOEs), the management and supervision must be made professional and have global leader competencies. The objective of this paper is to analyze how Corporate University and learning organization shape global leader characteristics. Data were collected through a quantitative of 188 respondents, and structural equation modeling (SEM) was used to analyze the data. The results show that Corporate University formula not to enhance global leader characteristics directly. However, Corporate University formula can promote global leaders characteristics through learning organization.

Keywords: State Owned Enterprises (SOEs), Corporate University Formula, Learning Organization, Global Leader characteristics

THE EXPLORING OF CAUSALITY RELATIONSHIP BETWEEN ISLAMIC WORK ETHICS, ORGANIZATIONAL JUSTICE, AND ACCOUNTANT’S WORK STRESS: CASE OF INDONESIA

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Ahmad Rifai, Syarif Hidayatullah State Islamic University Jakarta

ABSTRACT
We explore the causality relationship between Islamic work ethics and organizational justice, and its impact on work stress. The respondents are the accountants who work in the Islamic financial institutions in Indonesia. The method of data collection is questionnaires. The method of sample selection is purposive sampling. The method to test the hypothesis is Structural Equation Modelling (SEM) with AMOS Software. The results of the study as follows, first, Islamic work ethics positively influence to procedural justice and interactional justice but not to distributive justice. Second, distributive justice negatively influences to work stress but not to procedural justice and interactional justice. Third, Islamic work ethics negatively influence to work stress. This study is important for the employees, especially for accountant professional’s guidance in working to support organization performance with the values of Islam as the basis of work.

Keywords: Islamic work ethics, distributive justice, procedural justice, interactional justice, job stress
**FINANCIAL DEEPENING, FIRM PERFORMANCE AND THRESHOLD EFFECTS IN AN EMERGENT ECONOMY**

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Irwan Trinugroho, Universitas Sebelas Maret

**ABSTRACT**

From a survey of manufacturing firms in Indonesia over the 2004-2013 period, this paper documents that firms in provinces with higher financial deepening exhibit higher performance regardless of the measures of financial deepening and firm performance. A closer investigation however highlights that such findings only hold for firms with higher fixed capital, suggesting the presence of a firm-level threshold effect. All these results are not different between high-income and low-income provinces, but are altered when we partition provinces into highly-populated and lowly-populated provinces. Specifically, the threshold effect related to firms’ fixed capital in the finance-growth nexus only occurs for highly-populated provinces. The positive impact of financial deepening on firm performance is therefore conditional on both firm-level fixed capital and province-level population. Eventually, this paper provides policy implications to promote financial deepening that boosts firm productivity in the manufacturing sector.

**Keywords:** Financial deepening, threshold effects, firm productivity, industrialization

**JEL:** O16, G21, G28

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**SUSTAINABLE COMPETITIVE ADVANTAGE ON COMMERCIAL BANKING**

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Ina Primiana, Padjadjaran University

**ABSTRACT**

The purpose of this study to analyze the sustainable competitive advantage and the factors that influence it using secondary data in 2008-2014 period, in the form of pooled data. The study population was all banks listed on the Indonesia Stock Exchange during the last 6 years, from 2009 to 2014, with 39 banks in total. The sampling technique used is purposive sampling technique. Sustainable competitive advantage on each bank proxied by the persistence of profit (persistence of abnormal profitability) that reflects the sustainable earnings against the industry average in the future. The result of persistence of abnormal profitability tends to vary. Most banks have a positive profit persistence (lambda) which reflects the competitive advantage in the long term, whereas most other banks had negative profit persistence which reflects long-term competitive weakness. The ability to access capital, funding significantly and innovation influence the sustainable competitive advantage, despite the negative impact direction. The ability to access public funds, while the ability to maintain asset quality and efficiency does not significantly influence sustainable competitive advantage.

**Keywords:** Financial capability, Innovation, sustainable competitive advantage, profit persistence.
DEVELOPING DYNAMIC STRESS TEST FOR BANKING SYSTEM WITH ADAPTIVE LEARNING AGENTS: AN AGENT BASED APPROACH

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TaraRaissal Raswan, Institut Teknologi Bandung

ABSTRACT
This study proposes a relatively new approach for a banking system stress test. As the current generation of risk models which mostly employed in banking’s risk management are unable to model financial vulnerabilities comprehensively. The typical stress testing used in risk management does not consider few important thing, such as bank’s response to dynamically changed economic condition, including system feedback and other banks response. The stress test in this study is developed using agent-based modeling. In current study each agent is created as learning agent, which has the ability adjust their response using reinforcement learning method. The result of this research revealed that: first, high net worth ratio is lowering the systemic risk of the system, and as net worth ratio decreasing the effect is nonlinear. Second, Size of interbank liability increases the risk of default, the bigger the exposure the bigger the risk. The relationship is also non-linear. Third, the connection number of the bank has non-monotonic relation to contagion effect. The effect is peaking at a number and the effect is lower elsewhere. In addition, the result showed that preferred action is mostly to increase the net worth and lower the interbank exposure. The magnitude of change determined by the initial condition of the system.

Keyword: Agent Based, Contagion, Interbank Network, Stress Test

BANK CHARTER VALUE, CREDIT REPORTING SYSTEM AND CONTAGION RISK: EVIDENCE FROM THE ASIA-PACIFIC REGION

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Romora Edward Sitorus, University of Oklahoma
Amine Tarazi, Université de Limoges, LAPE

ABSTRACT
From a sample of publicly-traded banks in the Asia-Pacific region over the 1998-2012 period, we document that banks with higher charter value are able to insulate themselves from systemic risk by acquiring more capital. Nevertheless, we find that the self-disciplining role of bank charter value is more pronounced for countries with lower depth of credit information sharing. Our results also show that in countries with lower quality of private credit bureaus, higher charter value enhances capitalization and alleviates systemic risk in banking. These findings suggest that higher bank charter value might be detrimental for bank systemic stability in countries where the credit reporting system is of better quality. Eventually, this paper offers some policy implications to strengthen bank competitiveness without necessarily aggravating systemic risk.

Keywords: Bank charter value, systemic risk, credit information sharing, Asian banks
JEL Classification: G21, G28, D82
WHAT CAN WE LEARN FROM ECONOMIC AND SOCIAL REALM IN GLOBAL VALUE CHAIN?: EVIDENCE FROM THE INDONESIAN ELECTRONICS INDUSTRY

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Padang Wicaksono, Universitas Indonesia
Toni Bakhtiar, Bogor Agricultural University

ABSTRACT
This paper aimed to describe and analyze the current state of the electronics industry in Indonesia and also makes a particular attempt to analyze the close links between economic and social upgrading within Global Value Chain (GVC). In the previous studies, the economists mostly focused on finding ways to improve the economy, while the social issues that occur in the industrial sector are not addressed. The electronic industry is among a few industries that become Indonesia’s top priority in industrial development until 2025. The article applies a parsimonious measurement approach which refers to the economic and social index that consist of four dimensions of growth, i.e. high-road growth; low-road growth; high-road decline; and low-road decline to clarify whether the industry underwent economic and social upgrading or downgrading. The article finds that the electronic industry has stood in economic upgrading and social downgrading or, in other words, low-road growth.

Keyword: Global value chain, global production network, electronics industry, economic and social development, employment.

INDONESIA IN THE GLOBAL APPAREL VALUE CHAIN: A TALE OF ECONOMIC AND SOCIAL DEVELOPMENT EXPERIENCE

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Padang Wicaksono, Universitas Indonesia
Toni Bakhtiar, Bogor Agricultural University

ABSTRACT
Apparel is one of the industries with the biggest commodity potential to be the leading sector in Indonesia. Apparel sector is one of the sectors that absorb the most workers in Indonesia. In 2014, 12% of the total labor force is working in the apparel industry. Indonesian Textile Association (API) also claimed that 80% of global clothing brands have been made in Indonesia. This indicates that the industry has been widely recognized in the world. Half of the clothing companies in Indonesia were export-oriented. In a few years back, clothing industry investment realization mostly came from Foreign Direct Investment (FDI) which means this industry is well-integrated with Global Production Network (GPN). Previous studies have found that integrating Global Production Network in the industry leads to economic upgrading, such as moving to higher productivity and number of export. Nevertheless, it does not always translate to social upgrading, especially regarding employment issues. This study makes a particular attempt to clarify implementing Global Production Network in Indonesian apparel sector and its economic and social realm in the form of economic and social upgrading.
Furthermore, the article also analyzes whether the economic upgrading will affect its social performance by carefully selecting indicators to determine how the economic and social condition in Indonesian apparel sector during the time period 2000 until 2014 is. It applies best fit linear regression using four dimensions of growth: high-road growth, low-road growth, high-road decline, and low-road decline; to determine which dimension the sector’s economy and social realm stand. This article finds that the Indonesian apparel industry has undergone high-road growth which means that the industry experienced both upgrading in its economic and social aspects.

**Keywords**: global value chain; global production network; apparel sector; economic upgrading/downgrading; social upgrading/downgrading; employment.

### INDUSTRIAL DEVELOPMENT AND SOCIAL WELLBEING IN GLOBAL PRODUCTION NETWORK: EVIDENCE FROM THE INDONESIAN AUTOMOTIVE SECTOR

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Padang Wicaksono, Universitas Indonesia
Lionel Priyadi, Universitas Indonesia

**ABSTRACT**

As one of the most robust industries in Indonesia, the automotive sector plays an important role in Indonesian manufacturing industry. Over the past years, there has been an increase in foreign direct investment (FDI) and export which indicate that automotive industry is well-integrated in a global production network. This study attempts to clarify the implication of global production network (GPN) to industrial development and social well-being in the form of economic and social upgrading within the Indonesia automotive industry. Using parsimonious measurement approach, set of indicators are created to represent to what extent is the condition of economic and social realms in Indonesian automotive industry during the year of 2000 until 2014. It found that follow up the impressive growth over the past years, the Indonesian automotive sector underwent both upgrading in economic and social realms.

**Keywords**: automotive industry; global production network; global value chain; economic and social upgrading/downgrading.

### PROBABILITY OF EXPORTING AND HETEROGENEITY: AN EMPIRICAL CASE OF INDONESIAN TEXTILE AND APPAREL FIRMS

Putu Mahardika Adi Saputra, University of Brawijaya

**ABSTRACT**

This paper examines the role of heterogeneous characteristics of the firms in determining exporting probability of Indonesian textile and apparel firms. It uses a panel of firm-level data and a panel probit model. Through a semi-parametric estimation technique proposed by Levinsohn and Petrin (2003), Total Factor Productivity (TFP) is used to measure the firm productivity. This paper carries out the general estimation for whole observations and the disaggregated specifications concerning the firms’ size (middle and large size). The results show that productivity, firm size, and foreign ownership have a positive and significant effect on the probability of exporting. On the contrary, capital intensity and Java region have a negative and significant effect. In addition, labor quality is critical for middle firms to export. The findings generally corroborate the self-selection hypothesis.

**Keywords**: Export participation; manufacturing; probit; productivity; self-selection hypothesis.
FORMULATING POST-PLACEMENT EMPOWERMENT OF INDONESIAN MIGRANT WORKERS: HOW THE ROLES OF STAKEHOLDERS?

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Waridin Waridin, Diponegoro University
Deden Dinar, Diponegoro University
Mudjahirin Thohir, Diponegoro University

ABSTRACT
Overseas working placement serves only as a safety valve when job and business opportunities in Indonesia are limited. Therefore, after completing the contract, migrant workers are expected to return to work or open businesses in the origin. Business opportunities are closely related to empowerment. The aims of this study are, the first aim is to identify and analyze relationships, power and influence among stakeholders on the objectives in post-placement empowerment of Indonesian migrant workers and the second aim is to analyze the convergence and divergence among stakeholders. The contribution of this study is a policy brief on the role of stakeholders in the development of migrant empowerment. This research uses a sequential explanatory mixed method, with analysis tool used is Matrix of Alliance and Conflict: Tactics, Objectives, and Recommendations (MACTOR) with 13 stakeholders and 8 objectives. The results show that the actor with the most influential and low-reliance role is academics. Four objectives were positively accepted by all stakeholders, while the other four were responded both positively and negatively. The analysis of convergence and divergence shows that stakeholders cluster according to their interests. The implication of this study is that education as a driver that is acceptable to all parties must be actively involved in formulating empowerment formulas.

Keywords: convergence, divergence, Mactor, migrant worker, stakeholder analysis
DETERMINANT FACTORS OF CONSUMER'S WILLINGNESS TO PAY FOR WATER DEMAND IN SOLO CITY

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Evi Gravitiani, Universitas Sebelas Maret
Suryanto, Universitas Sebelas Maret

ABSTRACT
This study aims to determine the demanded factors that affect consumer willingness to pay (WTP) for consumed water among households in the city of Solo. The data used is the primary data obtained through survey method with a structured questionnaire. The questionnaires are distributed to 250 respondents that divided into two sub-districts in Solo City, namely Jebres sub-district and Laweyan sub-district. The data are processed using Multiple Regression Analysis (MRA) using socioeconomic data, income, the quality of water taste, color, and the odor of water as the determinant factor in the consumer willingness to pay (WTP) for consumed water among household in Solo City. The results show that revenue and quality of the water odor is significant at the alpha level. While Age, gender, the level of education, number of families, the quality of water taste, and the water color shown to be significant at α 0.10

Keywords: Willingness to pay, water demand, Solo City, Multiple Regression Analysis

THE EFFECT OF TRADE OPENNESS AND FISCAL POLICY ON INEQUALITY AND ECONOMIC GROWTH: STUDY IN INDONESIA

Setyo Tri Wahyudi, Universitas Brawijaya

ABSTRACT
This paper examines the impact of trade openness and Indonesia's fiscal policy on income inequality and economic growth. The error correction model approach was used to analyze the effect during the period 1980 to 2015. The results show that trade openness can improve inequality but at the same time impede growth. The effect of fiscal policy on reducing inequality is only generated by tax collection but is temporary. Meanwhile, government spending on infrastructure and health proved to encourage growth. On the other hand, education sector spending and tax collection can actually hamper growth.

Keywords: Trade Openness; Inequality; Growth; Fiscal Policy

JEL Classification: E62; F63; H50; O40
ECONOMIC AND SOCIAL DEVELOPMENT IN GLOBAL PRODUCTION NETWORK: LESSONS LEARNT FROM THE INDONESIAN FOOTWEAR INDUSTRY

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Toni Bakhtiar, Bogor Agricultural Universitas

ABSTRACT
As one of the countries in ASEAN which has a positive trend of economic growth every year, in effort to improve global competitiveness, Indonesia has been participated in Global Production Network (GPN). This participation has made a positive impact on industries. Footwear industry as one of the labor intensive industries has been developed and reliable for generating employment opportunity. Moreover high demand on footwear both domestic and foreign consumption has developed this industry rapidly. The article attempts to clarify the implication of GPN to industrial development and social well-being in the form of economic and social development within Indonesian footwear industry. This paper uses parsimonious approach where a set of indicators are used to measure what extent is the condition of economic and social realm in this industry. The result shows that Indonesian footwear industry has experienced high road growth, meaning this industry experience upgrading both economic and social aspect.

Keywords: Global production network, global value chain, economic and social development, footwear industry, employment

ANALYSIS OF THE FEMALE PUBLIC SERVANTS DECISION TO TAKE A SIDE JOB AND IT’S IMPACT TO FAMILY INCOME IN SURAKARTA

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Arif Rahman Hakim, Universitas Sebelas Maret
Mulyadi, Universitas Sebelas Maret

ABSTRACT
This Research tries to explain the factors behind the decision of female public servants in Surakarta City to take a side job. Specifically the research objectives to explain the effect of variables such as age, education, spouse’s income, number of dependent families, and official position to side job decision. The effect is explained through logit regression analysis with logistic binary method. The tool used in this research is Eviews 6.0.

The result shows that, simultaneously variables age, education, spouse’s income, and number of dependent families, have significant effect to side line job decision made by female public servant of Surakarta. Meanwhile, official position does not show significant effect.

Keyword: Side Job, Factors of female public servant go to work
SOCIAL VULNERABILITY TOWARD CLIMATE CHANGE FOR RESIDENTS IN BENGAWAN SOLO WATERSHED

Suryanto, Universitas Sebelas Maret

ABSTRACT

The purpose of this study is to determine the level of social vulnerability, social economy description, mapping for social vulnerability, and as consideration for development policy in Watershed of Bengawan Solo which cover Wonogiri, Sukoharjo, Karanganyar, and Sragen districts.

The data which used is secondary data that obtained from Badan Pusat Statistik, Social Services, Department of Investment and Licensing One Stop Service, National Population and Family Planning, General Election Commissions, Departement of Finance and Asset Management Revenue of each district. The data analysis using Social Vulnerability Index (Sovi). The analysis tool Geographic Information System (GIS) used to map the area and level of vulnerability. The calculation of Social Vulnerability Index (Sovi) used to generate data for GIS.

The results of this study show that highest scores Sovi obtained by Sragen, then Wonogiri, Sukoharjo and the lowest is Karanganyar. Score components from social economy status, age, gender, rural / urban, occupation, and family structure in Sragen is the highest among three other districts. Meanwhile, if categorized into classes, Sragen has the highest degree of social vulnerability, then Wonogiri and Sukoharjo district have moderate level of social vulnerability, and Karanganyar have the lowest social vulnerability.

Keywords: Watershed, Vulnerability, Sovi, Socialeconomy
THE EFFECT OF PROFESSIONALISM, INDEPENDENCY, AND RELATIONSHIP ON INTERNAL AUDIT EFFECTIVENESS

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Doddy Setiawan, Universitas Sebelas Maret

ABSTRACT
This research aims at examining the empirical effect of professionalism, independency and relationship on the governmental internal audit effectiveness. The sample of this research is all Governmental Internal Audit Apparatuses (APIPs) of Province and District/City Inspectorate Office in Central Java and Special Region of Yogyakarta. The samples in this study are all officials of Government Internal Audit (APIP) in the Office of the Provincial Inspectorate and District / City in Central Java and Yogyakarta. Questionnaires distributed as many as 632 copies, 584 copies of questionnaires were returned (response rate 92.41%), and which can be processed amounted to 501 copies. This research uses the multiple linear regression model to analyze the hypothesis using the application of SPSS version 20. This research result indicated that professionalism, independency and relationship had a positive effect on internal audit effectiveness. This research is expected to give contribution to the government as a consideration in improving the internal audit effectiveness and enriching references related to internal audit effectiveness, especially on public sector.

Keywords: internal audit, internal audit effectiveness, professionalism, independency, relationship

THE IMPLEMENTATION OF A WHISTLEBLOWING SYSTEM AS AN ANTI-CORRUPTION INITIATIVE IN INDONESIAN GOVERNMENT INSTITUTIONS

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ABSTRACT
Whistle blowing is viewed as a powerful tool to detect corruption, compared to other means of corruption detection systems. A whistleblower is someone who witnessed a wrongdoing in his/her organization and was willing to report this matter to a particular channel of the organization (internal) or to a particular law enforcement organization (external). Set aside motivation, behavior and the rights of protection of the whistleblower, as mentioned in several studies on the success factors of whistle blowing program, it is hard to expect the emergence of whistleblower if the channel to report the wrongdoing does not exist. This research revealed that from 618 government institutions, only 5% (31 institutions) utilized web-based whistle blowing system, the research also found that from these institutions, only a few have had a good policy that aligned with the international best practice of whistle blowing policy. It appears that many institutions built a whistle blowing system for lips service only, they did not provide a comprehensive policy to protect the witness, handling the report, and guarantee of the investigation. Hence, the research outcomes are expected to encourage the Indonesian government to extend whistle blowing provision in the government institutions. This study can
be useful as well for government institutions to get an idea about the common contents of whistle blowing policies. To achieve the research objective, the proposed framework utilizes the content analysis of secondary data and the perceptions of government auditors working in the Indonesian government institution. The data collection is based on the mixed method research through the combination of online questionnaire and content analysis of documents. **Keywords:** whistle blowing systems, audit, corruption, government institution

**THE EFFECT OF INTERNAL AUDITOR INDEPENDENCE ON EFFECTIVENESS OF GOVERNMENT INTERNAL AUDIT: GROUP COHESIVENESS AS AN INTERVENING VARIABLE**

*(CASE STUDY AT THE REGIONAL INSPECTORATES AT JAVA ISLAND)*

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Ari Kuncara Widagdo, Universitas Sebelas Maret, Indonesia

**ABSTRACT**
The objective of this study is to examine the effect of auditor independence, group cohesiveness, and individual factors on internal audit effectiveness of regional inspectorates. In addition, this study also intends to examine whether group cohesiveness mediates relationship between auditor independence and internal audit effectiveness. Population of this study is regional inspectorates located in some regencies/municipalities in Central Java Province and East Java Province, Indonesia. Method of analysis of this study is structural equation modeling by using SmartPLS. The results indicate that, as predicted, auditor independence has a positive and significant relationship with internal audit effectiveness. Interestingly, this study proves that group cohesiveness partially mediates relationship between auditor independence and internal audit effectiveness. Unfortunately, individual factors (i.e. level of education and work experience) do not have significant relation with audit effectiveness. **Keywords:** Audit effectiveness, auditor independence, group cohesiveness.
FISHERIES TRADE SYSTEM AS THE BASIS FOR FISHERIES POLICY MAKING IN BUSINESS MICRO AND SMALL ENTERPRISES IN BENGKULU CITY

Masydzulhak, Mercu Buana University
Ahmad Badawi Saluy, Mercu Buana University

ABSTRACT
This research aims to explore the fisheries sector in Bengkulu City which includes business dimension and institutional dimension by using sector contribution analysis model to Gross Domestic Product (GDP) and Local Quiten (LQ) model. The analysis of both models shows that the fisheries sectors have not become the base in the regional economy of Bengkulu City. To increase the contribution of the fisheries sector and become a regional economic base, it is necessary to strengthen the fisheries trade system which includes business and institutional dimension by using strategic policy approach. For business dimensions, such as (i) the government is able to allocate budgets to encourage the strengthening of micro and small enterprises (ii) improve the quality of the catch, (iii) strengthen marketing outside the region. For institutional dimensions, such as; (I) establish regulations that can provide certainty for micro and small businesses as fisheries business actors, (ii) make arrangements in the utilization of fisheries resources and minimize ecosystem damage.

Keywords: Business dimensions, fisheries trading, institutional economic dimension,

SME FINANCING, PRODUCTIVITY AND EFFICIENCY
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Sylviana Maya Damayanti, Institut Teknologi Bandung
Nur Budi Mulyono, Institut Teknologi Bandung

ABSTRACT
Previous studies reveal that a substantial portion of micro and small firms in Indonesia have no access to formal financial institutions which then lead them to be trapped in the predatory lending (rentenir) for their working capital. Although the Government has issued some policies to improve access to financing for such firms, the question remains on the effectiveness of those policies. In this paper, we, therefore, empirically investigate the impact of bank lending to micro, small and medium enterprises on the productivity and efficiency of those firms. Going deeper, we also look at the role of institutional development to account for differences in local governance quality in the relation between lending to micro and small enterprises on their productivity and efficiency. Our results suggest that financing from formal financial institution help improve the productivity and efficiency of micro and small firms.
THE MAPPING OF SMES ORGANIZATIONAL CULTURE IN PADANG CITY BASED ON COMPETING VALUE FRAMEWORK

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Mega Asri Zona, Universitas Negeri Padang

ABSTRACT
This research aims to identify and mapping the organizational culture of SMEs in Padang city in order to developing the organization based on competing value framework, especially heading to global market with more extensive and rigorous competition level. This research design can be categorized as ex post facto research, with the interdependence relationship characteristic between the variables observed. This research uses the Organizational Culture Assessment Instrument (OCAI) developed by Cameron and Quinn. The results show that majority of SMEs in Padang implementing clan culture.

Keywords: organization culture, competing value framework, OCAI, SME

IT IMPLEMENTATION ON SMES, IS IT A CHALLENGE OR BARRIERS? AN EMPIRICAL RESEARCH OF INDONESIAN SMES

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Arif Sudaryana, Universitas PGRI Yogyakarta
Marti Widyasari, Universitas PGRI Yogyakarta

ABSTRACT
The purpose of this research is to test the effect both internal and external toward the successfulness of IT implementation and SMEs performance. Data is collected from 110 SMEs owners with mail questionnaire. Structural equation model is used to test the hypothesis and to examine the effect of each variable. The result of this research shows that both internal and external factors have significant impact on IT implementation. The IT implementation has significant effect on both financial and non-financial performance. This research examined the SMEs with the whole business type without considering the IT implementation, therefore a deeper test can be conducted. This research has not been studied by other researchers. This research gives an implication to the SMEs owners and government to implement a good IT implementation strategy to enhance the performance.

Keywords: Owner’s knowledge, infrastructure, IT implementation, financial performance, non-financial performance.

VENTURE OPPORTUNITY PROFILE OF STARTUP COMPANY THROUGH ENTREPRENEURIAL PROCESS

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ABSTRACT
Venture opportunity is a constituent element of entrepreneurship. For a startup company, ideas, creativities, experiences, and personal skills of an entrepreneur are internally required for venture creation. A venture can also be as a result of external factors such as unstable circumstances, chaos, market opportunity, technology development and regulation change. Startup companies have a risk of failure is large. They have great potential but elusive opportunity. Those offer the startup company a great opportunity to create venture which is either strengthening or risking its business. The research applied a qualitative method. A case
study of PT Fruters Indonesia Perkasa, a healthy food and beverage manufacturing company, was conducted. This research aims to describe opportunity profile of a startup company as a part of entrepreneurial process through evaluation of some criteria on which both opportunity and risk are considered as a unit.

The research results revealed that there was good venture opportunity for a startup company with a strong strategic differentiation and personal criteria, risk taking calculation and intuition. Those are also essential for the product development while industry and market are growing immensely.

In Conclusion, these results strongly suggest to manage risks, investor has procedure of risk calculation and risk mitigation which in turn can raise the level of success for startup company.

**Keywords:** Opportunity, Startup, Entrepreneurial Process, Venture
THE CURVILINEAR RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP AND ATTITUDES WITH READINESS TO CHANGE (A STUDY FOR LECTURERS AND ADMINISTRATION STAFF OF UNIVERSITAS SEBELAS MARET)

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Salamah Wahyuni, Universitas Sebelas Maret
Anastasia Riani S., Universitas Sebelas Maret

ABSTRACT
The purpose of this study is to test the organizational readiness to change in the public sector. Organizational change in this study, refers to the implementation of remuneration system that has been established by the government. Testing is done by testing the curvilinear relationship between attitudes to change and readiness to change. The sampling technique uses proportional random sampling. Furthermore, the study examined the role of transformational leadership as a predictor of readiness to change. The test results show that both hypotheses are supported. Transformational leadership has an inverted U-shape influence, a state of readiness to change increasing and reaching the highest point (at the top) in moderate transformational leadership conditions (3.892). After that, the readiness to change will decrease. The results of this research support both hypotheses: 1. Transformational leadership has a relationship with readiness to change in U-upside form, the highest readiness occurs when transformational leadership is at a moderate level. 2. attitudes toward change have a relationship with readiness to change in U-shape form, the highest readiness occurs when attitudes toward change are at moderate levels.

Keywords: transformational leadership, attitude toward change, readiness to change, curvilinear, U-shape, inverted

ENHANCING REWARD SYSTEM MANAGEMENT USING BEHAVIOURAL ASSESSMENT PERSPECTIVE: AN EMPIRICAL ANALYSIS ON LECTURER AND EMPLOYEE PERFORMANCE IN STATE UNIVERSITIES

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Dorojatun Prihandono, Universitas Negeri Semarang
Wahyono, Universitas Negeri Semarang

ABSTRACT
Performance-based reward system such as remuneration has become a pertinent scheme in the last two decades. This study commenced in 3 major state universities in Central Java Indonesia in order to have a clearer picture of how remuneration system influence lecturer and employee performance moderates by motivation, specifically in the state universities. SEM PLS method was applied to examine and analyze the relationships between determinants. The results of this study show that ‘performance feedback’ has negative effect on ‘competence’; the relationship between ‘competence’ and ‘motivation’ is negative; ‘remuneration’ positively affects ‘motivation’; the greater the level of remuneration, the greater the level of working performance intention in the institutions’; and there is positive and significant relationship between
‘motivation’ and ‘performance intention’. The study provides the importance of how the remuneration system can be applied as one focal scheme to enhance institutions performance in general.

**REMUNERATION REWARD MANAGEMENT SYSTEM AS A DRIVEN FACTOR OF EMPLOYEE PERFORMANCE**

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Moh. Khoiruddin, Universitas Negeri Semarang  
Nury Ariani Wulansari, Universitas Negeri Semarang

**ABSTRACT**

Reward management system has been an important point of attention in any organization as a defining factor of employee’s high welfare and output. This research studies the influence of remuneration reward system on employee performance through motivation and job satisfaction as the mediation variable. The data in this research was taken from Universitas Negeri Semarang’s permanent employees amounting to 403 employees. SEM tests are proposed in order to see the influence of remuneration reward system, motivation, and job satisfaction either directly or indirectly on performance. The mediating roles of motivation and job satisfaction are measured to be an indirect relation intermediary. The results show that remuneration and job satisfaction have a positive influence on performance. Furthermore, motivation and job satisfaction are found to be significantly positively influenced by remuneration. However, the direct effect of motivation on performance is not supported. Motivation can improve employee performance, by becoming the mediation variable of remuneration reward system. This study shows that motivation and satisfaction are the variables that can mediate the relationship between remuneration and performance of Universitas Negeri Semarang’s employees.

**Keywords:** Management Reward System, Remuneration, Motivation, Job Satisfaction, Performance

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**THE MEDIATING ROLE OF AFFECTIVE COMMITMENT ON THE RELATIONSHIP BETWEEN SATISFACTION WITH REMUNERATION SYSTEM AND ORGANIZATIONAL CITIZENSHIP BEHAVIOUR**

Salamah Wahyuni, Universitas Sebelas Maret  
Hunik Sri Runing Sawitri, Universitas Sebelas Maret  
Anastasia Riani Suprapti, Universitas Sebelas Maret

**ABSTRACT**

This study aims to examine the mediating role of affective commitment on the relationship between satisfaction with the remuneration and employees performance behavior (intra and extra) of the Universitas Sebelas Maret. Through a survey of 269 lecturers and employees of the Universitas Sebelas Maret were taken gradually (multistage sampling), data were collected by distributing questionnaires. The results showed that satisfaction with the remuneration system had no effect on the IRB and OCBO, but a negative impact on OCBI. That means, satisfaction with the remuneration system will decrease the behavior to help other. Associated with affective commitment, satisfaction with the remuneration system had a positive effect. The higher satisfaction with the remuneration system, the higher affective commitment. Furthermore, affective commitment has a positive influence on the IRB and OCBO, but not significant for OCBI. It means high affective commitment that can only increase the IRB and OCBO, cannot increase OCBI. The results showed that the affective commitment mediate (fully mediation) the relationship between satisfaction with the remuneration system and the IRB and OCBO.
Keywords: satisfaction-with-the-remuneration-system, affective-commitment, intra-role-behavior, organizational-citizenship-behavior-to-organization (OCBO), organizational-citizenship-behavior-to-individual (OCBI).

INDONESIAN TEACHER ENGAGEMENT INDEX (ITEI): TEACHER PERSPECTIVE VS STUDENT PERSPECTIVE

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Munawir Yusuf, Universitas Sebelas Maret
Yasinta Indrianti, Bina Nusantara University

ABSTRACT

The Indonesian Teacher Engagement Index (ITEI) is a self-diagnostic instrument that captures the anatomy of Indonesian teacher capacity as a professional teacher and educator with Indonesian character. ITEI consists of six dimensions, namely teachers showing positive psychological condition, active role in building positive education, showing good performance, having teacher competence, the national character of Indonesia and showing leadership nationalism engagement. The formulation of the problem is how teachers and students' perspective on teacher engagement? And which perspective is most pure about the teacher's engagement? ITEI research method using Neuroresearch, a mixed method that combines qualitative and quantitative research through three stages of exploratory, explanatory and confirmatory. The number of samples is 457 teachers and students in Jakarta. Instrument calibration (item construct validity) with RASCH MODEL resulting in reliability index sourced from the teacher of 0.91 and sourced from the students of 0.85. The results showed that: (1) teacher self-assessment and student's assessment of the teacher together tend to have engaged significantly at \( \alpha <0.05 \). However, if the assessment is done separately by the students of the teacher, the condition of the teacher tends to be assessed not engage significantly on \( \alpha <0.05 \); And (2) it turns out that students' judgment is actually more correct (pure) significantly at \( \alpha <0.01 \) than the teacher's own assessment.

Keywords: Indonesian Teacher Engagement Index (ITEI), Neuroresearch, Teacher Perspective, Student Perspective
UNDERPRICING AND INTELLECTUAL CAPITAL DISCLOSURE: EVIDENCE FROM INDONESIA

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Rahmawati, Universitas Sebelas Maret
Bandi, Universitas Sebelas Maret
Ari Kuncara Widagdo, Universitas Sebelas Maret

ABSTRACT
We investigate the relationship between intellectual capital disclosure and underpricing. We did interviews and gave questionnaires to practitioners and academics to develop intellectual capital disclosure measurement method (in this case is the weighted disclosure index). The analysis result of 189 companies which did Initial Public Offering in Indonesia period 2000-2014 shows that intellectual capital disclosure affects negatively on underpricing. It indicates that intellectual capital disclosure can reduce asymmetry information between the issuer and the potential investor. In addition, intellectual capital disclosure can assist potential investors in assessing the company quality and prospects.

Keywords: Initial public offering, intellectual capital disclosure, underpricing.

HUMAN RESOURCE COMMUNICATION IN ANNUAL REPORT: IS THERE ANY DIFFERENT BETWEEN STATE OWN COMPANIES AND PRIVATE? (STORY FROM INDONESIA)

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Nur Zaini Rohmad, Universitas Sebelas Maret
Akhmad Daerobi, Universitas Sebelas Maret

ABSTRACT
The disclosure of human resource in companies has become an important aspect considering the company's needs in maintaining going concern of the company as well as the company's profitability. This research connects the human resource disclosure with other variables such as Foreign Ownership, Managerial Ownership, Governmental Shareholding, Board Size, Non-Executive Directors, Women on Board, and Philanthropic Activity. This research uses purposive sampling of 100 best companies according to Fortune, in Indonesia in the year 2012 - 2015. The samples are taken from the best companies in Indonesia, consist of BUMN (State Owned Companies) and private-owned companies (non-BUMN). Using the multiple regression method, it is hoped that the factors affecting the human resource disclosure will be exposed.

In this research, the affecting variables for human resource disclosure consists of Managerial Ownership, Governmental Shareholding, Board Size, Non-Executive Directors, Women on Board, and Philanthropic Activity. Almost all variables used in this research offers some influence towards the level of human resource disclosure. The overall of human resource disclosure level in companies in Indonesia is 43.6%. This research is conducted in the hope of giving contribution of literature study in relation with the practice of human resource disclosure.
in Indonesia. The differences between this research and the other previous researches lay in the company samples taken, as well as the use of factors affecting the human resource disclosure by the companies with statistic test.

**Keyword:** Human resource disclosure, stakeholder theory, Indonesia, knowledge based industry

**Paper type** Research paper

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**ANALYSIS OF THE TREASURER'S ACCEPTANCE TOWARD THE IMPLEMENTATION OF ACCRUAL BASIS BASED ON GOVERNMENT REGULATION NO. 71/2010: CASE STUDY IN UNIVERSITAS TERBUKA**

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**ABSTRACT**

Based on Government Regulation No. 71/2010, in lieu of Regulation No. 24/2005 concerning the Government Accounting Standards, the government required to implement accrual accounting in its financial reporting in 2015, which previously used cash basis. As one of the state universities in Indonesia, Universitas Terbuka is no exception. This transition method of recording will have an impact in various ways. Therefore, this research aims to analyze the extent of treasurer’s perception in UT (UT headquarter and regional offices/UPBJJ-UT) on the implementation of accrual basis which is required in the Government Regulation No. 71/2010. The population was all expenditure treasurer both in UT headquarter and regional offices/UPBJJ-UT, with a total number 58 treasurer. There are 18 treasurers taken from each unit in UT’s headquarters and 40 from each regional offices. The data was gathered through questionnaires and in-depth interviews using a semi-structured interview guides which were conducted in 5 regional offices/UPBJJ-UT. Regional offices/UPBJJ-UT chosen based on budget given to them each year, which could fall into 3 categories, i.e. high budget (UPBJJ-UT Purwokerto and UPBJJ-UT Jakarta), medium budget (UPBJJ-UT Pangkal-Pinang) and low budget (UPBJJ-UT Gorontalo and UPBJJ-UT Bogor).

**Keywords:** acceptance attitude, Government Regulation No. 71/2010, accrual basis

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**APPLICATION OF ACCOUNTING SYSTEM SIMPLE: SMALL AND MEDIUM ENTERPRISES FINANCIAL STATEMENTS**

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**ABSTRACT**

This study aimed to establish the Financial Reporting Model Using Simple Accounting System For Small and Medium Enterprises (SMEs). The approach used is qualitative - phenomenological approach to test implementation of the model and the unit of analysis is the SMEs in Surakarta. His observation units are organizers or owners, members or employees and facilities related to SMEs. The output of this research is a model and a social program such manipulation in Financial Reporting Model Using Simple Accounting System For SMEs.

**Keywords:** SMEs, a simple accounting system