

**Foreword by:  
Rector of Andalas University**

First of all, I would like to welcome you all to Andalas University Padang, West Sumatra, Indonesia. We are delighted to have you here to participate and share in the 2nd International Conference on Business and Economics (ICBE) in 2014. Thank you for coming, many of you travel long distances serves to remind us how important this even.

This great event facilitates interaction among academics, researchers and policy makers in this region through plenary sessions, lectures and parallel paper presentations. I am delighted to know that the conference theme “Entrepreneurship and Creative Economy in Global Competitiveness” is in line with our University motto “to be a leader in character building and entrepreneurship. We hope that, some papers will inspire us to achieve our goal. Hopefully, everyone will benefit from this event through sharing paper and experiences.

I would like to thank the Dean of Faculty of Economics and the Organizing Committee that have been working hard for the preparation of this international academic event. For us, this event is also a part of activities recognized 58 years Andalas University contribution to this country. We thank our sponsors for providing the funding for this Conference. Let me thank also the conference scientific committee.

Finally, let me reiterate my warm welcome to all of you to the University and I wish you all a very successful conference.

**Andalas University,  
Rector**

**Prof. Dr. H. Werry Darta Taifur, SE, MA**

**Foreword by:**

**Dean of Economics Faculty, Andalas University**

Ladies and gentlemen, it is an honour to welcome all of you here to the 2<sup>nd</sup> International Conference on Business and Economics (ICBE) 2014, held by Faculty of Economics, Andalas University

This Conference, which is based on the theme of “Entrepreneurship and Creative Economy in Global Competitiveness” just one of our many initiatives to advance the frontiers of knowledge in the field of economics and business. The ICBE conference brings together academics and professionals from various business and economics disciplines to share latest research findings and brainstorm new research ideas various disciplines. I have no doubt that it will provide an excellent platform for participants to exchange experiences and explore new ideas in this important area.

As we think about entrepreneurship and creative economics, we should recognize that those areas are key important for the growth of the nations. Universities as center for excellence are expected to provide research and analysis towards the wealth of nations. We are happy to meet academicians and researchers in this conference. I hope this is a great opportunity for us to build and develop network among us.

At Economics Faculty, we have been tried hard and engaged in a process of becoming significantly different and significantly better – different from our past, and better able to help meet the needs of the people of our region and country.

By aligning our considerable expertise and renowned academic excellence with the international development agenda to accelerate economic growth, we want to become more relevant to society. In our core activities as an academic institution, we would like to improve our entrepreneur society which relevant to creative industry by disseminating great numbers of research findings.

I would like to extend my sincere appreciation to the Organizing Committee for their untiring efforts in staging this extremely worthwhile event. I very much hope that all participants will find this conference both stimulating and rewarding. For visiting participants, I wish them a most pleasant stay in Padang.

**Economics Faculty,  
Dean**

**Prof. Tafdil Husni, Ph.D**

**Foreword by:**

**The Chairperson of Organizing Committee**

**2<sup>nd</sup> ICBE 2014**

On behalf of the 2<sup>nd</sup> International Conference on Business and Economics Organizing Committee, I would like to warm welcome all speakers and participants of 2<sup>nd</sup> ICBE 2014. Welcome to Indonesia to overseas participants from six different countries; Australia, Netherland, Malaysia, India, Taiwan and Thailand. And also welcome to Padang City to delegates from other Provinces in Indonesia.

After success delivering the 1<sup>st</sup> ICBE on 2010 in Bukittinggi City, Dean of Economic Faculty Andalas University initiated to propose the 2<sup>nd</sup> ICBE 2014. Hence, we gratefully acknowledge supporting of the Rector of Andalas University Prof. Dr. H. Werry Darta Taifur, SE, MA and the Dean of Economics Faculty Prof. Tafdil Husni, Ph.D.

One of the objectives of ICBE is to foster multidisciplinary research from a variety of fields on accounting, business, management, economics and public governance. The conference supports the development of empirical and normative inquiry, theory building and systematic testing of theory consistent with the canons of social science, using the full range of quantitative and qualitative methodologies. In 2<sup>nd</sup> ICBE, more than 200 abstracts submitted, with 173 papers will be presented. Thanks to all authors for participating. In this special event, we would like to express our appreciation to 30 scientific committees for providing valuable feedbacks to authors and 36 track chairs for their valuable contributions.

We also extend our sincere gratitude to Professor Ian Eddie PhD FCPA from Southern Cross University Australia as a keynote speaker for sharing his thoughts on the conference theme “Entrepreneurship and Creative Economy in Global Competitiveness”, and Dr Ian Patrick Austin from Edith Cowan University Australia as a panel speaker of “Strengthen Collaboration among Asian Universities”.

Without a great team, it would be impossible to conduct a great conference. I would like to extend my deep appreciation to Organizing Committee members, especially to Tafdil Husni, Harif Amali Rivai, Vera Pujani, Masyhuri Hamidi, and Meuthia who spend every single day for discussing and preparing this conference since September 2014. We are grateful to have the students who have strong commitment to provided assistance pre and during the conference period. In addition, the success of 2<sup>nd</sup> ICBE is partly due to the contribution and support by our sponsors. I take this opportunity to offer a huge thanks to all individuals and institutions who have contributed directly or indirectly

to success of 2<sup>nd</sup>ICBE 2014. Finally, we sincerely hope all of you maximise the opportunities of collaborations, networks and new friendship. Have an enjoyable and valuable conference.

**Organizing Committee of 2<sup>nd</sup>ICBE 2014**

**Chair Person**

**DR. Yulia Hendri Yeni, SE, MT, AK, CA**

**Honorary committee**

Dr. Werry Dartta Taifur. Rector of Andalas University, Indonesia

Prof.Dr. Tafdil Husni, MBA. Dean Faculty of Economics, Andalas University - Indonesia

Assoc. Prof. Dr. Sofri Yahya. Dean of GSB, Universiti Sains Malaysia. Malaysia

Assoc. Prof. Dr. Yazrina Yahya. `Deputy Director, Center for International Relations, Universiti Kebangsaan Malaysia- Malaysia

**Advisory Board Members**

Dr. Harif Amali Rivai- Vice Dean of Economics Faculty, Andalas University Indonesia

Prof. Dr. Nasri Bachtiar, MA – Vice Dean of Economics Faculty, Andalas University Indonesia

Drs. Ilmainir, SE, Ak – Vice Dean of Economics Faculty, Andalas University Indonesia

**Conference Chair:**

Dr. Yulia Hendri Yeni, SE, MT, AK, CA

**Co-conference Chair:**

Dr. Eva Yonnedi, MPPM

Dr. Hefrizal Handra, M.Soc.

**Secretary:**

Dr. Masyhuri Hamidi, SE, M.Sc

**Treasury:**

Dr. Vera Pujani, MM.Tech

Rayna Kartika, SE, Ak, M.Fin

**Scientific Committee:**

Prof. Felix Mavondo – Monash University – Australia

Prof. Ian Eddie, PhD, FCPA – Southern Cross University – Australia

Prof. Dr. Syed Azizi Wafa - University Malaysia Sabah – Malaysia

Prof. Dr. Siti Nabiha Abdul – Universiti Sains Malaysia - Malaysia

Prof. Dr. Gautam Murthy – Osmania University - India

Prof. Dr. Elfındri, MA – Andalas University – Indonesia  
 Prof. Dr. Sjafrizal, MA – Andalas University – Indonesia  
 Prof. Dr. Syafruddin Karimi, MA – Andalas University – Indonesia  
 Prof. Tathok Asmoni, MBA, DBA – Mataram University – Indonesia  
 Prof. Dr. Eddy R Rasyid, M.Com – Andalas University – Indonesia  
 Prof. Dr. Niki Lukviarman Ak, MBA - Andalas University – Indonesia  
 Prof. Dr. Firwan Tan - Andalas University – Indonesia  
 Prof. Dr. Syukri Lukman, MS - Andalas University – Indonesia  
 Prof. Dr. Herri, MBA – Andalas University – Indonesia  
 Assoc. Prof. Dr. Azlan Amran – Universiti Sains Malaysia – Malaysia  
 Assoc. Prof. Dr. Rasid Mail – University Malaysia Sabah – Malaysia  
 Dr. Ahmad Daryanto – Lancaster University - UK  
 Ian Austin, Ph.D - Edith Cowan University – Australia  
 Dr. Jun Xu – Southern Cross University – Australia  
 Dr. Hanny Nasution – Monash University – Australia  
 Dr. Adi Zakaria Afiff, MBA, Ak – Indonesia University – Indonesia  
 Dr. Kitiya Thassanabanjong – Kasetsart University - Thailand  
 Dr. Fuad – Diponegoro University – Indonesia  
 Indrawari, SE, MA, Ph.D, Andalas University – Indonesia  
 Dr. Yudi Fernando, MBA – Universiti Sains Malaysia – Malaysia  
 Dr. Suhairi SE, Ak, MS - Andalas University – Indonesia  
 Dr. Yuskar, Ak, MA - Andalas University – Indonesia  
 Dr. Rahmi Fahmy, MBA - Andalas University – Indonesia  
 Asniati, MBA, Ak, Ph.D – Andalas University – Indonesia  
 Dr. Elvira Luthan, Ak, M.Si – Andalas University - Indonesia

## CONTENTS

|                          |   |   |
|--------------------------|---|---|
| Andre Syukri<br>Putranto | Financial Report Design For Mosque Entity<br>To Create Transparency And Accountability<br>Of The Mosque   | 1 |
| Armel Yentifa            | Implementation Of Accrual Based<br>Accounting On Pp No.71 Tahun 2010 To<br>Make Transparency And Accountability In<br>Financial Management Of Local Government  | 2 |
| Arni Utamaningsih        | Venture Capitalist: An Alternative Financing<br>In Indonesia And Future Research Agenda   | 3 |
| Asniati                  | Effects Of Corporate Social Responsibility<br>Disclosure Towards Company's Value<br>(Analysis By Using United Nations Global<br>Compact Framework   | 4 |
| Eka Siskawati            | Accountability Model For Not For Profit<br>Organization: (A Case Study Of Mosques In<br>Padang)   | 5 |
| Elvira Luthan            | The Influence Of Financial Reporting<br>Quality: Accounting And Market-Based To<br>Information Asymmetry  | 6 |
| Husna Roza               | The Teaching Of Forensic Accounting In<br>Indonesia: View From Academicians And<br>Pubic Sector Auditors  | 7 |
| Lisia Apriani            | The Influence Of Teaching And Learning<br>Quality On Prospective Accountant's<br>Perception Of Ethics: A Way Of Achieving<br>The Goal Of Management Auditing In<br>Accounting Profession Program In Daerah<br>Istimewa Yogyakarta | 8 |
| Masodah                  | The Role Of Accounting Information System<br>(Ais) As Secondary Activity In Creating<br>Value   | 9 |

|                         |   |    |                         |   |    |
|-------------------------|---|----|-------------------------|---|----|
| Missi Oktasari Rianti   | The Influence Of The Independent Commisioner Propotion, The Audit Comitte, The Company's Board Of Director, The Managerial Properties, And The Leverage On Earning Management   | 10 | Rilla Gantino           | Effect Of Managerial Ownership Structure, Corporate Financial Risk And Corporate Value Of On Income Smoothing On Automotive And Foods And Beverages Industry Sector Listed In Indonesia Stock Exchange(2009-2012) | 18 |
| Muhammad Fauzi Nurfajar | The Effects Of Institutional Ownership, Audit Quality, And Debt To Equity Ratio On Return On Investment Ratio At Consumer Goods Companies Listed In Indonesia Stock Exchange    | 11 | Shinta Citra Dewi       | Overview Of Forensic Accounting From Fraud Triangle And Fraud Tree Perspective  | 19 |
| Mukhtaruddin            | Earning Management, Corporate Social Responsibility Disclosures And Firm's Value: Empirical Study On Manufacturing Listed On Idx Period 2010 – 2012                             | 12 | Sukartini               | Designing Cost Rate Calculation Model Unit (Unit Cost) Approach Education Organization With Activity Based Costing (Abc) At The State Polytechnic In Indonesia  | 20 |
| Ningrum Khairani        | The Effect Management Accounting System On Organization Performance : Competitive Environment, Manufactured Technology And Organization Structureas Moderating Variable         | 13 | Vina Arnita             | Pursuing As Professional Accountants: From The Lens Of Indonesian Undergraduate Students  | 21 |
| Novita Indrawati        | The Impact Of Implementation Of Accounting Standards Convergence With International Financial Reporting Standards (Ifrs) On Accounting Quality In Indonesia                     | 14 | Yunita Valentina        | The Role Of Company Size And Financial Performance In The Relationship Between Intellectual Capital Component And Stock Price   | 22 |
| Novitasari              | An Analysis Of The Application Of Activity Based Management In Improving Corporate Profitability : The Case Of A Tyre Retreading Company  | 15 | Yurniwati               | The Analyze Performance Of Rsud Dr Rasidin; Used The Regulation Of The Minister Of Health No.1171/Menkes/Per/Vii/2011, The Balanced Scorecard, And Intellectual Capital Approach                                  | 23 |
| Rayna Kartika           | A Study Of Climate Change Mitigation: Cost Effectiveness And Efficiency On Carbon Emission  | 16 | Wida Fadhlia            | The Effectiveness Of Land And Building Tax Revenue And It Contribution To Local Government's Revenue In Banda Aceh  | 24 |
| Rendra Septiano         | Effects Of Intellectual Capital Performance On Company's Financial Performance: An Empirical Study On Financial Sector Non-Banking Companies Listed In Indonesia Stock Exchange | 17 | Afridian Wirahadi Ahmad | Inquiry Model As An Effective Approach In Entrepreneurship Creative Industries Based Learning On Vocational Education   | 25 |
|                         |   |    | Rika Desiyanti          | Influence Of Factors Determinant To Efficacy Of Development Of Small Industrial Cluster Rattan In Kota Padang   | 26 |
|                         |   |    | Yudi Aziz               | The Management Innovation In Creative Industry For Improving Competitiveness: Case Study At Bandung   | 27 |



|                        |  |    |                   |   |    |
|------------------------|--|----|-------------------|---|----|
| Agus Widarjono         | Analysis Of Food Demand In Indonesia With Two-Stage Budgeting Approach   | 28 | Nefilinda         | Environmental Economic In Wastewater Management Of Pt Lembah Karet Padang   | 42 |
| Arnold Ryan Catarata   | The Effects Of Intellectual Property On Country's Wealth Around The World  | 29 | Neng Kamarni      | Analysis Of The Role Of Social Capital Of Micro, Small And Medium Enterprise Through The Institution In District Lubuk Kilangan Padang City   | 43 |
| Betty Uspri            | Inflation Targetting Framework (Itf) And Central Bank Loss Function (Studi Kasus New Zealand And Indonesia)                                      | 30 | Nurul Fauzi       | Factors Influencing The Development Of Community Based Micro Finance Institution In Indonesia (Study At Lumbung Pitih Nagari And Lembaga Perkreditan Desa)  | 44 |
| Citra Ramayani         | The Flypaper Effect On General Allocation Fund And Regional Revenue Towards Regional Expenditure In Cities In West Sumatera                      | 31 | Rika Kaniati      | The Analysis Of Effectivity Of Micro Finance Instituion's Model To Increase The Standard Of Living Of The People At Kalibata Restriction, South Jakarta   | 45 |
| Dedy Djefris           | Factors Affecting The Success Of Fiscal Decentralization In Indonesia's Health Sector  | 32 | Rini Rahmadian    | Time Inconsistency Kebijakan Moneter Dan Independensi Bank Sentral Di Indonesia   | 46 |
| Delfia Tanjung Sari    | Education In Tackling Social Exclusion And Child Poverty, A Review Of Literature   | 33 | Sri Maryati       | Educated Unemployment Dynamics: Challenges Towards The Demographic Bonus In Indonesia   | 47 |
| Dwi Atmono             | The Implementation Of Blue Economy In Learning Social Science At Junior High School  | 34 | Suhairi           | The Analysis Of Preparation Process Of Mid-Term Development Plan Of Local Governments (Rpjmd) In West Sumatera, Title Changed : The Analysis Of Medium-Development Plan Preparation Of Local Government In West Sumatera* (In Oct 03) | 48 |
| Fery Andrianus         | Analysis Of Competitiveness And Potential In West Sumatra Area   | 35 | Sumarni           | Scavenger Community Survival Strategy In Tpa Lubuk Minturun Padang  | 49 |
| Hasdi Aimon            | The Equilibrium Analysis Of Consumption And Imports Of Soybean In Indonesia  | 36 | Suwarni           | The National Economy Stabilization By Enhancing Regional Economic Growth  | 50 |
| Heru Aulia Azman       | Influence Of Tourism Sector On Economic Impact In West Sumatera  | 37 | Syafruddin Karimi | Mobile Banking And Access To Finance: Evidence From Household Survey  | 51 |
| Khairul Akmaliah Adham | Cybernetic Perspective On Inclusive Growth Analysis  | 38 |                   |   |    |
| Marselina              | The Implication Of The Implementation Of Fiscal Rule Principal Toward Macroeconomic Variables In Indonesia New Consensus Macroeconomics Approach | 39 |                   |   |    |
| Moh. Yamin Darsyah     | Small Area Estimation For Estimate Human Development Index   | 40 |                   |   |    |
| Muhammad Nazer         | Analisa Konsumsi Energi Rumah Tangga; Kasus Indonesia  | 41 |                   |   |    |

|                        |  |    |                       |  |    |
|------------------------|--|----|-----------------------|--|----|
| Variyetmi Wira         | Comparison Study Of The Implementation Of Autonomous Urban Community Empowerment National Program (Pnpm Mp) Toward Urban Community Poverty Reduction In West Sumatera Province | 52 | Bambang Bemby         | Intellectual Capital, Firm Value And Ownership Structure As Moderating Variable: Emprical Study On Banking Listed In Indonesia Stock Exchange Period 2009-2012             | 62 |
| Yessi Elsandra         | Lactation Management Toward Millennium Development Goals (Mdgs) 2015   | 53 | Dina Amaluis          | Lq45 Corporate Financial Performance Analysis Approach Based On Economic Value Added (Eva), Market Value Added (Mva), And The Effect On Stock Return                       | 63 |
| Yessy Andriani         | Relationship Between Central Bank Independence And Inflation In Indonesia  | 54 | Erni Masdupi          | Identifying The Influences Of Ownership Structure, Business Diversification And Company Size On Company Value  | 64 |
| Yosi Suryani           | Exploration Existing Condition Traditional Markets Managed By The Government In Padang   | 55 | Ferri Sugianto        | Factors From Underwriter That Influence Initial Return Of The Companies Doing Initial Public Offerings In Indonesia Stock Exchange In The Period Of 2004-2011              | 65 |
| Yulia Anas             | Identification Of Problems Education In The Region At Risk Of Failure Of The 9-Year Primary Education As The Implications Of The Mdgs Achievement In Pasaman Regency*          | 56 | Gina Havieza Elmizan  | Analysis Of Banking And Capital Markets Dependencies And Its Effect On The Performance Of The Public Company On Property Sector In Indonesia                               | 66 |
| Abdul Khaliq           | Dynamic Interactions Between Nominal Effectives Exchange Rates And Gold Price Movement : Evidence From Indonesia   | 57 | Hesti Amelia Rizkiyah | The Effect Of Company Size, Profitability, Leverage, Liquidity And Ownership Structure On The External Party Toward Internet Financial And Sustainability Reporting (Ifsr) | 67 |
| William Manggala Putra | The Impact Of Fdi On Economic Growth Through Financial Sector Development, Trade Openness, And Human Capital In Asean-5  | 58 | Kevin                 | The Influence Of Mergers And Acquisitions Towards The Company's Return   | 68 |
| Leli Sumarni           | Regional Concentration Analysis Of Small Medium Enterprises In Indonesia From 2001-2012  | 59 | Lim Thien Sang        | Demographical And Geographical Analysis Of Financial Literacy  | 69 |
| Abel Tasman            | Determinant Factor Of Financial Distress And Bankruptcy In Miscellaneous Industry  | 60 | Linda Risyard         | Agency Cost At Poorly Managed Firms  | 70 |
| Abukosim               | Ownership Structure And Firm Values: Empirical Study On Indonesia Manufacturing Listed Companies   | 61 | Lu Sudirman           | Investment Enhancement Strategy In Batam (An Empirical Study Of Implementation Delphi Techniques)  | 71 |

|                      |   |    |                         |  |    |
|----------------------|---|----|-------------------------|--|----|
| Rahma Ghassani       | The Influence Of Growth Opportunity, Liquidity, And Profitability On Capital Structure Of Property And Real Estate Company Listed In Indonesia Stock Exchange 2008-2012 | 72 | Lina Anatan             | Strategy Linkage And Its Impact On Firms Performance   | 83 |
| Ratnawati Rafliis    | Remodeling Of Bancruptcy Model At Indonesian Company  | 73 | Adi Kuswanto            | Analysis Of The Effect Of Training On Performance Of Micro And Small   | 84 |
| Rida Rahim           | Financial Contagion Effects Of The Us Subprime Crisis On Developed Countries And Islamic Index  | 74 | Anna Marina             | Influence Of Econome Values On Hospital Performance Improvement: A Conceptual Model  | 85 |
| Ruksakul Cheewakoset | Analysis Of The Relationships Among Gold Price, Oil Price And Thailand Stock Markets.   | 75 | Anna Triwijayati        | Mataram Javanese Consumption Values: Identification, Meaning, And Application  | 86 |
| Sawidji Widoatmojo   | Predicting The Future Stock Return Using E-Information In Indonesia Stock Exchange  | 76 | Arrizal                 | Analysis Effect Of Intellectual Intelligence, Emotional Intelligence, And Spritual Intelligence Of Employee Performance, Case Faculty Of Economics University Of Andalas | 87 |
| Sparta               | Analysis Of The Influence Of Efficiency And Capital Adequacy Of The Financial Performance's Regional Development Banks In Indonesia                                     | 77 | Basuki                  | The Relationship Of Strategic Hrm Practice With Service Quality  | 88 |
| Venny Darlis         | Determinants Of Credit Risk: Recent Evidence From Indonesian State-Owned Banks  | 78 | Fararishah Abdul Khalid | Challenges Faced By Women Entrepreneurs In Setting Up Online Business In Malacca   | 89 |
| Syarifah Zuhra       | The Internal Control Analysis In Financial Of Mousque, Case Study At 30 Mousques In Padang  | 79 | Fisla Wirda             | How To Improve Employee Competency To Achieve Superior Performance   | 90 |
| Dudi Permana         | Examining The Impact Of Strategic Clarity On Strategy Implementation Success From The Lens Of Indonesian Islamic Banking  | 80 | Hazmanan Khair          | The Psychology Effect Of Indonesian Towards Medical Treatment In Malaysia Hospital   | 91 |
| Elfitri Santi        | Strategic Implementation Of Government Internal Control System (Gics) Towards Good Corporate Governance In State Polytechnics   | 81 | Hendra Lukito           | Intangible Assets In Management Perspective (Literature Review)  | 92 |
| Fauziah Aidafitri    | Fraud In Government Agencies And Government Official Behavior : Evidence From The Press   | 82 | Mohd. Nasir Selamat     | Industrial Accident In Malaysia: Causative Factors And Solutions   | 93 |
|                      |   |    | Mohd. Zabri Yusoff      | Relationship Between Social Capital And Knowledge Sharing In Community Of Practice In Malaysia Public Sector: Impact On Individual Work Performance                      | 94 |



|                        |  |     |                      |   |     |
|------------------------|--|-----|----------------------|---|-----|
| Nur Azlina             | Moderating Effect Role Ambiguity, Group Cohesiveness, Locus Of Control On Relationship Of Budgetary Participation And Budgetary Slack                            | 95  | Triyono Budiwibowo   | Effects Of Working Cultures And Competitive Strategies On The Relationships Between Organizational Commitment To Employees And Organizational Performance With Motivation As Intervening Variable | 105 |
| Prima Vandayani        | The Role Of Emotional Intelligence Of Situational Leadership Toward Industrial Relations Climate (Survey On Garment Industry Company Of West Java Province)      | 96  | Wike                 | Performance Measurement System And Job Satisfaction : Role Of Procedural Fairness, Trust And Feedback   | 106 |
| Rahmi Fahmy            | Analyzing The Substitute For Leadership: Is There Any Difference Among Academic And Non Academic Staff? Case: Andalas University                                 | 97  | Rasidah Arshad       | Perceived Organizational Support And Trust As Antecedents Of Creative Climate   | 107 |
| Rahmi Widyanti         | The Influence Of Compensation To Organizational Commitment With Mediation Of Job Satisfaction  | 98  | Ardhian A. Yulianto  | Tool For Decision Making Using Dashboard In Distributed Database System   | 108 |
| Rangga Endrama         | The Influence Of Job Satisfaction, Self Efficacy And Risk Taking Behavior On Motivation To Became An Entrepreneur For Employees Of Pt Bank Mandiri Padang Region | 99  | Eliada Herwiyanti    | The Effect Of Information Technology Capability And Quality Of Management Accounting Information With Technological Uncertainty As Moderating Variable  | 109 |
| Rosman Md. Yusoff      | Role Of Integrity In Success Of Freelance Career   | 100 | Fanny Engriana       | Development Of Selling And Buying Information System (Case Study: Computer Hardware On N-One Shop In Bandung  | 110 |
| Sasiwimon Suebsook     | Factors Affecting Cross Functional Team Effectiveness In Automotive Firms In Eastern Seaboard Industrial Estate  | 101 | Firman Surya         | The Analysis Of Factors Affecting The Use Of Enterprise Resource Planning (Erp) Systems At Pt. Semen Padang Model Of Utilization  | 111 |
| Sri Langgeng Ratnasari | The Impact Of Organizational Culture And Leadership Style To Employee Performance At Pt. Peb Batam Through Job Satisfaction                                      | 102 | Ilham Eka Putra      | The Utilization Of Interactive Visual Communication Technology In Establishment Of Information Application For Campus Promotion Base On Multimedia  | 112 |
| Tabroni                | Personal Branding And Communication Skill Of Accountant Educators To Increase Motivation And Improve Students' Academic Performance                              | 103 | Lucy Chairael        | Ict Adoption Affecting Organizational Performance In Indonesian Smes  | 113 |
| Thitisak Duadsuntia    | The Effects Of Leadership Behavior On Employees' Organizational Commitment, Work Motivation, And Job Satisfaction In Retail Stores.                              | 104 | Meuthia              | Building Trust: A Solution To Increase User's Satisfaction On E-Money Adoption  | 114 |
|                        |  |     | Mohd. Fuaad Said     | Is Mobile Platform A Disruptive Innovation In A Workplace?  | 115 |
|                        |  |     | Muhammad Amrin Lubis | The Information System Monitoring Of Park Revenue At Padang Town By Using Cellular Telephone  | 116 |

|                                 |   |     |
|---------------------------------|---|-----|
| Vera Pujani                     | Success Model Of E-Travel Adoption Among Small Enterprises: A Comprehensive Model   | 117 |
| Azwan Abdullah                  | The Exploratory Model Of “7ps”: An Ecosystem Of Understanding In Islamic Banking Management   | 118 |
| Nur Laili Ab Ghani              | Challenges In Shari’ah Audit Supervision In Islamic Banks In Malaysia   | 119 |
| Nuraini Anzib                   | International Financial Reporting Standard Implementation : Does Improve Financial Reporting Quality  | 120 |
| Rini                            | The Effect Of Audit Committee Role And Internal Auditor Role On Internal Control Effectiveness At Islamic Bank In Indonesia   | 121 |
| Sulaiman Abdullah Saif Alnasser | Changes In Capital Adequacy, Legal Origin, Economic Status, Financial Crisis And Measurement Of Islamic Bank Performance: The Case Of Islamic Banks In Developing Countries | 122 |
| Afwina Rahmayuni                | The Role Of Changing Warning Sign Cigarette Product On Customer Purchase Decisions  | 123 |
| Alhapien Ruslin Chandra         | Study Of Demarketing Tobacco Product Through Local Government Regulation In Padang Panjang, West Sumatra  | 124 |
| Dendi Endo                      | Analysis Of Brand Association And Perceived Quality Of Indonesia Low Cost Green Car (Lcgc) In Padang  | 125 |
| Ari Anggarani                   | The Influence Of The Use Celebrity Endorser - Iwan Fals On Purchasing Decisions Top Coffee  | 126 |
| Dian Rani Yolanda               | Brand Awareness Of Indonesia Low Cost Green Car (Lcgc) In Padang  | 127 |
| Eri Besra                       | To Build Of Purchase Intention Of Private Label Products Through Retail Store Image   | 128 |

|                         |   |     |
|-------------------------|---|-----|
| Erlinda                 | The Influence Of Brand Image And Customer Satisfaction To Brand Switching (Survey On Franchise Customer At Aceh Province)   | 129 |
| Heri Erdy Andrat        | The Influence Of Marketing Mix, Consumer Trust And Company Image On Consumer Satisfaction And Their Impact On Brand Equity A Study On Toll Road Shuttle Service Bandung-Jakarta   | 130 |
| Kitiya Thassanabanjong  | Consumer Behavior For Traditional Thai Massage And Demand Conditions In Supporting Thailand’s National Competitiveness To Become The Medical Hub Of Asia  | 131 |
| Kurnia Ilahi            | Analysis Of Perceived Quality And Brand Loyalty Of Small Medium   | 132 |
| Michael Yakub Marulitua | Effect Of Digital Marketing Improved Product Sales Renjati. Title Changed In Oct 05 : The Effect Of Improvement Of Digital Marketing Marketing Rendang Oyster Mushrooms (Renjati) (Case Study On Oyster Mushrooms Rendang Smes) | 133 |
| Ratni Prima Lita        | The Relationship Between Satisfaction With The Sport Event, Revisit Intention And Positive Word Of Mouth Intention  | 134 |
| Syafrizal               | Linking Of Positive Emotional Display, Relationship Quality, And Positive Word Of Mouth : The Case Of Priority Banking Customer   | 135 |
| Thatok Asmony           | Uncertainty Avoidance And Tourist Behavior: A Cross Cultural Perspective  | 136 |
| Tiara Turay             | The Application Of Service Quality And Lean Theory On Service Concept: The Importance Of Understanding Cross Cultural Consumer Perception On Service  | 137 |

|                          |   |     |
|--------------------------|---|-----|
| Verinita                 | Measuring Memorable Tourism Experiences Scale With Kim Ritchie Mc Cormick Model (Survey On Domestic Tourist At Bukittinggi)   | 138 |
| Yahya                    | Brand Association Analysis Of Samsung Android Smartphone In Padang  | 139 |
| Yesi Elsaandra           | Creating The Constituent Loyalty Through Political Marketing Mix  | 140 |
| Yulia Hendri Yeni        | Market Orientation, Learning Orientation And Organizational Performance; The Study Of Msmes In West Sumatera  | 141 |
| Zizah Che Senik          | Internationalization Of Malaysian Agribusiness Firms: Entry Strategies, Market Selections, And Challenges   | 142 |
| Fararishah Abdul Khalid  | Research And Development Management And Its Impact On Firm Performance  | 143 |
| Jafar Syahbuddin Ritonga | Pesantren's Performances And Facility Management: A Moderating Capacity Of Innovation   | 144 |
| Lindawati Kartika        | The Design And Implementation Of 3 Kg Lpg Enclosed Distribution System By The Role Of Stakeholders Case Study At Indramayu, Subang, Purwakarta, Kuningan And Tasikmalaya, West Java | 145 |
| Romeiza Syafriharti      | Walkability Level Of Streets Around The Railway Station   | 146 |
| Syamsul Anwar            | Aggregate Production Planning Of Hybrid Corn Seed Using Heuristic Methods In Pt Cnm   | 147 |
| Rosmah Mat. Isa          | Developing A Framework For A Viable Research University   | 148 |
| Asmi Abbas               | The Impact Of Entrepreneurial Practice On Student Entrepreneurial Characteristics Building  | 149 |

|                         |   |     |
|-------------------------|---|-----|
| Diah Tri Kemala         | Minangkabau Women's Entrepreneurial Spirit; Identifying Dominant And Specific Characteristics   | 150 |
| Fararishah Abdul Khalid | Exploring The Characteristics Of Incubatees Toward Achieving Fourth Generation Incubators   | 151 |
| Gorah K. Abdallah       | Differences Between Formal And Informal Small Businesses In Identifying And Exploiting Entrepreneurial Opportunities; Empirical Evidence From Tanzania Er | 152 |
| Gustina                 | Women Entrepreneur Survey In Padang : An Exploratif Study   | 153 |
| Hazlan Zarir Bin Othman | Quality Effectiveness Of Teaching Entrepreneurship Camp In Influencing Mrsm Students Choose Entrepreneurship As A Career.                                 | 154 |
| Helmi Ali Akbar         | Effect Of Personal Qualities Entrepreneurial And Entrepreneurial Intention For Learning Outcomes Of Islamic Entrepreneurship Course                       | 155 |
| Isteti Murni            | Cross-Cultural Reliability And Validity Of A Scale To Measure Entrepreneurship Index For Undergraduates In Malaysia And Indonesia                         | 156 |
| Lucy Suraiya            | The Spirit Of Entrepreneurship In School Curriculum: A Discourse Analysis Of The Students' Text Books At Primary Level Of Education                       | 157 |
| Mazalan Mifli           | An Empirical Study Of Entrepreneurship Orientation In Restaurant Chains In Malaysia: A Case Of Managing New Product Innovation                            | 158 |
| Megawati                | The Relationship Between Competitive Capability And Indonesian Smes Performance: Environmental Dynamic As Moderator Variable                              | 159 |

|                                     |  |     |                   |   |     |
|-------------------------------------|--|-----|-------------------|---|-----|
| Najwa Yahaya                        | Effectiveness Of Entrepreneur Literacy Camp Implementation In Fostering Entrepreneurial Skills By Gender Among Mrsm Students In Kuala Klawang                                  | 160 | Yeni Erita        | Explorative Study Of Entrepreneurship Learning In Stkip Pgri West Sumatera                                  | 172 |
| Ninik Sudarwati                     | Stages In Compiling Integrated Entrepreneurship Module Based On Electronic For University Students   | 161 | Harif Amali Rivai | Factors Influencing Organizational Commitment: Case In Senior High School Teachers Wes Sumatera - Indonesia | 173 |
| Primadona                           | Social Capital And Entrepreneurial Success Factors Of Minang Society   | 162 |                   |   |     |
| Robby Rosandi                       | An Introduction To The Theory Of Cooperaative Entrepreneurship   | 163 |                   |   |     |
| Sentot Imam Wahjono                 | Management Practices Is Not Important For Woman Entrepreneurs In Family Business While Enhance Their Business Performance: Evidence From Melaka, Malaysia                      | 164 |                   |   |     |
| Sitinator Wardatulaina Mohd. Yusoff | Success Factors In Entrepreneurship: The Case Of Malaysia  | 165 |                   |   |     |
| Sri Anik                            | Competitive Advantage Of Green Intellectual Capital Based Small And Medium Industries In Semarang  | 166 |                   |   |     |
| Suhermita                           | An Investigation Of Csr Practices Among Smes In Yogyakarta Special Province (Diy)  | 167 |                   |   |     |
| Syazwani Yahaya                     | Relationship Between Family Background Factors Towards Interest Of Mrsm Kuala Klawang Students In Entrepreneurship   | 168 |                   |   |     |
| Wahyuni Eloisa Marinda              | Key Success Factors Of Gender Minangkabau Mode In Managing A Small Business With Respect To Culture Matriarkhat  | 169 |                   |   |     |
| Wan Muhammad Noor Azam              | Entrepreneur Development Model For T-Shaped Ict Entrepreneur   | 170 |                   |   |     |
| Wisnu Yuwono                        | Analysis Of The Role Of The Universities In The Entrepreneurship Character Establishment On The University Student In Batam With The Family Roles As The Intervening Variables | 171 |                   |   |     |

## PAPER TRACK

### TRACK : ACCOUNTING

|                       |  |
|-----------------------|--|
| Andre Syukri Putranto | Financial Report Design For Mosque Entity To Create Transparency And Accountability Of The Mosque  |
| Armel Yentifa         | Implementation Of Accrual Based Accounting On Pp No.71 Tahun 2010 To Make Transparency And Accountability In Financial Management Of Local Government  |
| Asniati               | Effects Of Corporate Social Responsibility Disclosure Towards Company's Value (Analysis By Using United Nations Global Compact Framework   |
| Eka Siskawati         | Accountability Model For Not For Profit Organization: (A Case Study Of Mosques In Padang)  |
| Elvira Luthan         | The Influence Of Financial Reporting Quality: Accounting And Market-Based To Information Asymmetry   |
| Husna Roza            | The Teaching Of Forensic Accounting In Indonesia: View From Academicians And Pubic Sector Auditors   |
| Lisia Apriani         | The Influence Of Teaching And Learning Quality On Prospective Accountant's Perception Of Ethics: A Way Of Achieving The Goal Of Management Auditing In Accounting Profession Program In Daerah Istimewa Yogyakarta |
| Masodah               | The Role Of Accounting Information System (Ais) As Secondary Activity In Creating Value  |
| Missi Oktasari Rianti | The Influence Of The Independent Commisioner Propotion, The Audit Comitte, The Company's Board Of Director, The Managerial Properties, And The Leverage On Earning Management                                      |



|                         |   |
|-------------------------|---|
| Muhammad Fauzi Nurfajar | The Effects Of Institutional Ownership, Audit Quality, And Debt To Equity Ratio On Return On Investment Ratio At Consumer Goods Companies Listed In Indonesia Stock Exchange                                      |
| Mukhtaruddin            | Earning Management, Corporate Social Responsibility Disclosures And Firm's Value: Empirical Study On Manufacturing Listed On Idx Period 2010 – 2012   |
| Ningrum Khairani        | The Effect Management Accounting System On Organization Performance : Competitive Environment, Manufactured Technology And Organization Structureas Moderating Variable   |
| Novita Indrawati        | The Impact Of Implementation Of Accounting Standards Convergence With International Financial Reporting Standards (Ifrs) On Accounting Quality In Indonesia   |
| Novitasari              | An Analysis Of The Application Of Activity Based Management In Improving Corporate Profitability : The Case Of A Tyre Retreading Company  |
| Rayna Kartika           | A Study Of Climate Change Mitigation: Cost Effectiveness And Efficiency On Carbon Emission  |
| Rendra Septiano         | Effects Of Intellectual Capital Performance On Company's Financial Performance: An Empirical Study On Financial Sector Non-Banking Companies Listed In Indonesia Stock Exchange                                   |
| Rilla Gantino           | Effect Of Managerial Ownership Structure, Corporate Financial Risk And Corporate Value Of On Income Smoothing On Automotive And Foods And Beverages Industry Sector Listed In Indonesia Stock Exchange(2009-2012) |
| Shinta Citra Dewi       | Overview Of Forensic Accounting From Fraud Triangle And Fraud Tree Perspective  |
| Sukartini               | Designing Cost Rate Calculation Model Unit (Unit Cost) Approach Education Organization With Activity Based Costing (Abc) At The State Polytechnic In Indonesia  |

|                  |  |
|------------------|--|
| Vina Arnita      | Pursuing As Professional Accountants: From The Lens Of Indonesian Undergraduate Students   |
| Yunita Valentina | The Role Of Company Size And Financial Performance In The Relationship Between Intellectual Capital Component And Stock Price  |
| Yurniwati        | The Analyze Performance Of Rsud Dr Rasidin; Used The Regulation Of The Minister Of Health No.1171/Menkes/Per/Vii/2011, The Balanced Scorecard, And Intellectual Capital Approach |
| Wida Fadhlia     | The Effectiveness Of Land And Building Tax Revenue And It Contribution To Local Government's Revenue In Banda Aceh   |

#### TRACK : CREATIVE INDUSTRY

|                         |   |
|-------------------------|---|
| Afridian Wirahadi Ahmad | Inquiry Model As An Effective Approach In Entrepreneurship Creative Industries Based Learning On Vocational Education |
| Rika Desiyanti          | Influence Of Factors Determinant To Efficacy Of Development Of Small Industrial Cluster Rattan In Kota Padang         |
| Rosmah Mat. Isa         | Developing A Framework For A Viable Research University   |
| Yudi Aziz               | The Management Innovation In Creative Industry For Improving Competitiveness: Case Study At Bandung                   |

#### TRACK : ECONOMICS

|                      |   |
|----------------------|---|
| Agus Widarjono       | Analysis Of Food Demand In Indonesia With Two-Stage Budgeting Approach    |
| Arnold Ryan Catarata | The Effects Of Intellectual Property On Country's Wealth Around The World |

|                        |  |
|------------------------|--|
| Betty Uspri            | Inflation Targetting Framework (Itf) And Central Bank Loss Function (Studi Kasus New Zealand And Indonesia)                                      |
| Citra Ramayani         | The Flypaper Effect On General Allocation Fund And Regional Revenue Towards Regional Expenditure In Cities In West Sumatera                      |
| Dedy Djefris           | Factors Affecting The Success Of Fiscal Decentralization In Indonesia's Health Sector  |
| Delfia Tanjung Sari    | Education In Tackling Social Exclusion And Child Poverty, A Review Of Literature   |
| Dwi Atmono             | The Implementation Of Blue Economy In Learning Social Science At Junior High School  |
| Fery Andrianus         | Analysis Of Competitiveness And Potential In West Sumatra Area   |
| Hasdi Aimon            | The Equilibrium Analysis Of Consumption And Imports Of Soybean In Indonesia  |
| Heru Aulia Azman       | Influence Of Tourism Sector On Economic Impact In West Sumatera  |
| Khairul Akmaliah Adham | Cybernetic Perspective On Inclusive Growth Analysis  |
| Marselina              | The Implication Of The Implementation Of Fiscal Rule Principal Toward Macroeconomic Variables In Indonesia New Consensus Macroeconomics Approach |
| Moh. Yamin Darsyah     | Small Area Estimation For Estimate Human Development Index   |
| Muhammad Nazer         | Analisa Konsumsi Energi Rumah Tangga; Kasus Indonesia  |
| Nefilinda              | Environmental Economic In Wastewater Management Of Pt Lembah Karet Padang  |
| Neng Kamarni           | Analysis Of The Role Of Social Capital Of Micro, Small And Medium Enterprise Through The Institution In District Lubuk Kilangan Padang City      |

|                   |   |
|-------------------|---|
| Nurul Fauzi       | Factors Influencing The Development Of Community Based Micro Finance Institution In Indonesia (Study At Lumbung Pitih Nagari And Lembaga Perkreditan Desa)  |
| Rika Kaniati      | The Analysis Of Effectivity Of Micro Finance Instituion's Model To Increase The Standard Of Living Of The People At Kalibata Restriction, South Jakarta   |
| Rini Rahmadian    | Time Inconsistency Kebijakan Moneter Dan Independensi Bank Sentral Di Indonesia   |
| Sri Maryati       | Educated Unemployment Dynamics: Challenges Towards The Demographic Bonus In Indonesia   |
| Suhairi           | The Analysis Of Preparation Process Of Mid-Term Development Plan Of Local Governments (Rpjmd) In West Sumatera, Title Changed : The Analysis Of Medium-Development Plan Preparation Of Local Government In West Sumatera* (In Oct 03) |
| Sumarni           | Scavenger Community Survival Strategy In Tpa Lubuk Minturun Padang  |
| Suwarni           | The National Economy Stabilization By Enhancing Regional Economic Growth  |
| Syafruddin Karimi | Mobile Banking And Access To Finance: Evidence From Household Survey  |
| Variyetmi Wira    | Comparison Study Of The Implementation Of Autonomous Urban Community Empowerment National Program (Pnpm Mp) Toward Urban Community Poverty Reduction In West Sumatera Province  |
| Yessi Elsandra    | Lactation Management Toward Millennium Development Goals (Mdgs) 2015  |
| Yessy Andriani    | Relationship Between Central Bank Independence And Inflation In Indonesia   |
| Yosi Suryani      | Exploration Existing Condition Traditional Markets Managed By The Government In Padang  |

|                        |   |
|------------------------|---|
| Yulia Anas             | Identification Of Problems Education In The Region At Risk Of Failure Of The 9-Year Primary Education As The Implications Of The Mdgs Achievement In Pasaman Regency* |
| Abdul Khaliq           | Dynamic Interactions Between Nominal Effectives Exchange Rates And Gold Price Movement : Evidence From Indonesia  |
| William Manggala Putra | The Impact Of Fdi On Economic Growth Through Financial Sector Development, Trade Openness, And Human Capital In Asean-5   |

#### TRACK : FINANCIAL MANAGEMENT

|                |  |
|----------------|--|
| Abel Tasman    | Determinant Factor Of Financial Distress And Bankruptcy In Miscellaneous Industry  |
| Abukosim       | Ownership Structure And Firm Values: Empirical Study On Indonesia Manufacturing Listed Companies   |
| Bambang Bemby  | Intellectual Capital, Firm Value And Ownership Structure As Moderating Variable: Emprical Study On Banking Listed In Indonesia Stock Exchange Period 2009-2012 |
| Dina Amaluis   | Lq45 Corporate Financial Performance Analysis Approach Based On Economic Value Added (Eva), Market Value Added (Mva), And The Effect On Stock Return           |
| Erni Masdupi   | Identifying The Influences Of Ownership Structure, Business Diversification And Company Size On Company Value  |
| Ferri Sugianto | Factors From Underwriter That Influence Initial Return Of The Companies Doing Initial Public Offerings In Indonesia Stock Exchange In The Period Of 2004-2011  |

|                       |  |
|-----------------------|--|
| Gina Havieza Elmizan  | Analysis Of Banking And Capital Markets Dependencies And Its Effect On The Performance Of The Public Company On Property Sector In Indonesia                               |
| Hesti Amelia Rizkiyah | The Effect Of Company Size, Profitability, Leverage, Liquidity And Ownership Structure On The External Party Toward Internet Financial And Sustainability Reporting (Ifsr) |
| Kevin                 | The Influence Of Mergers And Acquisitions Towards The Company's Return   |
| Lim Thien Sang        | Demographical And Geographical Analysis Of Financial Literacy  |
| Linda Risyard         | Agency Cost At Poorly Managed Firms  |
| Lu Sudirman           | Investment Enhancement Strategy In Batam (An Empirical Study Of Implementation Delphi Techniques)  |
| Rahma Ghassani        | The Influence Of Growth Opportunity, Liquidity, And Profitability On Capital Structure Of Property And Real Estate Company Listed In Indonesia Stock Exchange 2008-2012    |
| Ratnawati Rafliis     | Remodeling Of Bancruptcy Model At Indonesian Company   |
| Rida Rahim            | Financial Contagion Effects Of The Us Subprime Crisis On Developed Countries And Islamic Index   |
| Ruksakul Cheewakoset  | Analysis Of The Relationships Among Gold Price, Oil Price And Thailand Stock Markets.  |
| Sawidji Widoatmojo    | Predicting The Future Stock Return Using E-Information In Indonesia Stock Exchange   |
| Sparta                | Analysis Of The Influence Of Efficiency And Capital Adequacy Of The Financial Performance's Regional Development Banks In Indonesia  |
| Venny Darlis          | Determinants Of Credit Risk: Recent Evidence From Indonesian State-Owned Banks   |

|                   |  |
|-------------------|--|
| Syarifah Zuhra    | The Internal Control Analysis In Financial Of Mousque, Case Study At 30 Mousques In Padang   |
| Arni Utamaningsih | Venture Capitalist: An Alternative Financing In Indonesia And Future Research Agenda   |
|                   | <b>TRACK : GOVERNANCE &amp; STRATEGIC</b>  |
| Dudi Permana      | Examining The Impact Of Strategic Clarity On Strategy Implementation Success From The Lens Of Indonesian Islamic Banking   |
| Elfitri Santi     | Strategic Implementation Of Government Internal Control System (Gics) Towards Good Corporate Governance In State Polytechnics  |
| Fauziah Aidafitri | Fraud In Government Agencies And Government Official Behavior : Evidence From The Press  |
| Lina Anatan       | Strategy Linkage And Its Impact On Firms Performance   |
|                   | <b>TRACK: HUMAN RESOURCE MANAGEMENT &amp; ORGANIZATIONAL BEHAVIOR</b>  |
| Adi Kuswanto      | Analysis Of The Effect Of Training On Performance Of Micro And Small   |
| Anna Marina       | Influence Of Economic Values On Hospital Performance Improvement: A Conceptual Model   |
| Anna Triwijayati  | Mataram Javanese Consumption Values: Identification, Meaning, And Application  |
| Arrizal           | Analysis Effect Of Intellectual Intelligence, Emotional Intelligence, And Spritual Intelligence Of Employee Performance, Case Faculty Of Economics University Of Andalas |
| Basuki            | The Relationsip Of Strategic Hrm Practice With Service Quality   |

|                        |  |
|------------------------|--|
| Fisla Wirda            | How To Improve Employee Competency To Achieve Superior Performance   |
| Hendra Lukito          | Intangible Assets In Management Perspective (Literature Review)  |
| Mohd. Nasir Selamat    | Industrial Accident In Malaysia: Causative Factors And Solutions   |
| Mohd. Zabri Yusoff     | Relationship Between Social Capital And Knowledge Sharing In Community Of Practice In Malaysia Public Sector: Impact On Individual Work Performance              |
| Nur Azlina             | Moderating Effect Role Ambiguity, Group Cohesiveness, Locus Of Control On Relationship Of Budgetary Participation And Budgetary Slack                            |
| Prima Vandayani        | The Role Of Emotional Intelligence Of Situational Leadership Toward Industrial Relations Climate (Survey On Garment Industry Company Of West Java Province)      |
| Rahmi Fahmy            | Analyzing The Substitute For Leadership: Is There Any Difference Among Academic And Non Academic Staff? Case: Andalas University                                 |
| Rahmi Widyanti         | The Influence Of Compensation To Organizational Commitment With Mediation Of Job Satisfaction  |
| Rangga Endrama         | The Influence Of Job Satisfaction, Self Efficacy And Risk Taking Behavior On Motivation To Became An Entrepreneur For Employees Of Pt Bank Mandiri Padang Region |
| Rosman Md. Yusoff      | Role Of Integrity In Success Of Freelance Career   |
| Sasiwimon Suebsook     | Factors Affecting Cross Functional Team Effectiveness In Automotive Firms In Eastern Seaboard Industrial Estate  |
| Sri Langgeng Ratnasari | The Impact Of Organizational Culture And Leadership Style To Employee Performance At Pt. Peb Batam Through Job Satisfaction                                      |

|                     |   |
|---------------------|---|
| Tabroni             | Personal Branding And Communication Skill Of Accountant Educators To Increase Motivation And Improve Students' Academic Performance   |
| Thitisak Duadsuntia | The Effects Of Leadership Behavior On Employees' Organizational Commitment, Work Motivation, And Job Satisfaction In Retail Stores.   |
| Triyono Budiwibowo  | Effects Of Working Cultures And Competitive Strategies On The Relationships Between Organizational Commitment To Employees And Organizational Performance With Motivation As Intervening Variable |
| Wike                | Performance Measurement System And Job Satisfaction : Role Of Procedural Fairness, Trust And Feedback   |
| Rasidah Arshad      | Perceived Organizational Support And Trust As Antecedents Of Creative Climate   |
| Harif Amali Rivai   | Factors Influencing Organizational Commitment: Case In Senior High School Teachers Wes Sumatera - Indonesia   |
|                     | <b>TRACK : INFORMATION SYSTEM</b>   |
| Meuthia             | Building Trust: A Solution To Increase User's Satisfaction On E-Money Adoption  |
| Vera Pujani         | Success Model Of E-Travel Adoption Among Small Enterprises: A Comprehensive Model   |
| Eliada Herwiyanti   | The Effect Of Information Technology Capability And Quality Of Management Accounting Information With Technological Uncertainty As Moderating Variable  |
| Fanny Engriana      | Development Of Selling And Buying Information System (Case Study: Computer Hardware On N-One Shop In Bandung  |

|                                 |   |
|---------------------------------|---|
| Firman Surya                    | The Analysis Of Factors Affecting The Use Of Enterprise Resource Planning (Erp) Systems At Pt. Semen Padang Model Of Utilization  |
| Ilham Eka Putra                 | The Utilization Of Interactive Visual Communication Technology In Establishment Of Information Application For Campus Promotion Base On Multimedia                          |
| Lucy Chairael                   | Ict Adoption Affecting Organizational Performance In Indonesian Smes  |
| Ardhian A. Yulianto             | Tool For Decision Making Using Dashboard In Distributed Database System   |
| Mohd. Fuaad Said                | Is Mobile Platform A Disruptive Innovation In A Workplace?  |
| Muhammad Amrin Lubis            | The Information System Monitoring Of Park Revenue At Padang Town By Using Cellular Telephone  |
|                                 | <b>TRACK : ISLAMIC BANKING &amp; FINANCE</b>  |
| Azwan Abdullah                  | The Exploratory Model Of "7ps": An Ecosystem Of Understanding In Islamic Banking Management   |
| Nur Laili Ab Ghani              | Challenges In Shari'ah Audit Supervision In Islamic Banks In Malaysia   |
| Nuraini Anzib                   | International Financial Reporting Standard Implementation : Does Improve Financial Reporting Quality  |
| Rini                            | The Effect Of Audit Committee Role And Internal Auditor Role On Internal Control Effectiveness At Islamic Bank In Indonesia   |
| Sulaiman Abdullah Saif Alnasser | Changes In Capital Adequacy, Legal Origin, Economic Status, Financial Crisis And Measurement Of Islamic Bank Performance: The Case Of Islamic Banks In Developing Countries |



|                         |   |
|-------------------------|---|
|                         | <b>TRACK : MARKETING MANAGEMENT</b>   |
| Yulia Hendri Yeni       | Market Orientation, Learning Orientation And Organizational Performance: The Study Of Msmes In West Sumatera  |
| Afwina Rahmayuni        | The Role Of Changing Warning Sign Cigarette Product On Customer Purchase Decisions  |
| Alhapien Ruslin Chandra | Study Of Demarketing Tobacco Product Through Local Government Regulation In Padang Panjang, West Sumatra  |
| Dendi Endo              | Analysis Of Brand Association And Perceived Quality Of Indonesia Low Cost Green Car (Lcgc) In Padang  |
| Ari Anggarani           | The Influence Of The Use Celebrity Endorser - Iwan Fals On Purchasing Decisions Top Coffee  |
| Dian Rani Yolanda       | Brand Awareness Of Indonesia Low Cost Green Car (Lcgc) In Padang  |
| Eri Besra               | To Build Of Purchase Intention Of Private Label Products Through Retail Store Image   |
| Erlinda                 | The Influence Of Brand Image And Customer Satisfaction To Brand Switching (Survey On Franchise Customer At Aceh Province)   |
| Heri Erdy Andrat        | The Influence Of Marketing Mix, Consumer Trust And Company Image On Consumer Satisfaction And Their Impact On Brand Equity A Study On Toll Road Shuttle Service Bandung-Jakarta |
| Kitiya Thassanabanjong  | Consumer Behavior For Traditional Thai Massage And Demand Conditions In Supporting Thailand's National Competitiveness To Become The Medical Hub Of Asia                        |
| Kurnia Ilahi            | Analysis Of Perceived Quality And Brand Loyalty Of Small Medium   |

|                         |   |
|-------------------------|---|
| Michael Yakub Marulitua | Effect Of Digital Marketing Improved Product Sales Renjati. Title Changed In Oct 05 : The Effect Of Improvement Of Digital Marketing Marketing Rendang Oyster Mushrooms (Renjati) (Case Study On Oyster Mushrooms Rendang Smes) |
| Ratni Prima Lita        | The Relationship Between Satisfaction With The Sport Event, Revisit Intention And Positive Word Of Mouth Intention  |
| Syafrizal               | Linking Of Positive Emotional Display, Relationship Quality, And Positive Word Of Mouth : The Case Of Priority Banking Customer   |
| Handayani Rinuastuti    | Uncertainty Avoidance And Tourist Behavior: A Cross Cultural Perspective  |
| Tiara Turay             | The Application Of Service Quality And Lean Theory On Service Concept: The Importance Of Understanding Cross Cultural Consumer Perception On Service  |
| Verinita                | Measuring Memorable Tourism Experiences Scale With Kim Ritchie Mc Cormick Model (Survey On Domestic Tourist At Bukittinggi)   |
| Yahya                   | Brand Association Analysis Of Samsung Android Smartphone In Padang  |
| Yesi Elsandra           | Creating The Constituent Loyalty Through Political Marketing Mix  |
| Zizah Che Senik         | Internationalization Of Malaysian Agribusiness Firms: Entry Strategies, Market Selections, And Challenges   |
| Hazmanan Khair          | The Psychology Effect Of Indonesian Towards Medical Treatment In Malaysia Hospital  |
|                         | <b>TRACK : OPERATIONS MANAGEMENT</b>  |
| Fararishah Abdul Khalid | Research And Development Management And Its Impact On Firm Performance  |

|                          |   |
|--------------------------|---|
| Jafar Syahbuddin Ritonga | Pesantren's Performances And Facility Management: A Moderating Capacity Of Innovation   |
| Lindawati Kartika        | The Design And Implementation Of 3 Kg Lpg Enclosed Distribution System By The Role Of Stakeholders Case Study At Indramayu, Subang, Purwakarta, Kuningan And Tasikmalaya, West Java |
| Romeiza Syafriharti      | Walkability Level Of Streets Around The Railway Station   |
| Syamsul Anwar            | Aggregate Production Planning Of Hybrid Corn Seed Using Heuristic Methods In Pt Cnm   |
|                          | <b>TRACK : SME's &amp; ENTREPRENEURSHIP</b>   |
| Asmi Abbas               | The Impact Of Entrepreneurial Practice On Student Entrepreneurial Characteristics Building  |
| Diah Tri Kemala          | Minangkabau Women's Entrepreneurial Spirit; Identifying Dominant And Specific Characteristics   |
| Fararishah Abdul Khalid  | Exploring The Characteristics Of Incubatees Toward Achieving Fourth Generation Incubators   |
| Gorah K. Abdallah        | Differences Between Formal And Informal Small Businesses In Identifying And Exploiting Entrepreneurial Opportunities; Empirical Evidence From Tanzania Er                           |
| Gustina                  | Women Entrepreneur Survey In Padang : An Exploratif Study   |
| Hazlan Zarir Bin Othman  | Quality Effectiveness Of Teaching Entrepreneurship Camp In Influencing Mrsm Students Choose Entrepreneurship As A Career.   |
| Helmi Ali Akbar          | Effect Of Personal Qualities Entrepreneurial And Entrepreneurial Intention For Learning Outcomes Of Islamic Entrepreneurship Course   |

|                                   |   |
|-----------------------------------|---|
| Isteti Murni                      | Cross-Cultural Reliability And Validity Of A Scale To Measure Entrepreneurship Index For Undergraduates In Malaysia And Indonesia                         |
| Lucy Suraiya                      | The Spirit Of Entrepreneurship In School Curriculum: A Discourse Analysis Of The Students' Text Books At Primary Level Of Education                       |
| Mazalan Mifli                     | An Empirical Study Of Entrepreneurship Orientation In Restaurant Chains In Malaysia: A Case Of Managing New Product Innovation                            |
| Megawati                          | The Relationship Between Competitive Capability And Indonesian Smes Performance: Environmental Dynamic As Moderator Variable                              |
| Najwa Yahaya                      | Effectiveness Of Entrepreneur Literacy Camp Implementation In Fostering Entrepreneurial Skills By Gender Among Mrsm Students In Kuala Klawang             |
| Ninik Sudarwati                   | Stages In Compiling Integrated Entrepreneurship Module Based On Electronic For University Students  |
| Primadona                         | Social Capital And Entrepreneurial Success Factors Of Minang Society  |
| Robby Rosandi                     | An Introduction To The Theory Of Cooperaative Entrepreneurship  |
| Sentot Imam Wahjono               | Management Practices Is Not Important For Woman Entrepreneurs In Family Business While Enhance Their Business Performance: Evidence From Melaka, Malaysia |
| Sitiner Wardatulaina Mohd. Yusoff | Success Factors In Entrepreneurship: The Case Of Malaysia   |
| Sri Anik                          | Competitive Advantage Of Green Intellectual Capital Based Small And Medium Industries In Semarang   |
| Suhermita                         | An Investigation Of Csr Practices Among Smes In Yogyakarta Special Province (Diy)   |

|                        |  |
|------------------------|--|
| Syazwani Yahaya        | Relationship Between Family Background Factors Towards Interest Of Msrsm Kuala Klawang Students In Entrepreneurship  |
| Wahyuni Eloisa Marinda | Key Success Factors Of Gender Minangkabau Mode In Managing A Small Business With Respect To Culture Matriarkhat  |
| Wan Muhammad Noor Azam | Entrepreneur Development Model For T-Shaped ICT Entrepreneur   |
| Wisnu Yuwono           | Analysis Of The Role Of The Universities In The Entrepreneurship Character Establishment On The University Student In Batam With The Family Roles As The Intervening Variables |
| Nur Fatin              | Challenges Faced By Women Entrepreneurs In Setting Up Online Business In Malacca   |
| Yeni Erita             | Explorative Study Of Entrepreneurship Learning In Stkip Pgri West Sumatera   |
| Leli Sumarni           | Regional Concentration Analysis Of Small Medium Enterprises In Indonesia From 2001-2012  |

# ABSTRACT

## **Financial Report Design for Mosque Entity to Create Transparency and Accountability of the Mosque**

Andre Syukri Putranto\*

*Accounting Department, States Polytechnic of Padang*  
andre\_akt11@yahoo.com

Ferdawati

*Accounting Department, States Polytechnic of Padang*  
f3rd4@yahoo.com

Firman Surya

*Accounting Department, States Polytechnic of Padang*  
firm4n2003@gmail.com

Eka Siskawati

*Accounting Department, States Polytechnic of Padang*  
ekasiskawati@gmail.com

Zahara

*Accounting Department, States Polytechnic of Padang*  
Zahara.ak@gmail.com

### **ABSTRACT**

The purpose of this research is to design the financial statements of mosque based on accounting standard in Indonesia. The mosque is classified into entity whose function are not for getting profit (Non-profit Oriented Organization) with standard of the report refer to statement of financial accounting standard number 45 (PSAK 45). Now, the mosque's record only for cash flow (cash in and cash out), in fact based on statement of financial accounting standard number 45, the mosque must record all of assets, liabilities, and net assets in their financial statement. The mosque's financial report according to statement of financial accounting standard number 45 is expected to help stakeholders in getting information about asset, liabilities, and net assets of the mosque. All of informations can be found in statements of financial activities, statement of financial position, statement of cash flow, and notes of financial statement. The design of financial statements for this research use case study approach of the mosque which has its own charity business or not. The financial statements will create transparency and accountability of the mosque.

*Keywords: Financial statements of the mosque, Statement of financial accounting standard number 45 (PSAK 45), Statements of financial activities, Statement of financial position, Statement of cash flow, and Notes of financial statement*

## **Implementation of Accrual Based Accounting on Pp No.71 Year 2010 to Make Transparency and Accountability in Financial Management of Local Government**

Armely Yentifa\*

*Politeknik Negeri Padang*  
armelyentifa@gmail.com

Wiwik Andriani

*Politeknik Negeri Padang*  
wi\_andriani@yahoo.com

Ulfi Maryati

*Politeknik Negeri Padang*  
ulfi\_maryati@yahoo.com

### **ABSTRACT**

The aim of this research is to evaluate implementation of Accrual based accounting of local government. This research applies descriptive qualitative approach. The research finds that Government Act (PP) No. 71 Year 2010 as amendment of Section 36 ayat (1) Regulation No 17-2003 and Pasal 70 section (2) Regulation No.1-2004 has instructed government to apply Accrual accounting by the year 2008. However, the regulation for implementing this Accrual based accounting has just established since 2010 in PP 71-2010. The establishment of this governmental act, all governments both local and central, must apply Accrual based accounting by the year of 2015. The years from 2010 until 2014 can be identified as the transition from cash based accounting to Accrual based accounting. In December 2013, Central government has set Regulation of Internal Affairs Ministry (Permendagri) No. 64 in 2013 which can be identified as the regulation for controlling the implementation of PP 71 in 2010 at local governments. Local government of Kota Semarang is the only region in Indonesia which has applied Accrual based accounting since 2008. Initially, Local governments of Sleman and Pontianak also apply this financial system, but they fail in the implementation process because they were not well prepared. Swiss Government appreciated the attempt of Semarang government by providing education and training for official staffs who work at Semarang government to prepare the implementation of PP 71-2010. In 2013, government of Bandar Lampung and Tangerang start implementing this financial policy informally, but actually they still use PP 24-2005.

*Keywords: Accrual, Accounting, PP No. 71-2010, Transparency, Accountability*



## Venture Capitalist: An Alternative Financing in Indonesia and Future Research Agenda

Arni Utamaningsih  
Politeknik Negeri Padang  
arni6965@gmail.com

### ABSTRACT

In recent years, the global investment trends tend to fund new industries in developing countries. Venture Capitalist is a global investment media that used to fund creative industries. The creative industries are growing rapidly in developing countries lately. In the past year, the development of financing by venture capitalist in Indonesia is growing rapidly. This paper discusses the Financial Services Authority report quarterly III-2013 about the development of venture capitalist. The growth is believed to be the impact of the Regulation of the Minister of Finance No. 18/PMK.010/2012, dated February 1, 2012 on Venture Capitalist corporate. This paper also discusses about the differences paradigm venture capitalist in Indonesia from other countries, and the obstacles that hinder the development of venture capitalist in Indonesia. This paper also discusses future research agenda about venture capitalist in Indonesia as an alternative funding in the era of the creative industries.

*Keywords: Venture Capitalist, Globalizations, Funding, Developing Countries*

## Effect of Corporate Social Responsibility Disclosure towards Company's Value (Analysis by Using United Nations Global Compact Framework)

Asniati\*  
Accounting Department, Economic Faculty, Andalas University  
asniati.bahari@gmail.com

Shinta Milatina  
Accounting Department, Economic Faculty, Andalas University  
shintamilatina@gmail.com

### ABSTRACT

Nowadays companies have started to show concern for the social environment in which it operates. It can be seen from various CSR activities undertaken and disclosed by many companies. The objective of this study is to obtain empirical evidence about the effect of Corporate Social Responsibility (CSR) disclosure to the value of companies listed on the Indonesian Stock Exchange (BEI) in 2013. In addition, this study also would like to find out the effect of CSR disclosure on company's value; the effect of each group of CSR disclosure on company's value; and which group of disclosure is most influential on company's value. In this study, the analysis of CSR disclosure is based on guidelines established by the United Nations Global Compact. The population for this study was 136 manufacturing companies listed on the Indonesian Stock Exchange in 2013. However, only 76 manufacturing companies that met the criteria as sample. Data used in the study was obtained from annual reports published by the Indonesian Stock Exchange 2013. The data is then processed using multiple regression analysis. The results showed that CSR significantly influence the value of the company. The largest contribution comes from the effect caused by the disclosure of CSR in the environmental field. CSR Disclosure in the other fields does not have a significant influence on the value of the company. Findings of this research can serve as a guideline for managers in manufacturing companies to improve their companies' value through CSR disclosures. The findings also contribute to the knowledge and application of Managerial and Financial Accounting.

*Keywords: Corporate Social Responsibility, United Nations Global Compact, Human Rights, Labor, Environment, Anti-Corruption, and Company's Value*

**Accountability Model for Not for Profit Organization  
(A Case Study of Mosques in Padang)**

Eka Siskawati\*  
*Politeknik Negeri Padang*  
ekasiskawati@gmail.com

Ferdawati  
*Politeknik Negeri Padang*  
F3rd4@yahoo.com

Firman Surya  
*Politeknik Negeri Padang*  
Firm4n2003@gmail.com

**ABSTRACT**

The purpose of this study is to develop the accountability model for not for profit organization in maintaining organization's sustainability and focusing on mosques organization in Padang. There are many literatures discuss about accountability especially for profit organization. However, discussion about accountability for not-for-profit organization is still few. In practice, the latter has many contributions to social life and accounting field. The lack of not-for-profit accountability literatures motivates this study to discuss this topic. Beside, not-for-profit organization has different "Soul" to profit organization. Not for profit organization serves the beneficiary as well as the principals. Not-for-profit organization has board of director, managing resources, and producing product. This organization is also pursuing the objectives and engaged to multiple stakeholders. So that not-for-profit organization needs to perform accountability as well as profit organization. This study draws stakeholder, legitimacy, and agency theory in develop accountability model for mosque and using survey technic to collect the data. The uniqueness of this study is focusing the analysis on mosque organization, since mosque is religious organization that pertinent to not only about religious aspect but also political, education, social and economic aspect. The spiritual culture in mosque is expected to be a remarkable setting to explain the accountability phenomenon.

*Keywords: Accountability Model, Not-For-Profit Organization, Sustainability, Stakeholder Theory, Legitimacy Theory.*

**The Influence of Financial Reporting Quality: Accounting and Market  
Based to Information Asymmetry  
(Studied in Manufacturing Companies Listed in Indonesia Stock Exchange)**

Elvira Luthan  
*Fak Ekonomi, Univ Andalas*  
viraluthan@gmail.com

Suci Wahyuliza  
*Fak Ekonomi, Univ Bung Hatta*  
suci\_wahyuliza@yahoo.com

**ABSTRACT**

This research aims to test the influence of the quality of financial reporting based on accounting and market to the asymmetry of information. The samples that were used the manufacturing companies listed on the Indonesia stock exchange from 2007 until 2011. The sampling technique was using purposive sampling and obtained a sample of 41 companies. Hypothesis test results showed that the quality of accounting based financial reporting is represented by three indicators, namely persistence, income smoothing and predictability. Persistence and predictability did not affect the asymmetry of information whereas the income smoothing affects it. Further, market based financial reporting quality is represented by three indicators, namely the value relevance of profit, timeliness and conservatism. The value relevance and timeliness did not effect on information asymmetry while the conservatism has. It can be concluded that information asymmetry can be influenced by the quality of financial reporting depend on indicators that were used.

*Keywords: Asymmetry of Information, Quality of Financial Reporting, Market and Accounting based*

## **The Teaching of Forensic Accounting in Indonesia: Views from Academicians and Public Sector Auditors**

Husna Roza

*Accounting Department, Faculty of Economics, Andalas University*

Suhermita

*Accounting Department, Faculty of Economics, Andalas University*

Denny Yohana

*Accounting Department, Faculty of Economics, Andalas University*

### **ABSTRACT**

The objective of this study is to gather opinions from academicians and public sector auditors regarding benefit, relevance and obstacles in integrating forensic accounting course into accounting curriculum in Indonesia. This study was conducted in Jakarta and Yogyakarta Special Province. Data were collected by means of questioners with convenience sampling method. This study finds that forensic accounting course is relevant and beneficial for accounting students. Flexibility of accounting curriculum, among other factors, was perceived as the main obstacles in the integration of forensic accounting course into existing accounting curriculum. In Indonesia, the issue of forensic accounting is more popular in public sector than in the private sector. Therefore, unlike other studies which use auditors in the private sector as their respondents, originality value of this study can be seen from the use of government auditors as its respondents to reflect public sector viewpoints regarding forensic accounting education in Indonesia.

*Keywords: Forensic Accounting, Curriculum, Academicians, Auditors, Public Sector*

## **The Influence of Teaching and Learning Quality on Prospective Accountant's Perception of Ethics: A Way of Achieving the Goal of Management Auditing in Accounting Profession Program in Daerah Istimewa Yogyakarta**

Lisia Apriani\*

*Sanata Dharma University*

*a\_lisia@usd.ac.id*

Firma Sulistiyowati

*Sanata Dharma University*

*f.sulistiyowati@gmail.com*

### **ABSTRACT**

One purpose of the accounting education is to introduce students to the values and ethical standards of the accounting profession (AAA Bedford Committee Report 1986). Recent legislations, such as the 2002 Sarbanes Oxley legislation reawaking interest in business ethics, have prompted calls for more accounting ethics. This study examines the effect of teaching and learning quality on accountant's perception of ethical issue. The variables of this paper are teaching and learning quality and accountant's perception of ethical issue, both are use 5 likert scale. Questionnaires were distributed to 92 students in universities which hold accounting profession program in Daerah Istimewa Yogyakarta such as Gadjah Mada University, Sanata Dharma University, STIE YKPN, UTY and UII. The results indicated that statistically the teaching and learning quality plays role in the process of understanding ethical issue of accounting student. So, one way to increase output quality of the university is increasing the quality of teaching and learning.

*Keywords: Ethical issue, quality of teaching learning, accountant, accounting profession program, management auditing*

## **The Role of Accounting Information System (AIS) as Secondary Activity in Creating Value**

Masodah\*  
Gunadarma University  
masodah@staff.gunadarma.ac.id

Septi Herawati  
Gunadarma University  
septiherawati90@yahoo.com

### **ABSTRACT**

The purpose of the research is to determine the role of accounting information system as secondary activity in creating value. Samples in this research is PT. Acset Indonusa. In this research, the method used is descriptive analysis. With the data from the questionnaires, then analyzed using percentage DJ.Champion to establish how much the role of accounting information system as secondary activity in creating value. The data is processed and analyzed using statistical model test using SPSS 15.0 for windows. The results showed that the main activities supported by a secondary activity to produce profit margins. In this research, the authors concluded that the accounting information systems as secondary activity quite a role in creating value. It is also evident from the results of the questionnaire that was distributed to several parties that are directly related to each of the primary activities of the company, in which the results are known percentage of 67%. These results indicate that the accounting information system as secondary activity quite a role in creating value.

*Keywords: Accounting Information System (AIS), Value Chain, Value Added*

## **The Influence of the Independent Commissioner Proportion, the Audit Committee, the Company's Board of Director, the Managerial Properties and the Leverage on Earning Management**

Missi Oktasari Rianti  
Andalas University

missioktasari@gmail.com

Masyhuri Hamidi  
Andalas University  
hamidi.masyhuri@gmail.com

### **ABSTRACT**

The purpose of this research is to examine the influence of the independent commissioner proportion, the audit committee, the company's board of director, managerial properties and the leverage on the earning management in the retailing industry that are listed in the Indonesian Stock Exchange (ISX) in 2010-2013. Research data obtained from ISX and Indonesian Capital Market Directory (ICMD). The total samples are 64 companies listed in the Stock Exchange of retailing industry during the period 2008-2010. Sample selection is done by purposive sampling method. By using simple regression analysis the results showed that the independent commissioner proportion, the audit committee, the managerial properties, and the leverage have a significant influence on earning management. Only the company's board of director has an insignificant influence on earning management. Therefore, it can be concluded that the independent commissioner proportion, the audit committee, the company's board of director, managerial properties and the leverage influence on the earning management in the retailing industry.

*Keywords: Independent Commissioner Proportion, Audit Committee, Managerial Properties, Leverage, Earning Management.*

**The Effects of Institutional Ownership, Audit Quality, and Debt to Equity Ratio on Return on Investment Ratio at Consumer Goods Companies Listed in Indonesia Stock Exchange**

Muhammad Fauzi Nurfajar

*Faculty of Economics, Swadaya Gunung Jati University Cirebon*  
zie\_nurfajar@yahoo.co.id

Ida Rosnidah

*Faculty of Economics, Swadaya Gunung Jati University Cirebon*  
idarosnidah2010@yahoo.com

Mada Purwanto Wahyu Nugroho

*Faculty of Economics, Swadaya Gunung Jati University Cirebon*  
purwantownmada@yahoo.com

Dedi Muhammad Siddiq\*

*Faculty of Economics, Swadaya Gunung Jati University Cirebon*  
dedisiddiq6@gmail.com

**ABSTRACT**

This study is aimed to analyze the effect of institutional ownership, audit quality, and debt to equity ratio on return on investment ratio at consumer goods companies listed in Indonesia Stock Exchange for the period of 2011-2012. The method used was verification using purposive sampling as the sample selection method and involving 29 companies. The data used came from the annual financial statements of the company sample published online at [www.idx.co.id](http://www.idx.co.id). This study used multiple regression analysis using SPSS version 18. Results showed that institutional ownership and audit quality has a positive effect on return on investment ratio, but the debt to equity ratio has no effect on return on investment ratio. Simultaneously, institutional ownership, audit quality and debt to equity ratio affect the return on investment ratio. This study found a problem in the classical assumption test so that it uses the transformation of the data namely natural logarithm, and only a number of proxy from the indicators of good corporate governance and solvency that affect the ratio of return on the investment were put into the research. The return on investment ratio will increase with the participation of the institution in the form of both stock investment and external auditor presence, especially Audit Firms of the Big Four to conduct surveillance on the company and proper funding managed by the company.

**Keywords:** *Institutional Ownership, Audit Quality, Debt To Equity Ratio, Return On Investment Ratio*

**Earning Management, Corporate Social Responsibility Disclosures and Firm's Value:  
Empirical Study on Manufacturing Listed on IDX Period 2010-2012**

Mukhtaruddin

*Economics Faculty, Sriwijaya University, Palembang Indonesia*  
yuditiz@yahoo.com

Relasari

*Economics Faculty, Sriwijaya University, Palembang Indonesia*

Bambang Bemby S

*Economics Faculty, Sriwijaya University, Palembang Indonesia*

A. Rifani Irham

*Economics Faculty, Sriwijaya University, Palembang Indonesia*

Abukosim

*Economics Faculty, Sriwijaya University, Palembang Indonesia*

**ABSTRACT**

To achieve of maximum value is the main goal of company ini order to maintain their sustainability. Management and corporate social responsibility are undertaken to achieve the goal. This research was aimed at indentifying the influence of the earning management on the firm's value by looking into corporate social responsibility as an intervening variable. Population in this research was maanufacturing company listed in Indonesia Stock Exchange period 2010 – 2012, which also corporate social responsibility disclosure. The sample consisted of 38 companies are selected by purposive random sampling. Data were analyzed by descriptive and qualitative statistical. The result showed that earning management have a positive but insignificant influence on corporate social responsibility disclosure, corporate social responsibility disclosure have a positive and significant influence on firm's value and earning management have a negative and insignificant influence on firm's value. Using of 38 companies sample and 3 years of timing length were as limited of this research.

**Keywords:** *Earning Management, Corporate Social Responsibility Disclosure, Firm's Value*



**The Effect of Management Accounting System on Organizational Performance: Competitive Environment, Manufactured Technology and Organizational Structure as Moderating Variable**

Ningrum Khairani  
*Fakultas Ekonomi Universitas Riau*

Kirmizi  
*Fakultas Ekonomi Universitas Riau*

Nur Azlina  
*Fakultas Ekonomi Universitas Riau*

Desmiyawati  
*Fakultas Ekonomi Universitas Riau*

**ABSTRACT**

This study aimed to examine the effect of management accounting system so the performance of the organization with competitive environment, changes in manufacturing technology, and organizational structure changes as a moderating variable. Respondent in this study is the manager of large manufacturing companies functional in Riau and Riau Islands. Test conducted research data with Moderate Regression Analysis. The results of this study indicate that the management accounting system affects performance of the organization, but the variable competitive environment, changes in manufacturing technology and changes in organizational structure did not moderate the relationship management accounting system and organizational performance.

*Keywords: Management Accounting Systems, Manufacturing Technology Change, Changes in Organizational Structure and Organizational Performance*

**The Impact of Implementation of Accounting Standards Convergence with International Financial Reporting Standards (IFRS) on Accounting Quality in Indonesia**  
**(Study of the Implementation of PSAK 50 and PSAK 55 on Financial Sector Companies Listed on the Indonesia Stock Exchange)**

Novita Indrawati  
*Student of Doctoral Program Padjadjaran University Indonesia*  
novitaindrawati@yahoo.co.id

**ABSTRACT**

The purpose of this study was to examine the impact of the implementation of accounting standards converge with International Financial Reporting Standards (IFRS) on accounting quality in Indonesia in the financial sector companies listed on the Indonesia Stock Exchange in 2008-2012. Accounting quality metrics operationalized with earnings management, timely loss recognition, and value relevance. Samples were taken by using purposive sampling method, and obtained 62 companies. The data in this study were analyzed using multiple linear regression to measure earnings smoothing and value relevance metric, and for managing earnings towards a target and timely loss recognition by using logistic regression. The results of this study showed that of the four matrix earnings management studied, only one matrix which gives significant results, ie the correlation accruals with cash flows, while the other four matrices earnings management does not give significant results. Variable timely loss recognition also did not provide significant results. Variable value relevance gives significant results. When viewed between earnings per share or book value per share, the earnings per share has a greater value relevance in explaining stock prices.

*Keywords: IFRS, Accounting Quality, Earnings Management, Timely Loss Recognition, Value Relevance*

## **An Analysis of the Application of Activity based Management in Improving Corporate Profitability: The Case of A Tyre Retreading Company**

Novitasari\*  
Padang State Polytechnic  
novitasari371@gmail.com

Endrawati  
Padang State Polytechnic  
eentanjung@gmail.com

### **ABSTRACT**

Cost efficiency is important to maintain the company's existence and performance. Basically, companies need cost management information system to assist the management in the process of planning, controlling and decision-making which is related to income in order to achieve cost efficiency. Therefore, the Activity Based Management (ABM) is believed as one of the tools to achieve cost efficiency in improving profitability. This study aims to investigate the application of ABM in improving the profitability. In doing so, a case study at a tyre retreading company in Padang was conducted. The data were gathered through various methods that is, interviews, observations and document reviews. The data were then analyzed by using two dimensions of ABM which is cost dimension (Activity Based costing-ABC) and process dimension. The results indicate there is increment in terms of company's profitability after the implementation of ABM. While Conventional system resulted 14.81% of profitability, ABC and ABM created 15.34%, and 16.06% of profitability increment respectively. This increment was achieved through the elimination of non-value-added activities and optimization the value-added activities.

*Keywords: Profitability, Cost of Goods Manufactured, Activity Based Management, Conventional System, Activity Based costing*

## **A Study of Climate Change Mitigation: Cost Effectiveness and Efficiency on Carbon Emission**

Rayna Kartika  
A Lecturer of Accounting Department, Andalas University, Indonesia  
rayna.kartika@gmail.com

Fiqho Falderiko  
A Student of Accounting Department, Andalas University, Indonesia  
fiqhofalderiko@gmail.com

### **ABSTRACT**

The paper investigates in cost effectiveness and efficiency on carbon emission to mitigate climate change. It also aims to obtain the critical factors influencing on cost efficiency and effectiveness. The paper is using a quantitative descriptive research based on case- study in Cement Industry in West Sumatera. Academic journal as literature will contribute to the size and breadth of analyzing results. Finding is reducing the amount of carbon emitted to the atmosphere will mitigate climate change which can be traced by cost efficiency and effectiveness. Some critical factors influencing cost efficiency and effectiveness will be observed for some periods of time to elaborate the climate change mitigation. Research limitation is the paper focuses on cement Industry in West Sumatra. Comparing the cost efficiency and effectiveness report for some periods of time is calculated to obtain empirical data. The paper concerns on Management Accounting area and combined with the issue of climate change to provide the relationship between cost efficiency and effectiveness and climate change mitigation.

*Keywords: Climate Change Mitigation, Cost Effectiveness and Efficiency, Carbon Emission*

**Effects of Intellectual Capital Performance on Company's Financial Performance: An Empirical Study on Financial Sector Non-Banking Companies Listed in Indonesia Stock Exchange**

Rendra Septiano  
*Accounting Department, Andalas University*  
rendraseptiano@gmail.com

Asniati\*  
*Accounting Department, Andalas University*  
asniati.bahari@gmail.com

**ABSTRACT**

Intellectual Capital is one of the approaches that can be used to measure knowledge assets. Many studies found out that intellectual capital has a positive correlation with financial performance. The objective of this research is to find out the correlation of intellectual capital performance to company financial performance of financial sector non-banking companies in Indonesia. In this study, the Intellectual capital performance was measured by using Value Added Intellectual Coefficient (VAIC) method and Company's Financial Performance was measured by using Return on Assets (ROA) and Net Profit Margin (NPM). VAIC used Value Added of Physical Capital (VACA), Value Added of Human Capital (VAHU) and Value Added of Structural Capital (STVA) as the research indicators. This research was conducted to Financial Sector Non-Banking Companies Listed in Indonesia Stock Exchange from 2011-2013. There were 126 companies used for the research population. However, only 99 companies fulfilled the criteria to be included in the analysis as research sample. This research found out that VACA, VAHU and Intellectual capital have positive correlation to ROA. However, STVA does not have correlation to ROA. VAHU and Intellectual capital have positive correlation to NPM but do not have correlation to VACA and STVA. Findings of this research can serve as a guideline for financial sector non-banking company managers to manage their intellectual capital as well as to improve or reassess their company's financial performance. The findings also contribute to the knowledge and application of Financial Accounting and Financial Management.

*Keywords: Value Added Intellectual Coefficient, Value Added of Physical Capital (VACA), Value Added of Human Capital (VAHU) and Value Added of Structural Capital (STVA), and Financial Performance*

**Effect of Managerial Ownership Structure, Corporate Financial Risk and Corporate Value of on Income Smoothing on Automotive and Foods and Beverages Industry Sector Listed in Indonesia Stock Exchange (2009-2012)**

Rilla Gantino  
*Accounting Doctoral Program student, Padjadjaran University*  
rillaalgamar@yahoo.com\*)

Rengga Panduwinata  
*Accounting Student, Economic Faculty, Universitas Esa Unggul*  
Rengga\_panduwinata07@yahoo.com

Amila Chairinnisa Lathifa  
*Accounting Student, Economic Faculty, Andalas University*

**ABSTRACT**

The income smoothing is a common phenomenon and are often found in different companies in various fields of business. Some of the drivers of income smoothing practices such as profitability, financial risk, the value of the company, and ownership structure. This study was to quantify the effect of ownership structure, financial risk and corporate value on income smoothing. Managerial ownership structure variables measured by the scale ratio that is by the number of shares owned by the managerial compared to the number of shares outstanding. The indicator is the percentage of shares owned by management (employees, managers, and directors) of all the outstanding capital of the company. Level of financial risk using Leverage (LEV) and the value of the company using the Price Earning Ratio (PER).

The aim of this study confirm the results of several previous studies that examined the factors that influence income smoothing practices because there are inconsistencies in the results of research and comparing whether the ownership structure, financial risk and the value of corporate income smoothing effect on the industry, automotive industry and industrial food and beverages are listed on Indonesia Stock Exchange 2009-2012. The sampling method used is saturated or census sampling and to test the hypothesis using logistic regression. Hypothesis test results for two industry shows that the industry of food and beverage managerial ownership structure has no significant effect on the practice of income smoothing, the value of the company no significant effect on income smoothing practices, the financial risk no significant effect on income smoothing practices. While the automotive industry managerial ownership structure significantly influence income smoothing practices corporate, financial risk significant effect on

income smoothing practices corporate and enterprise value does not significantly influence income smoothing practices. But simultaneously both show the same results that the independent variable (SKM, Leverage, and PER) simultaneously have a significant effect on the dependent variable (income smoothing)

*Keywords: Managerial ownership structure, corporate financial risk and corporate value of on income smoothing*

## **Overview of Forensic Accounting from Fraud Triangle and Fraud Tree Perspective (Case Study of Land Acquisition by Pemko B)**

Shinta Citra Dewi  
*Jurusan Akuntansi, Politeknik Negeri Padang*  
shintacitradevi06@gmail.com

Anda Dwi Haryadi  
*Jurusan Akuntansi, Politeknik Negeri Padang*  
anda\_dh@yahoo.co.id

Yossi Septriani  
*Jurusan Akuntansi, Politeknik Negeri Padang*  
yseptriani@gmail.com

### **ABSTRACT**

This study aimed to describe factors contributing to fraud committing by perpetrators from Fraud Triangle and Fraud Tree perspective. The approach used in this study is exploratory case study applied to land acquisition case by Pemko B in 2007. Data is gathered from the Copy of Final Judgement of District Court in West Sumatera for Year 2011 which record detail information during the trial process of committed fraud of land acquisition by Pemko B. Interview with related parties of this case is also conducted to confirm the validity of the preassumption developed by researchers. Then, data and information is analysed using Fraud Triangle and Fraud Tree perspectives and strengthened by the interview results. This study reveal that from the Fraud Triangle perspectives analysis, the main contributor that led the perpetrator to commit fraud is opportunity due to the fact that the perpetrator have power and flexibility to breach the rule of land acquisition for city development project in Kota B. In addition, the pressure to meet the budget and rasionalization that the act is not something unethical or just something usual, are led them to commit fraud also. Moreover, the weakness in Internal Control is also spotted to have contribution in this case. It is also concluded that from the fraud tree prespectives, this land acquisition case is classified as corruption using purchasing scheme, in accordance with the final judgement stated the Copy of Final Judgement of District Court in West Sumatera for Year 2011. Further, this study also identify that the fraud committed by perpetrator is classified as asset missappropriation under the scheme of fraudulent disbursement by overstated expenses.

*Keywords: fraud, opportunity, pressure, rationalization, perpetrator*

**Designing Cost Rate Calculation Model Unit (Unit Cost) Approach  
Education Organization with Activity Based Costing (ABC) at the State  
Polytechnic in Indonesia**

Sukartini  
*Politeknik Negeri Padang*  
sukartinibatar@yahoo.co.id

Amy Fontanella  
*Politeknik Negeri Padang*  
amyfontanella99@gmail.com

Novrina Chandra  
*Politeknik Negeri Padang*  
novrina\_chandra@yahoo.com

**ABSTRACT**

Abstract. This study aimed to generate tuition cost calculation for polytechnic using Activity Based Costing (ABC) method. This was an applied research. Data was conducted through focus group discussions, in-depth interviews and observations in 5 state polytechnics in Indonesia (Padang State Polytechnic, Payakumbuh Agricultural Polytechnic, Bandung State Polytechnic, Bandung Manufacturing Polytechnic, and Bali State Polytechnic). We found that there are three main groups of activities and four supporting groups of activities in state polytechnics. Furthermore, we found various cost components and their cost drivers in state polytechnic. This research will contribute to the literature by providing a model to calculate tuition cost using ABC method. In addition, this research will also contribute to the higher education institution in Indonesia, especially polytechnics by providing guidelines to estimate tuition cost using ABC method.

*Keywords: Tuition Cost, Activity based Costing, Polytechnic*

**Pursuing as Professional Accountants:  
From the Lens of Indonesian Undergraduate Students**

Vina Arnita  
*School of Economic, University North Sumatera*  
vina\_arnita26@yahoo.com

Siti Rohaida, Mohamed Zainal  
*School of Management, University Sains Malaysia*  
siti\_rohaida@usm.my

Dayana, Jalaludin  
*School of Management, University Sains Malaysia*  
dayana@usm.my

**ABSTRACT**

The decreasing numbers of professional accountants in Indonesia is an alarming signal for a further investigation. Despite huge numbers of undergraduate students entering and graduating from both public and private education institutions under accounting program, numbers of accounting students pursuing to professional accounting program is still low. Recently, it is reported that Indonesia government has a shortage number of a professional accountant to serve their own nation, and it is also recorded that among all the ASEAN country members, Indonesia has a small number of a professional accountant. According to the labor market, Indonesia needs more than 200,000 professional accountants however, there are only 10,000 professional accountants to support the economic performances (Wisnu, 2013). Therefore, this study aims to investigate the reasons of low intention among accounting students to be professional accountants. From the literature review, it can be concluded that job market factors, opportunity cost and parents influence are among the variables that have an effect towards the intention to pursue professional accounting program. Then, by mapping these variables to Theory Planned Behavior (TPB), a cross sectional study was conducted accordingly. The unit of analysis is individual, specifically the current undergraduate accounting students at selected universities in Indonesia. At this end of this paper, the findings and recommendations are discussed accordingly and similar to other studies, the limitations are also discussed in detail.

*Keywords: Job Market Factors, Opportunity Costs, Parents Influence, Accounting Students and Professional Accountant*



## **The Effectiveness of Land and Building Tax Revenue and Its Contribution to Local Government's Revenue in Banda Aceh**

Wida Fadhlia  
*Universitas Syiah Kuala*  
fadhlia2000@yahoo.com

Rahmawaty  
*Universitas Syiah Kuala*  
rahmawaty80@yahoo.com

Endang Surasetyo Ningsih  
*Universitas Syiah Kuala*  
endang\_snt@yahoo.com

### **ABSTRACT**

This research aims to analyse the effectiveness of land and building tax revenue (PBB) and its contribution to Banda Aceh Local Government's Revenue. The data used in this research are secondary data that collected from Banda Aceh Government's LRA period 2009 until 2011 from DPKKD of Banda Aceh. The data were also obtained through interviews with government officials and the tax authorities Banda Aceh in KPP Pratama Banda Aceh. The data collected were analyzed with descriptive statistics by comparing the actual revenues and the target of PBB to determine the level of effectiveness, meanwhile the contribution of PBB is obtained by comparing the revenue of PBB and total revenue of Banda Aceh Local Government. The results show the effectiveness of PBB revenue is quite effective, but its contribution to local government revenue is less and tend to decrease. To improve the effectiveness and contribution of PBB, it is necessary to recollection data of sales value of tax object (NJOP), taxpayer and objects of PBB; empowerment of government officials related to PBB administration; socialization; and recommend PBB as administrative requirement to obtain a certificate of ownership of land and/or buildings, Regional Taxpayer Identification Number Region (NPWPD) as a business license requirement, and mortgage.

*Keywords: Land and Building Tax Revenue, Effectiveness, Contribution, Local Government Revenue*

## **The Role of Company Size and Financial Performance in the Relationship between Intellectual Capital Component and Stock Price**

Yunita Valentina Kusufiyah  
STIE Dharma Andalas

Fitrah Mulyani

### **ABSTRAK**

The phenomenon of Intellectual Capital in Indonesia began to grow since the advent of SFAS (Statement of Financial Accounting Standards) No. 19 (revised 2000) on intangible assets, though not stated explicitly as Intellectual Capital. Research on Intellectual Capital testing has been done, one of which is carried out by Chen et al. (2005). The results of the study Chen et al. (2005) showed that the Intellectual Capital (VAIC<sup>TM</sup>) positively affect the market value and financial performance of the company. In contrast to the results of Chen et al researcher. (2005), a study done by Firer and Williams (2003) in South Africa has the result that no positive influence between the Intellectual Capital (VAIC<sup>TM</sup>) and financial performance. Overall this study shows that the South African market and give more attention to the assessment of a company's physical assets in resource Intellectual Capital (IC). Intellectual Capital in its development began to be associated with the stock price. Some research has been done by Kris, 2012 in Wijayanti (2012), found in his research that STVA have a negative effect on stock prices both directly and indirectly through the ROA. VACA have indirect positive effect on stock prices through ROA. While VAHU has no effect on stock prices directly or indirectly.

Based on the results of the above studies do not consistently attract the attention of researchers to conduct retesting, about the relevance of the components of Intellectual Capital on stock prices and firm size, and corporate performance as a moderating variable. This research was conducted at banking companies listed in Indonesia Stock Exchange from 2008-2012. The research method used in this study using multiple regression analysis. From the test results of the research showed that the three components of Intellectual Capital Capital Employed Only go efficiency (CEE) which have an influence on stock prices. While the two other components of the Human Capital efficiency (HCE) and Structural Capital efficiency (SCE) has no influence on company's stock price. The results also show that the size of the company and financial performance as a moderating variable has not been able to moderate the relationship between the components of Intellectual Capital and the company's stock price.

*Keywords: Intellectual Capital, Company Size, Financial Performance, Earning Per Share, Stock Prices.*

**The Analyze Performance of General Hospital Regional Dr. Rasidin: Used the Regulation of the Minister of Health No.1171/Menkes/Per/VII/2011, the Balanced Scorecard, and Intellectual Capital Approach**

Yurniwati\*\*

*Accounting Departement Andalas University*  
Yurniwati\_feunand@yahoo.co.id

Nisa Fajrina \*\*

*Accounting Departement Andalas University*

Dissa Elvaretta \*\*

*Accounting Departement Andalas University*

**ABSTRACT**

Performance refers to view of implementation of achievement level of activities/ programs/ policies in order to reach the target, goals, vision, and mission of organization. This study aims to assess the performance of the General Hospital Regional of dr. Rasidin (RSUD dr. Rasidin) which is an asset of local government Padang. The performance of RSUD dr. Rasidin assessed with three approaches based on the Regulation of the Minister of Health no.1171/Menkes/Per/VII/2011, the Balanced Scorecard approach, and Intellectual Capital approach. Data used in this study consists of primary and secondary data as well as qualitative and quantitative data. Methods of primary data collection using questionnaire, respondents consist of customers and employees. Sampling method is a non-probability sample that is using accidental sampling. Measurements variables Intellectual Capital performance use the Pulic method (1997). The method of analysis is descriptive analysts and comparative. The results showed that in 2011 VAIC RSUD was negative, positive in 2012 and in 2013 was negative. BSc Performance based on revenue growth has increased from 2011-2013, TATO in 2013 decreased. Expenses decreased, the target and actual revenue was decreased. From the customer's perspective, customer acquisition has increased, especially for outpatient services. Customer satisfaction is also quite high. On the internal business perspective has increased, and from the growth and learning perspective, productivity of employees was increase, employee retention was high.

*Keywords: Intelctual Capital, Balance Scorecard And Performance*

**Inquiry Model as an Effective Approach in Entrepreneurship Creative Industries Based Learning on Vocational Education**

Afridian Wirahadi Ahmad

*Jurusan Akuntansi Politeknik Negeri Padang*  
afridianpadang@yahoo.com

Eka Rosalina

*Jurusan Akuntansi Politeknik Negeri Padang*  
ekarosalinapnp@yahoo.com

**ABSTRACT**

This study aims to design a model of entrepreneurial learning in supporting the development of creative industries in vocational colleges. One of the main problems in the development of creative industries is quality and quantity of human resources as an actor in the creative industries. College players are entrepreneurial supply. This classroom action research is using the five minds of the future approach in making the character of entrepreneurship changed. The Object of this study is Padang State Polytechnic students. Data was collected through questionnaires and interviews. The results obtained by the exact learning model is a model of inquiry in the learning process and proven to increase student motivation and learning outcomes especially in the field of creative industries. The results showed that before the model is applied dimensional nature of the entrepreneur respondents obtained the result that the average value of 4.9 (scale 7), that is still quite far from ideal conditions. After application of the model obtained an average increase to 5.7 to 7 scale dimensions courage to face the risk of getting the highest score at the level of 6.335, followed by the dimensions of the drive for progress (6.23), discipline (5.26), Creativity (5.18), confidence (5.371), and freedom (4.57). Further research can be done by combining a model of inquiry with other learning approaches with regard to the character of students.

*Keywords: Models Of Learning, Inquiry Model, Entrepreneur Nature*

## **Influence of Factors Determinant to Efficacy of Development of Small Industrial Cluster Rattan in Kota Padang**

Rika Desiyanti  
Universitas Bung Hatta Padang  
Rikadyanti@yahoo.com

Linda Wati  
Universitas Bung Hatta Padang  
linda@yahoo.co.id

### **ABSTRACT**

This research aims to analyze the industrial clusters and constraints faced by entrepreneurs rattan and provide a solution. Industry cluster is a group activity that consists of a core industry, related industries, industries supporting mutual support increased efficiency. Some factors cluster affecting the development of the industry is internal network and partner, entrepreneurship, skill of management, availability of infrastructure physical, quality of support local government, quality of big company support, research into and development, quality of industrial support association and commerce, access to financial business, availability of transportation service, and access marketing of output. Furthermore, giving more attention to the variables that are considered influential. The result showed that among 11 cluster variables having an effect on significant only one variable that is access to financial business variable. Be expected rattan industry have good management, have competitiveness in global and also local market. Assisting government in taking implementation and policy for small industrial develop in order to become taft industry and have good competitiveness.

*Keywords: Key Success Factors, Cluster, Management*

## **The Management Innovation in Creative Industry for Improving Competitiveness: Case Study at Bandung**

Yudi Azis  
Faculty of Economics & Business, Universitas Padjadjaran  
yudi.azis@fe.unpad.ac.id

Dwi Kartini  
Faculty of Economics & Business, Universitas Padjadjaran  
dwi.kartini@fe.unpad.ac.id

Merita Bernik  
Faculty of Economics & Business, Universitas Padjadjaran  
merita.bernik@fe.unpad.ac.id

Budi Harsanto\*  
Faculty of Economics & Business, Universitas Padjadjaran  
budi.harsanto@fe.unpad.ac.id

### **ABSTRACT**

Nowadays, Innovation is believed as an important factor for increasing competitiveness. However, to manage innovation is not easy especially in creative industry. Meanwhile, Bandung is known as Paris van Java in which known as a center of textiles, fashion, art, and culture that in line with creative industry sector. The purpose of this study is to find the critical success factors and to model the innovation management practices as a lesson learned from best practices. For doing so, this study starts by exploring the best practices of companies in creative industries at Bandung. The method used is a descriptive and case study research. Data were gathered through literature survey from many sources, to name a few such as website, newspaper, magazine, thesis report, etc. In addition, observation and interview are conducted where necessary. Validation is used through triangulation approach. Through this study, it is found that there are several best practices of organization that is identified at Bandung which grouped into seven sub sectors of creative industries organization i.e. art, culinary, fashion, music, design, architecture, and IT. To name a few such as Saung Angklung Mang Udjo for art subsector, Brownies kukus Amanda for culinary subsector, etc. This finding is expected to be the basis for further study in an attempt to model innovation management in creative industries.

*Keywords: Innovation, Creative Industry, Bandung*

## Analysis of Food Demand in Indonesia with Two-Stage Budgeting Approach

Agus Widarjono\*

*Department of Economics, Islamic University of Indonesia Yogyakarta\**  
widarjonoagus@yahoo.com

Sarastri R Mumpuni

*Department of Economics, Islamic University of Indonesia Yogyakarta*  
mruchba@yahoo.com

### ABSTRACT

Indonesia has been experiencing rapid urban growth since mid-1980s. Urban population is predicted to reach 60% of total population by 2025. Indonesia has moved towards the middle income country by GDP per capita \$3,495 in 2011. Economic growth and Urbanization has contributed to not only an increase in income but also drastic change in the composition of food demand in Indonesia. Regarding this income growth, rapid urbanization and changes in consumption from low-value foods to high-value foods, the purpose of this study is to estimate demand for food in Indonesia in facing the ASEANCommunity starting 2015. This study estimated and analyzed food demand in urban Indonesia with two stage budgeting approach. Quadratic Almost Ideal System (QUAIDS) was applied for this study. Food diet is different across geographical areas and income level. Therefore, food demand is estimated separately between urban Java and off Java and different income level. The data set collected from the national social and economic survey of household in Indonesian in 2011 with 88,049 households were used.

The results of food demand show that demand for high-value foods such as fish, meat, eggs and milks, vegetables, fruits, and oil and fats are very sensitive to price changes in both urban areas. Cereals as low-value food are less sensitive to price changes. The price elasticity of demand become less elastic in moving from the low to high income group in both urban Java and off Java. The income elasticity are positive but very inelastic. However, the income elasticity become less elastic in moving from the low to high income group in both urban areas. Demand for urban households in Java are more responsive to price but less responsive to income than urban households off Java.

Simulation policies indicate an increase in food prices have more adverse impact than a decrease in income. As expected, poor families would suffer more than rich families from rising food price and/or decreasing income. More importantly, urban households on Java are likely more vulnerable to economic crisis by reducing more food consumption. Economic policy in stabilizing on food prices

is better suited than income policy such as cash transfer to maintain population well-being in Indonesia

*Keywords: Urban Indonesia, Two-Stage Budgeting, QUAIDS, Demand Elasticity*

## The Effects of Intellectual Property on Country's Wealth around the World

Arnold Ryan Catarata\*

*Faculty of Economics and Business, Universiti Malaysia, Sarawak*

Rayenda Brahmana

*Faculty of Economics and Business, Universiti Malaysia, Sarawak*

### ABSTRACT

The protection of intellectual property has been much debated in recent years. It argues that intellectual property right just another method to give a wide gap between developed and developing countries. Several scholars also argue intellectual property does not directly benefit a country because in this digitalization era, technology is easily to be imitated. This research aims to investigate the effects of intellectual property on country's wealth. This research employs five different robust panel regressions where we report the probability values based on White robust standard errors that control for heteroscedasticity errors, as well as country clustering, year clustering, and period effect from 1980 to 2013. The intellectual property is divided into (a) design, (b) trademark, and (c) patent. It is important to know which intellectual property has better contribution to GDP. The results confirm a major heterogeneity in the rationales and goals of intellectual capital. Being a factor of production, intellectual capital improves the country wealth through the incremental innovation generating more income that are novel to international market, improving the current account of country. The findings of this study is important for policy maker to improve its intellectual capital, especially for a country which facilitate growth in innovative income in the absence of formal intellectual capital

*Keywords: Intellectual Property, Wealth, Industrial Design, Trademark, Patent*

## Inflation Targeting Framework (ITF) and Central Bank Loss Function Case Study: New Zealand and Indonesia

Betty Uspri

Universitas Andalas

bettyuspri@fekon.unand.ac.id

### ABSTRACT

This study examines the Indonesia and the New Zealand growth, inflation and exchange rate behavior after implementation of Inflation Targeting Framework (ITF) over the period 2005:Q3 – 2013:Q2. This study also estimates the central bank loss function to find a deviation of inflation and growth caused by unoptimal monetary policy. The method utilized is auto regressive conditional heteroscedasticity (ARCH). The empirical result show that the consequence of ITF regimes gives the different result on Indonesia and New Zealand. Neither BI Rate as Indonesia's monetary instrument nor the OCR as New Zealand's monetary instrument responses to the economic growth. Pass through and leverage effect determine inflation rate in both countries. Additionally, the study finds a deviation of inflation and economic growth so that there exists a central bank's loss not only in Indonesia but also in New Zealand.

*Keywords: Inflation Targeting Framework, Central Bank, Interest Rate, Inflation, Arch*



## The Flypaper Effect on General Allocation Fund and Regional Revenue towards Regional Expenditure in Cities in West Sumatera

Citra Ramayani  
STKIP PGRI Sumbar

Jolianis  
STKIP PGRI Sumbar

### ABSTRACT

This study is to demonstrate empirically: 1) The effect of the General Allocation Fund to Expenditure. 2) The effect of local revenue against Expenditure. 3) There may be a flypaper on the General Allocation Fund and revenue against Expenditure. 4) The possibility of differences between regions flypaper revenue with areas of low local revenue high. This study found that: 1) General Allocation Fund a significant effect on local spending. Increasing the amount of General Fund allocation will result in an increase in the number of Expenditure to be incurred by the local government. 2) the original income significantly influence the shopping area. Increasing the amount of the original income will result in an increase in the number of Expenditure to be incurred by the local government. 3) There flypaper at district / city in the province of West Sumatra Expenditure due to the influence of the original income of the shopping area is smaller than the effect of the General Allocation Fund to the shopping area. 4) There is a difference between government flypaper Regency/ City in the province of West Sumatra Regional Revenue low with the original income areas is high because there are still many areas that have high levels of low revenue as many as 44 units and who have a high PAD is as much 51 unit.

*Keywords: Flypaper effect, General Allocation Fund, Regional Revenue, Regional Expenditure*

## Factors Affecting the Success of Fiscal Decentralization in Indonesia's Health Sector

Dedy Djefris  
Jurusan Akuntansi Politeknik Negeri Padang  
ddjefris@yahoo.com

Afridian Wirahadi Ahmad  
Jurusan Akuntansi Politeknik Negeri Padang  
afridianpadang@yahoo.com

### ABSTRACT

This study aims to examine the factors that influence the success of fiscal decentralization in health research with sample location is in West Sumatra. The main problems in the implementation of the current fiscal decentralization are how to direct the local government to allocate and use its budget carefully, so that the public welfare can be raised. Decentralized health sector is expected to increase life expectancy and reduce infant mortality as one indicator of the performance of the health sector. This study shows some factors such as funding, facilities and infrastructure, public behavior, access to health services and health service quality effect on government performance in health. However, the local government expenditure in the health sector does not notice the influential factors toward the development achievement in health sector. Budgeting still tends to be incremental and rely on programs, policies, and funding from the central government. With the decentralization, local governments should have been more aware of the program that is needed by society. This research needs to be done for the whole of Indonesia, making it useful in policy-making by Central Government policies and budgeting systems

*Keywords: Fiscal Decentralization, Performance of the Health Sector, Budgeting System.*

## Education in Tackling Social Exclusion and Child Poverty: A Review of Literature

Delfia Tanjung Sari  
*The University of Huddersfield - Business School*  
Delfia.sari@hud.ac.uk

### ABSTRACT

“Why education?”, is a question that often arises when a study on economic development researching education, even though many previous studies has concluded that education plays pivotal roles in fostering the development of human resources who will be the key to create sustainable economic development of a country. To answer those “why education”, through a study of literature from variety of resources, this paper presents a review on how education can affects child poverty and social exclusion, two major problems which become obstacles in development process of a country. This descriptive analysis explained that there’s an interlocking cycle of social exclusion, child poverty and education, its influencing each other’s and can create intergenerational social exclusion and poverty, while in the other side, education is a powerful tool to cut off the chain of intergenerational of social exclusion and child poverty. This paper is intended to contribute to our understanding of how education is needed on economic development by tackling the problem of social exclusion and child poverty.

*Keywords: Education, child poverty, social exclusion, economic development*

## The Implementation of Blue Economy in Learning Social Science at Junior High School

Dwi Atmono  
*Jurusan Pendidikan IPS, FKIP Unlam*  
dwiatmono@ymail.com

Muhammad Rahmattullah  
*Jurusan Pendidikan IPS, FKIP Unlam*  
nu\_city88@yahoo.com

### ABSTRACT

This study aims to determine the perceptions of teachers in the implementation of the concept of the Blue Economy as well as the potential to be used as a supportive environment for learning resources in teaching social studies at the high school level in Banjar Regency, South Kalimantan. The research approach used is qualitative approach with a survey and interview methods. The results showed social studies teachers do not understand the concept of the Blue Economy, but has done it in the learning activities in schools. The survey results indicate that the environmental potential in the district of Banjar very supportive to be used as a learning resource in implementing the concept of the Blue Economy through social studies learning. The implications of this study that the teachers expect the involvement of the college to provide assistance in the form of workshops and preparation of media supplements and ICT-based learning to enable them to implement the concept of learning through social studies in schools.

*Keywords: Blue Economy, Learning Social Sciences*

## Analysis of Competitiveness and Potential in West Sumatera Area

Fery Andrianus  
Jurusan Ilmu Ekonomi Fakultas Ekonomi Unand  
feryandrianus2002@yahoo.com

### ABSTRACT

West Sumatra as part of Indonesia, which also plays a role in promoting national competitiveness ranks 16th nationally regional competitiveness. When compared to other provinces in Sumatra, West Sumatra will rank 6. This study further took the West Sumatra as research sample by examining the competitiveness of cities and districts. The objectives of this research is exploring and identifying potential and the factors that affect the competitiveness of the region with economic variables approach. The results showed that the potential area of the city and district in West Sumatra is still dominated by the 4 (four) main sectors, namely agriculture, trade, services and transport. The data used in this study is a secondary data Year 2010-2011.

*Keywords: Competitiveness, Cities, District*

## The Equilibrium Analysis of Consumption and Imports of Soybean in Indonesia

Hasdi Aimon\*  
Economic Faculty of Padang State University

Alpon Satrianto  
Economic Faculty of Padang State University

### ABSTRACT

This study aims to analyze the influence and equilibrium of soybean import, soybean price and per capita income to soybean consumption in short and long term in Indonesia. Furthermore, the aim is also to analyze the influence and equilibrium of real exchange rate, per capita income and soybean consumption to soybean import in short and long term in Indonesia. The data used is from the time series 1983 until 2012. The analysis model in this study uses Co-integration Model and Error Correction Mechanism Model. The result shows that soybean import, per capita income and soybean price significantly effects on the soybean consumption in Indonesia, and then the soybean price and per capita income also disrupts the equilibrium of soybean consumption in short term, however the consumption of soybean will reach back to its equilibrium in long term. Moreover, the real exchange rate, per capita income, and soybean consumption significant effect on soybean imports in Indonesia. The real exchange rate and income per capita disrupts the soybean import in short term but it will reach back to its equilibrium in long term. Accordingly, the recommends to the Indonesian government to reduce soybean imports by increasing soybean production by establishing local soybean prices, so that soybean farmers feel advantaged.

*Keywords: Soybean consumption, soybean import, and real exchange rate*

## Tourist Motive of attending the Sport Event

Heru Aulia Azman  
Dosen STIE Dharma Andalas  
heruauliaazman@gmail.com

Mohd.Fuad.Mohd.Salleh  
Dosen University Selangor  
fuadsalleh@unisel.edu.my

Yulia Hendri Yeni  
Dosen Universitas Andalas  
yuliyeni@yahoo.com.au

### ABSTRACT

For last decade, government of Indonesia has arranged some annual international sporting mega events in some regions in Indonesia, including in West Sumatera. For last 4 years (beginning in the 2009), West Sumatera has implemented a new strategy under the theme of international sport events. There are two major international sporting events that arranged by the government to attract more tourist to come. One of the events has labeled by international organization as one of most visited event in the world, namely Tour De Singkarak (TdS). The aim of this study are try to identify spectator profile and try to determine factors that motivate them to join TdS, in fact most of them is repeated participant. In order to address both objectives, a structure questionnaire was arranged and one distinctive samples were targeted (sport tourist). A factor analysis was conducted to determine factors that motivates spectator joined the TdS.

Five factors were identified Availability of activities/programs for all ages (factor loading 0.967) , Quality of entertainment (factor loading 0.652), Uniqueness of themed activities / program (factor loading 0.82), Availability of type of food/ refreshments (factor loading 0.608), Quality of food/refreshments (factor loading 0.881), Availability of various souvenirs/ product (factor loading 0.954), Feeling of safety on the site (factor loading 0.823), Affordable (factor loading 0.732). The main driver is availability of activities for all ages. Some of these motives were confirmed by similar research in the field of leisure travel and tourism studies, but new motives were also noted.

*Keywords : Motivation, Sport Event, Spectator, Factor Analysis, Tour De Singkarak*

## Cybernetic Perspective on Inclusive Growth Analysis

Khairul Akmaliah Adham\*  
UKM-Graduate School of Business  
Universiti Kebangsaan Malaysia  
ka@ukm.edu.my

Hasmiah Kasimin  
Faculty of Economics and Management  
Universiti Kebangsaan Malaysia  
miah@ukm.edu.my

Mohd Fuaad Said  
Faculty of Economics and Management  
Universiti Putra Malaysia  
fuaad@upm.edu.my

Siti Khadijah Mohd Ghanie  
UKM-Graduate School of Business  
Universiti Kebangsaan Malaysia  
ctkghanie@gmail.com

### ABSTRACT

Inclusive and sustainable economic growth supports the transformation of society towards a better quality of life and better well-being. Therefore, it is crucial to diagnose growth and understand the factors that bind them. However, growth diagnostics and inclusive growth analytics frameworks, which are widely used to diagnose growth, are mainly static models. These models are not fully capable of addressing the dynamic nature of growth. Moreover, most existing applications of growth models are mainly predictive, and thus do not fully support the diagnostic purpose of identifying the root cause of growth constraints. This calls for a more comprehensive and dynamic framework for diagnosing growth. In this article, we propose an approach that could analyze the dynamic nature of growth through systems theory, namely cybernetic analysis. This method of growth analysis is capable of identifying growth constraint variables for a specific geographic location, and it is also support mapping of the relationships between them. By linking inclusive growth diagnostics framework and cybernetic principles, we extend the capability of the existing growth models to explain the dynamic elements of growth and their constraints.

*Keywords: Inclusive growth, cybernetic analysis, growth analysis, qualitative methodology, research design*

**The Implication of the Implementation of Fiscal Rule Principle towards  
Macroeconomic Variables in Indonesia  
New Consensus Macroeconomics Approach**

Marselina  
Pasca Sarjana, FEB- Gadjah Mada University  
ikbal\_tawakal@yahoo.com

**ABSTRACT**

Management of debt and budget deficit in Indonesia is based on ACT No 17 of 2003 and Government Regulation no 23 of 2003. This rule is basically used like *Maastricht Treaty* concept in Europe Union, in which government set maximum limit on government debt of 60 percent of GDP and maximum limit on budget deficit of 3 percent of GDP. The weaknesses of this concept is that it does not describe in the concept clearly when it is supposed to do the policy deficit, balanced, or surplus budget, as long as GDP increases.

Thoughts of New Consensus Macroeconomic (MKB) was chosen because it is appropriate with the condition faced by economic in Indonesia today, where economic agents are dealing with the condition of pricing and rigid wage (sticky), agents use their logic to make optimal decision through *inter temporal choices* which is *forward looking*. The modification is done for Arestis Model by adding variables of debt deficit stabilizer in each equation and it adds another equation that is equation of fiscal rule, so the general stabilisation is more fully. Debt deficit stabilizer is the one concept of fiscal rule implementation that keeps debt stable. Intertemporal model which is dynamic and cointegration in this study, was estimated by using *Vector Error Correction Model* (VECM) with the surprise uses a simulation and a unit root test has previously been done to see stationerity of time series data and test of the stability model uses CUSUM test, CUSUMSQ test and a classic assumption test because the model was estimated by using two stage least square.

It was found that deficit debt stabilizer in Indonesia, for a long term, gives positive impact on output gaps, the level of prices, exchange rates, current account and primary budget deficits if it is implemented, but it has no impact on the level of interest rates. Conversely, in a short term, debt deficit stabilizer only gives positive impact toward output gap, exchange rate and the primary deficit budget but it does not significantly influence interest rates, the level of price, and current account. The inflation adjustment equation is the quickest equation to adjust a new equilibrium, while the equation of interest rate, fiscal policy and current account adjust equilibrium more slowly. The pattern of response is not different from the situation where the simulation done by adding and subtracting 1 percent of deficit

debt stabilizer. When deficit is added, performance of economic variables is lower than the deficit debt stabilizer restricted.

*Keywords: Fiscal Rule, Fiscal Sustainability, Debt Stabilizing Deficit, VECM.*



## Small Area Estimation for Estimate Human Development Index

Moh. Yamin Darsyah\*

*Department of Statistics Faculty of Mathematics and Natural Science –  
UNIMUS*

mydarsyah@yahoo.com

Rochdi Wasono

*Department of Statistics Faculty of Mathematics and Natural Science - UNIMUS*  
Didik2011@gmail.com

### ABSTRACT

Human Development Index (HDI) is one of the indicators used to determine the human development of a country. Calculation of the value of IPM in Indonesia is carried out until the scale of the district each year. Since the implementation of regional autonomy policy, the calculation of the HDI values required with a smaller scale the district. The calculation of HDI values with sub-scale is difficult because the sample is too small to estimate the value of HDI per district. One of the components to calculate the value of HDI is an index of purchasing power is approximated by the value of expenditure per capita. Small Area Estimation is one of the indirect estimates are used to estimate the parameter values of the sub population. On this research, Small Area Estimation (SAE) is a statistics methode for estimate small sampel. The research purpose is to estimate expenditure per capita for HDI in Demak.

*Keywords: SAE, HDI, autonomy policy*

## The Analysis of Household Energy Consumption: The Case of Indonesia

M. Nazer

nazerm.km@gmail.com

### ABSTRACT

This study aims to analyze the pattern of household energy consumption in Indonesia and the factors that influence it, and further detailed by zoning islands, provinces, counties, cities, rural and urban. The concept of “energy ladder” and the method of Ordinary Least Square (OLS) is used to see the influence of economic factors and non-economic on household energy consumption. Many studies on energy consumption shows that the total energy consumption of households increased in line with the increase in household income. Increased energy consumption, especially for modern energy. While traditional energy consumption (such as charcoal / coal / briquettes and firewood,) generally decreases with the increase in revenue, partially even applies to kerosene. Non-economic factors play a role in the process of shifting energy consumption. These factors are the demographic characteristics of the household, household size, urbanization, family size, access to fuel, socio-cultural and educational. However, income is the most important variable in the process of transition towards modern energy consumption. Household sector in Indonesia consume energy derived from charcoal / coal / briquettes and firewood (traditional energy), kerosene, LPG, city gas, and electricity (energy modern). Users firewood as an energy source is largely rural households, especially for cooking. Kerosene consumption is reduced because many government policies and divert it to the LPG consumption that began in 2007, however still very much needed kerosene for lighting, especially in rural areas or areas not yet reached by electricity. Gas consumption increase is slow, this situation is caused by the slow supply of gas is constrained by the high cost of the necessary infrastructure. Charcoal / coal / briquettes and firewood are gradually being replaced by oil, LPG, city gas and electricity because it is safe, comfortable and efficient and produce less pollution. Income households in Indonesia increased from Rp. 26.7 million per year to Rp. 37.5 million per year over the period 2000 to 2010, with an average rate increase of 3.45 percent per year. However, an increase in household income was not accompanied by an increase in the consumption of modern energy (energy without biomass), instead what happens is the decrease in consumption. Levels of modern energy consumption dropped from 1.71 BOE per household in 2000 to 1.34 BOE per household in 2010, or a decline of 2.4 percent per year. This study analyzes the energy consumption patterns and the factors that cause why an increase in household income was not accompanied by an increase in the energy consumption of modern and traditional energy consumption reduction.

*Keywords: Household Energy Consumption,*

**Environmental Economic in Wastewater Management of  
PT Lembah Karet in Padang**

Nefilinda  
*Lecturer of STKIP PGRI West Sumatera*  
nefilinda@yahoo.com

**ABSTRACT**

The objectives of this research were to uncover the source of liquid waste, management and cost for handling liquid waste in PT Lembah Karet. The research was performed descriptively. The results showed, that liquid waste was coming from crum rubber production during storage, cutting and milling. Waste management system applied mud active process using screen, collecting pool, aeration pool, denitrification pool, sedimentation pool, recycling pool, indicator living pool, drying mud pool and reservoir. For such process, PT Lembah Karet has spent Rp. 500.000.000 for first investment, Rp. 34.000.000/month for routine cost, Rp. 961.000/month for testimonial cost, Rp. 12.000.000/month for salary in IPAL department, and Rp. 2.500.000 for salary in environmental control department. Based on this research it can be suggested, that the characteristic of liquid waste should be identified which is necessary for designing and improving of its IPAL system. It must be noted, that liquid waste is not allowed to flow into open water, whenever died fish is still found in indicator pool. Such waste must be further processed first. In order to ensure water quality, PT Lembah Karet is obliged to spend their cost for handling its liquid waste.

*Keywords: Environmental Economy, Liquid Waste, Rubber*

**Analysis Of The Role Of Social Capital Of Micro, Small And Medium  
Enterprises Through The Institution In District Lubuk Kilangan Padang City**

Neng kamarni \*  
Economics Faculty, Andalas University  
Neng\_kamarni@yahoo.co.id

Drs. Amra Ausri  
Economics Faculty, Andalas University  
amraausri@yahoo.com

**ABSTRACT**

Micro, Small and Medium Enterprises (SMEs) have a strategic role in national economic development. Empowerment of micro, small and medium enterprises (SMEs) are very strategic in the national economy, given its business activities cover almost all fields of business. Contribution of SMEs to be very large to increase the national income, employment, and income generation for low-income groups. However, in the development of SMEs are still experiencing many problems, such as lack of capital, human resources (HR) is limited, weak business network and market penetration capabilities, and many other problems. It is therefore necessary in order directional strategies in the development of SMEs, especially in Kecamatan Lubuk Kilangan, Padang city. One of the solutions is to increase the role of social capital in the activities of SMEs. This study aims to analyze the contribution and role of social capital in the development of SMEs in Kecamatan Lubuk Kilangan, Padang city. Analyzing social networks and institutions owned SMEs, which is a means of strengthening the social capital of SMEs. The main subject of this study are SMEs and institutional-existing institutions, with a focus on institutional-institutional (economic) related to SMEs and households. Using a participant observation approach. Data analysis was performed with qualitative and quantitative analysis. Qualitative analysis describes the characteristics, potential, institutional analysis using cross tabulation and chi square test. Quantitative analysis to see whether the indicators of social capital affect the improvement of SMEs using logistic regression analysis. Social capital variable under study consists of 4 indicators, ie groups/institutions, customs, trust and participation. Based on the research results, the overall indicator of social capital worth quite good. Logistic regression results obtained indicator of social capital and institutional trust significantly increased the productivity of SMEs, while the social capital indicators of compliance with customs and participation does not significantly influence the increase in productivity of SMEs.

*Keywords: Social Capital, Institutions, Customs, Trust, Participation, SMEs*

**Factors Influencing the Development of Community Based Microfinance  
Institution in Indonesia  
(A study of Lumbung Pitih Nagari and Lembaga Perkreditan Desa)**

Nurul Fauzi  
Politeknik Negeri Padang  
Nurfa2006@yahoo.co.id

Efa Yonedi  
Universitas Andalas

Iis Ismawati  
Politeknik Pertanian Negeri Payakumbuh

Zalida Afni  
Politeknik Negeri Padang

**ABSTRACT**

The purpose of this study is to gain a deeper understanding of factors influencing the development of community based microfinance institutions in Indonesia. In so doing, case studies at Lumbung Pitih Nagari (LPN) West Sumatra and Lembaga Perkreditan Desa (LPD) Bali were conducted. These microfinance institutions were selected due to their unique characteristics which are stated in the Act No 1/2013 on microfinance institutions. This study is qualitative in nature, where case study is employed as a design. Data were gathered through in-depth and semi structured interviews. The case visit was conducted from February to August 2014. There were some persons interviewed which included the management of microfinance institutions, community leaders and the community

Despite the fact that initially the LPD Bali had learned from LPN West Sumatra's experience in managing microfinance institution, the former microfinance institution developed much better than the later one. In fact, LPN West Sumatra seems to lose its identity as a community based microfinance. Some factors that might cause the decline of LPN among other things are the change in the governmental system from "nagari" to "desa", less involvement of the community leaders and the change in the capital structures which is more to shareholders based than community ownership. Meanwhile, the LPD could developed further is due to a strong social control through the local culture. The community leaders have successfully ensured the community members to support LPD as a community owned institution.

This study was conducted in two microfinance institutions. Therefore, the result of the study cannot be generalized to represent microfinance institutions at large

in Indonesia. Thus, a comparative study which involves different microfinance could be also possible to do. Looking into different nature of microfinance management can be very fruitful for the improvement of microfinance institutions in Indonesia in the future. The findings of this study are expected to enforce the development of LPN West Sumatra along with the spirit of "babaliak ka nagari" (back to nagari). Besides this, the management of LPD is expected to learn from this study hence they can be more prudent in making decision regarding the changing in management of LPD.

*Keywords: Microfinance institutions, Lumbung Pitih Nagari, Lembaga Perkreditan Desa*

## The Analysis of Effectivity of Micro Finance Institution's Model to Increase the Standard of Living of the People at Kalibata Restriction, South Jakarta

Rika Kaniati\*  
Pancasila University - Jakarta Selatan  
kaniatirika@yahoo.com

Ati Hermawati  
Pancasila University - Jakarta Selatan  
atihermawati@yahoo.com

Shanti Lysandra  
Pancasila University – Jakarta Selatan  
Shanti\_lyandra@yahoo.com

Tri Astuti  
Pancasila University – Jakarta Selatan  
Titut03@gmail.com

### ABSTRACT

Based on the statistic data's from BPS 2012 there are 32,5 million people live under the standard of living; that is about 15% from the amount of total Indonesian people. This situation motivate the government to continue the strategic development economic growth policies to solve the citizens social and poverty problem by creating a job field, increasing income, decreasing poverty etc. The purpose of this research was trying to see and find whether the services of the informal microfinance institutions has been the right way to support, anticipate and solve the poverty problems in DKI Jakarta province or not, especially at Kalibata restriction area in south Jakarta. This research try to indentify the form of the services, the contribution for the poor people, the other form of microfinance institution that has not been provided for the poor people/ micro enterprises, and find how many the poor people/ micro enterprises needed the microfinance services which is provided by the microfinance institution. This research also try to establish the effectiveness of the design model of microfinance that can help and make the poor people to increase the standard of living. This research is a qualitative research, using survey and interviews to the microfinance institutions and micro enterprises. The Result of the research is SITURA microfinance design model that has been applied and the model is effective to increase their standard of living of the research's object.

*Keywords: Effectiveness, microfinance institutions, micro enterprise, poverty, Situra model*

## Time Inconsistency of Monetary Policy and Central Bank Independence in Indonesia

Rini Rahmadian  
Faculty of Economics, Andalas University  
rini\_rahmadian@yahoo.com

### ABSTRACT

The aim of this study is to measures time inconsistency of monetary policy in Indonesia using the asymmetric preference parameter in linear exponential loss function of the central bank. Asymmetric central bank preference becomes an important issue since many of the results on the time inconsistency problem under symmetric preferences may no longer hold under asymmetric preferences. Using two sub-samples; prior and after the implementation of central bank independence act, first we estimate conditional mean and conditional variance of the output gap, then proceed to estimate the reduced form of the model. The result shows the existence of asymmetric preference parameter before independence of Bank Indonesia, which indicated the presence of time inconsistency problem of monetary policy. However, after the implemenation of central bank independence, the monetary policy of Bank Indonesia has been consistent with symmetric policy preference over price stability and output.

*Keywords: Time Inconsistency, Discretionary, Monetary Policy, Asymmetric Central Bank Preference, Output Gap, Inflation Bias.*

## **Educated Unemployment Dynamics: Challenges towards the Demographic Bonus in Indonesia**

Sri Maryati  
*Economics faculty Andalas University*  
srie\_jayamahe@yahoo.co.id

### **ABSTRACT**

According to the United Nations demographic transition that occurred in recent decades in Indonesia would be an opportunity for Indonesia to reach a demographic dividend in the period 2020-2030 . By the time the productive age population amounted to twice that of the non - productive population . These opportunities should be best utilized as it will only happen once and it can happen if the population of working age have a job and sufficient income . thus this demographic bonus can actually stimulate the economy of Indonesia in the future . But on the other hand, Indonesia is currently facing serious problems of labor that is still large numbers of educated unemployment . The number of unemployed educated annually feared will continue to grow as the number of college graduates also continue to grow , but not all college graduates can be accommodated in the workplace, consequently leads to an increase in the number of educated unemployed.

The main purpose of this study is to analyze the dynamics of educated unemployment in Indonesia and the steps that need to be done by the government and people of Indonesia in order to face the era of demographic bonus, so it does not become a wave of mass unemployment, particularly educated unemployment in Indonesia.

*Keywords: Demographic Bonus, Educated Unemployment, the Economy of Indonesia*

## **The Analysis of Preparation Process of Mid-Term Development Plan of Local Governments (RPJMD) in West Sumatera**

Suhairi\*  
*Andalas University*  
lucysuraiya@gmail.com

### **ABSTRACT**

This research is aimed at developing a model of RPJMD preparation process by considering the accepted concepts and regulations. This research applies qualitative research method based on content analysis and interpretive analysis in the process of RPJMD preparation. An analysis towards the process of RPJMD preparation of two local government samples show that the process of RPJMD has many weaknesses, either on the conceptualization or implementation. This research, therefore, suggests a model of RPJMD preparation process that has concerned with planning approach: technocratic, politic, participatory, top-down, and bottom-up.

*Keywords: RPJMD, planning approach, technocratic, politic, participatory. Top down, and bottom-up*



## Scavenger Community Survival Strategy in TPA Lubuk Minturun Padang

Sumarni  
STKIP PGRI SUMBAR

Zulfa  
STKIP PGRI SUMBAR  
Zulfaeva75@gmail.com

### ABSTRACT

This study aims to look at socioeconomic Lubuk Minturun scavengers in the landfill. This study uses qualitative methods. Informants researchers are scavengers that exist in TPA Air Dingin Kelurahan Balai Gadang Kecamatan Koto Tangah Kota Padang using snowball sampling theory. Data collected using observation, interviews, and documentation. To ensure the authenticity of the data required a reliable informant testimony (credible and realible) from materials that have been selected (Mestika Zed, 1999). The results of this study revealed that, low levels of education scavengers, not affect the earnings of scavengers in scavenging work TPA Air Dingin because it does not require special education and specific skills. Scavenger strategy to search results is by looking Pulungan Pulungan early results and invite family members to join "maraok". While the strategy of market goods pulungannya done by selling the results to the stall owners who want to buy at a higher price or sell at the current selling price is more expensive or riding. Scavengers that exist in TPA Air Dingin have not received direct assistance from the government of Padang city, so the impact on structural poverty. The pattern of life imposed on the scavenger community TPA Air Dingin cultural causes of poverty. Application of a relaxed lifestyle community life because they feel comfortable with the system they work for. Scavengers at TPA Air Dingin do not want to change the system that they have made, so that they remain in the cultural circle of poverty.

*Keywords: Scavenger Community, Survival Strategy*

## THE NATIONAL ECONOMY STABILIZATION BY ENHANCING REGIONAL ECONOMIC GROWTH

Suwarni  
Faculty of Economics, Dehasen University of Bengkulu  
suwarni.h13@gmail.com

Ahmad Soleh  
Faculty of Economics, Dehasen University of Bengkulu  
ahmadsolehse81@yahoo.co.id

### ABSTRACT

Along with the global economic recovery and national, in the establishment of the Indonesian economy needed strong economic growth. High economic growth is expected to expand employment, reduce unemployment and increase prosperity. The success of national development can not be separated from the contribution of economic activity between regions in Indonesia. The purpose of this study is to describe the role of economic growth in the area of strengthening the national economy. The method used is descriptive analysis. Data collection techniques in this study using a literature study. The results of this study indicate that an increase in the trend growth of the Indonesian economy has an impact on the growth of unemployment and poverty. Changes in the structure of the Indonesian economy is expected to drive the growth of the national economy. In the implementation of the necessary construction and synergy of policy similarity measures between central and local government, strengthening competitiveness and equitable development.

*Keywords: National Economy, Economic Structure, Local Economic Growth, Equitable Development*

**Mobile Banking and Access to Finance:  
Evidence from Household Survey**

Syafruddin Karimi  
*Faculty Of Economics, Andalas University*  
syafreddinkarimi@gmail.com

Indri Fajria Musfiroh  
*Faculty Of Economics, Andalas University*

**ABSTRACT**

Human mobility has substantially increased with the rapid digital innovation. The use of mobile phone has spread widely. Banking services have greatly utilized the widening usage of mobile phone. Financial access provided by banking services plays a strategic role in reducing poverty. Does faster growth in the ownership of mobile phone improve the access to finance in the growing of mobile banking services? This paper is based on primary data collected from 400 household in Padang during the second quarter of 2014. It is evident that more than 50% of households is having access to banking services. The proportion of under-banked and un-banked accounts 35% and 19.25% of households respectively. The user of saving accounts in the bank accounts for 80.75% of respondents. While the user of mobile banking services accounts for only 31.75% of households. There is a great potential for the expansion of mobile banking services. Although more than 90% of mobile banking user expressed their satisfaction with services provided, the quality of online services still needs further improvement, particularly in terms of easy access, security and trust.

*Keywords: Mobile Banking, Human Mobility, Digital Innovation*

**Comparison Study of the Implementation of Autonomous Urban  
Community Empowerment National Program (PNPM MP) toward Urban  
Community Poverty Reduction in West Sumatera Province**

Variyetmi Wira  
*Jurusan Administrasi Niaga – Politeknik Negeri Padang*  
variyetmi@yahoo.co.id

Gustati  
*Jurusan Akuntansi - Politeknik Negeri Padang*  
gustati1602@yahoo.com

**ABSTRACT**

One of the government's efforts to reduce poverty and improve the poor economy is to implement the National Program for Urban Community Empowerment (PNPM MP). The purpose of this study was to assess the comparative socialization variables, and Implementation, Impact of Implementation of PNPM MP at Padang and Pariaman City in West Sumatra. The samples were poor people who use PNPM MP. Data collection using questionnaire by purposive sampling technique. Data were analyzed using SPSS version 19.0 for Windows is the crosstab method and Mann Whitney test to compare the variable in the two cities. The results showed there were significant differences in socialization variables PNPM MP, PNPM MP Implementation and Impact of Implementation of PNPM MP in Padang and Pariaman, which is indicated by Asymp. Sig. (2-tailed) below 0.05.

*Keywords: PNPM Urban, Comparative Analysis, Poverty, Purposive Sampling, Mann Whitney*

## Lactation Management towards Millennium Development Goals (MDGs) 2015

Yesi Elsandra  
STIE Dharma Andalas Padang  
yesi.elsandra@gmail.com\*

Ratnawati Rafliis  
STIE Dharma Andalas Padang

### ABSTRACT

Millennium Development Goals/MDGs is an agreement among The United Nation (UN) member for human being welfare achievement. A mother especially while pregnancy and postpartum by giving breastfeeding to infant have significant role for human being welfare. Nowadays, when the world grow more modern, a number of working mother more increase year by year. In other side, as a consequence, the infant need for getting mom's breastfeeding increasingly less. In addition, a large cow's instant milk promotion from a milk company also causes breastfeed among mother getting lower. Based on this condition, lactation management have a significant role to help working mothers breastfeeding while keep work in every working days. Lactation management can be performed starting from mother's mindset about breastfeeding and this one is an important thing. After that, mother can express her breastmilk and give it to baby by first in first out method of breastfeeding. Beside of his medical benefit such as baby's brain development, by breastfeeding also saving household expenditure. Mother no need for buying instant milk and also hospital charge because of her baby's good immune system. For the government finally also save foreign exchange to import instant formula milk if all Indonesian family choice breastfeeding as a lifestyle by a huge movement to implemented it.

*Keywords: Lactation Management, Breastfeeding, MDGs, Welfare*

## Relationship between Central Bank Independence and Inflation in Indonesia

Yessy Andriani  
Faculty of Economics, Andalas University  
rini\_rahmadian@yahoo.com

### ABSTRACT

Economic crisis in 1997-1998 has caused Indonesia gives independence to its central bank. This because a conservative central bank is believed can achieve price stability. The purpose of this research is to investigate the relationship between central bank independence (CBI) and inflation in Indonesia using time series data. This research use legal CBI index and turnover of central bank governor (TOR) was constructed by CWN (1995) as indicators of independence. Second, this research examine whether the results reported by CWN are acceptable for Indonesia. Additional, the research investigates causality relationship between two indicators of CBI and inflation. This research use Error Correction Model; Engel Granger Error Correction Model (EGECM). Finally, the research explores the direction of the relationship both indicators of CBI and inflation by using Engel Granger Causality test. This research is completed by scatter plot to show the relationship between two indicators graphically. This research finds that legal CBI index is negatively significant correlated to inflation and TOR is positively insignificant correlated. These result is different from prediction that built by CWN and GMT. This research also suggests that high inflation requires an independent central bank. Turnover of central bank governor should be lower since the relationship between inflation and TOR happen in long term.

*Keywords: Central Bank Independence, Inflation, Engel Granger Error Correction Model*

## **Exploration Existing Condition Traditional Markets Managed by the Government in Padang**

Yosi Suryani \*

*Department of Business Administration, Polytechnic State of Padang, Padang*  
yosisuryani@gmail.com

### **ABSTRACT**

This paper discusses an overview of existing conditions contained nine traditional market in the city of Padang and managed by the local government. This paper aims to explore of the traditional markets managed by the Government of Padang in terms of physical condition region, location, and management fees. The methodology used is descriptive qualitative analysis to the traditional markets managed by the Government of Padang, such as Pasar Raya Market, Simpang Haru, Ulak Karang, Tanah Kongs, Alai, Inpres Siteba, Lubuk Buaya, Belimbing, and Bandar Buat. The data sources from the Office of Markets, Department of Spatial Planning and Administration Building, as well Bappeda Padang, as well as primary data in the form of direct observation and interviews selected object on every service related field. The results of the paper suggests that the nine traditional markets managed by the Government of Padang has potential and good prospects for development. However, there are still some problems such as the lack of supporting facilities such as parking, trash, dirty poor drainage and so on. While the retribution is collected by officers appointed by the Office of Markets and submitted to the Office Market.

*Keywords: Traditional Market, Physical Condition Region, Location, Management Fees*

## **Identification of Problems Education in The Region at Risk of Failure of The 9-Year Primary Education as The Implications of the MDGS Achievement in Pasaman Regency**

Yulia Anas

*Faculty of Economics, Andalas University*  
yulia.anas@yahoo.co.id

### **ABSTRACT**

This research aims to identify the problems of basic education in the region at risk of failure of the 9-year primary education in Pasaman Regency. By using qualitative research methods are carried out study of the problem children do not complete their primary education in the area of plantations, forest areas and coastal areas<sup>1</sup> so that the result is expected to be used as the basis for Government policy areas to complete primary education as the implications of the achievement of the MDGs.

Main problems of primary education in the region at risk of failure of the 9-year primary education is different in accordance with the conditions and characteristics of the region. Main problems of primary education in the area of plantations and forest areas is almost the same, i.e. the poverty factor where households had trouble financing the education of children, the lack of motivation for school, worker family and distance to a school far from home. The interesting thing is found in an coastal area where the main problem elementary education not because of the economic pressures of family but is due to the lack of motivation for school children, the lack of attention of parents against the continuity of the child's education and because of the influence of the environment such as the number of children who are not school residences surroundings

*Keywords: Primary Education, Area Of Plantations, Forest Areas, Coastal Areas*

## Dynamic Interactions Between Nominal Effective Exchange Rate and Gold Price Movements: Evidence from Indonesia

Abdul Khaliq  
Department of Economics at Andalas University  
k28.abdul@gmail.com

### ABSTRACT

This study observes the short-run and long-run relationship between nominal effective exchange rate and Gold Price Movements in Indonesia. Using monthly data over the period 1997M08-2014M07, the empirical findings are carried out by utilizing ordinary least square (OLS) and error correction model (ECM) to provide evidence in favor of relationship between nominal effective exchange rate and price gold movements. The empirical evidence suggest that the ECM estimates well characterize how the nominal exchange rate relates to the gold price movements, both in the long-run and short-run. Based on the results, this study contributes both to develop investment theory in gold and to support information availability for monetary policymakers, hedge funds managers, and portfolio managers in Indonesia.

*Keywords : Gold Prices, Nominal Effective Exchange Rate, Error Correction Model*

## The Impact of FDI on Economic Growth through Financial Sector Development, Trade Openness, and Human Capital in ASEAN-5

William Manggala Putra  
Department of Economics University of Indonesia  
william.manggala@yahoo.com

Sugiharso Safuan\*)  
Department of Economics University of Indonesia  
sugiharso@ui.ac.id

### ABSTRACT

The objective of this paper is to examine foreign direct investment (FDI) impact on ASEAN-5 economic growth through its interaction with domestic absorption capacity such as financial sector development, trade openness, and human capital. These three factors are exercised together in this paper with a purpose to show which factor is the most important precondition for FDI to have a positive impact on economic growth. A panel dataset for ASEAN-5 member countries over 1980 – 2012 is employed and it is estimated by using Generalized Method of Moments approach. This paper empirically found that the interaction between FDI and domestic absorption capacity has a positive impact on the economic growth. The results also provide evidence that interaction of FDI with trade openness is more important than human capital, all the more with financial sector development. Given these result, the role of FDI in integrating a country to regional or global supply chain should be prioritized and counted as a consideration in formulating incentives policy to FDI. Overall, assessment of this paper indicates region-specific evidences while previous findings mostly focused on bigger scope.

*Keywords: FDI, Financial Development, Trade Openness, Human Capital, Economic Growth*



## Regional Concentration Analysis of Small Medium Enterprises in Indonesia from 2001-2012

Leli Sumarni  
Faculty of Economics, Andalas University  
lelisumarni62@gmail.com

### ABSTRACT

Small Medium Enterprises (SMEs) are engaging one of crucial roles for economic growth and development in many countries. In case of Indonesia it can be seen from the various units of SMEs in many economic sectors. Beside have roles to provide job opportunities, SMEs also had important roles in local economic development and society improvement; moreover it also gives significant roles beside export of non oil and natural gas. The crucial roles of SMEs become more important due to the implementation of autonomy in regional economic development. The main purposes of this research are to identify the level of SMEs in previous provinces in Indonesia, measure the level of SMEs growth in various provinces in Indonesia, and indentify the labor absorbent of SMEs in Indonesia.

In line with research purposes, author use two approaches: first is Concentration Index (CI) approach and second is descriptive approach. In this research author applies secondary data between 2001 – 2012, which are sourced from BadanPusatStatistik (BPS). This study found that based on 10 provinces which have higher concentration employment index ( $CI > 1$ ) between the period of 2001 – 2012, such as West Sumatra, DKI Jakarta, East Java, Yogyakarta, East Java, Bali, West Kalimantan, South Kalimantan, East Kalimantan, and North Sulawesi prove that SMEs have more significant roles in providing local and national job opportunities. However, those growths are not be spread evenly in each province, due to existence of inequality for economic development in each province especially for Java.

*Keywords: Concentration Index, Regional Concentration Analysis, SMEs*

## Determinant of Financial Distress and Bankruptcy in Miscellaneous Industry

Abel Tasman\*  
Faculty of Economics, Universitas Negeri Padang  
abelltasman@gmail.com

Erni Masdupi  
Faculty of Economics, Universitas Negeri Padang  
emasdupi@gmail.com

### ABSTRACT

The purpose of this study is to predict the determinant of financial distress and bankruptcy which consists of seven financial ratios such as net working capital to total assets, current asset to sales, current liabilities to total assets, market value of stock to book value of total debt, sales to total assets, retained earning to total assets and earning before interest and tax to total assets. Population of this study is all of miscellaneous industry which listed in Indonesian Stock Exchange (IDX) in the period of 2004 to 2012. Based on purposive sampling, 162 companies-years observations were selected. Sample is classified into distress company group and non distress company group. The logistic regression is used to answer the research question. The result of this study showed that the financial ratio which selected as determinant of financial distress and bankruptcy were sales to total assets and earning before interest and tax to total assets with the level of accuracy of prediction at 85,2%.

*Keywords: Financial Ratio, Financial Distress, Bankruptcy, Logistic Regression*

## Ownership Structure and Firm Values: Empirical Study on Indonesia Manufacturing Listed Companies

Abukosim

*Accounting Department, Sriwijaya University*

Mukhtaruddin

*Accounting Department, Sriwijaya University*

Ika Sasti Ferina

*Accounting Department, Sriwijaya University*

Claudia Nurcahaya

*Accounting Department, Sriwijaya University*

### ABSTRACT

The companies listed in Indonesia Stock Exchange generally have an organizational structure that separates owners and management. This situation may create a conflict between the owners and the management. However if they share a common goal, it can increase the companies' values. This research is aimed at identifying the influence of ownership structure (managerial, institutional, foreign, and central) on the prices to book values (PBV). Understanding of the ownership structure is important for the control of a company operation. This research uses secondary data; it is based on the annual financial reports of Indonesia Stock Exchange in 2009 – 2011. A purposive sampling technique is applied, and 32 companies are selected as the sample. The data are analyzed using multiple linear regression and descriptive statistics. The research results show that the ownership structure significantly influences the firms' values: (1) the managerial ownership does not have a positive influence on firm value, (2) the institutional ownership has a positive and significant influence on firm value, (3) the foreign ownership has a positive and significant influence on firm value, (4) the concentrated ownership does not have a positive influence on firm value. This research is limited to only the ownership structure as the factors influence of firm value.

*Keywords: Agency theory, ownership structure, firm values*

## Intellectual Capital, Firm Value and Ownership Structure as Moderating Variable: Empirical Study on Banking Listed In Indonesia Stock Exchange Period 2009-2012

Bambang Bemby S

*Economics Faculty, Sriwijaya University Palembang, Indonesia*

Mukhtaruddin

*Economics Faculty, Sriwijaya University Palembang, Indonesia*

Arista Hakiki

*Economics Faculty, Sriwijaya University Palembang, Indonesia*

Rahmah Ferdianti

*Economics Faculty, Sriwijaya University Palembang, Indonesia*

### ABSTRACT

Intellectual capital has been known since the issue of the failure of traditional accounting reporting real asset values and the presence of an integrated reporting standard requiring disclosure on capital employed in the creation of corporate value. This study aims to determine the effect of intellectual capital on firm value by ownership structure as a moderating variable. Intellectual capital is measured by using a model of Value Added Intellectual Coefficient (VAIC<sup>TM</sup>) while the value of the company is measured by using Tobin's Q. The ownership structure as a moderating variable is represented by the percentage of managerial ownership and institutional ownership.

This study's population are banking companies listed in Indonesia Stock Exchange (BEI) from 2009 to 2012. Based on purposive sampling method, the sample is obtained by 27 companies. The analytical method used is multiple regression equation for overall and path analysis for testing residual moderating variables. The results of this study indicate that intellectual capital has a positive and significant effect on firm value. This study also proves that managerial ownership is moderating variable that negatively affect the relationship of intellectual capital on firm value. While institutional ownership does not moderate the effect of intellectual capital on firm value.

*Keywords: Intellectual capital, VAIC<sup>TM</sup>, Firm Value, Managerial Ownership, Institutional Ownership*

# **LQ45 Corporate Financial Performance Analysis Approach Based on Economic Value Added (EVA), Market Value Added (MVA) and the Effect on Stock Return**

Dina Amaluis  
STKIP PGRI Sumatera Barat  
dina.amaluis@gmail.com

## **ABSTRACT**

The Purpose of this research are: 1) To know how to asses the company's financial performance with EVA Approach, 2) To asses the company's financial performance with MVA, 2) To know how the impact the value of EVA and MVA for stock return. The population in this study is that firms categorized LQ-45 during the period 2004-2008. Where the sampling technique used was *Purposive Sampling* technique to obtain a sample of 10 companies. Approach or analysis used on this research is descriptive and quantitative analysis. The process begins by describing how the performance assessment based on EVA and MVA. Then do a regression analysis to see the effect of EVA and MVA on stock returns.

The results of this study are that: 1. the company has a value belonging LQ45 Economic Value Added (EVA) were negative throughout the study period. 2 for the value of Market Value Added (MVA) of the sample firms is quite high throughout the study period. 3 EVA and MVA have a significant effect on stock returns. The implication of this study is that in order to improve the financial performance of companies can implement EVA and MVA approach to creating economic value for the company.

*Keywords: LQ 45, EVA, Cost of Capital, MVA, Stock Return*

# **The Impact of Ownership Structure, Business Diversification and Company Size on Company Value**

Erni Masdupi  
Faculty of Economic, Padang State University  
emasdupi@gmail.com

## **ABSTRACT**

This study investigates the influence of ownership structure, business diversification and company size on company value that listed in Indonesia Stock Exchange (IDX) in the periode of 1996-2005. Population of this study is all listed companies in IDX in the periode of analysis. The purposive sampling is used to determine the number of sample. Based on 210 company-year observations, regression was executed, and the analysis found that size significantly contributed to company value which measured by market to book value ratio (MBVR) while one proxy of ownership structure (foreign ownership) was found to be significant in influencing company value. Diversification of business did not seem to influence company value. Perhaps, in an emerging market such as Indonesia, size plays a significant role in influencing company value due to the presence of greater economies of scales, better competitive position, having more skilled managers, and having greater access to cheaper sources of funds. It means that listed companies on the IDX could increase company value by increasing their size. This implies that the regulators should adopt policies that encourage or at least do not impede companies to grow in size.

*Keywords: Company Value, Ownership Structure, Diversification and Size*

**Factors from Underwriter that Influence Initial Return of the Companies  
Doing Initial Public Offerings in Indonesia Stock Exchange in the Period of  
2004-2011**

Ferry Sugianto  
*National Cheng Kung University (NCKU) Taiwan*  
ferry\_21405010@yahoo.com

Liliana Inggrit Wijaya  
*Faculty of Business and Economics*  
*Universitas Surabaya*

**ABSTRACT**

The objective of this study is to examine whether the underwriter's factors affect the initial return of the companies that were going to do Initial Public Offerings (IPO). This study uses the quantitative approach using Ordinary Least Squares (OLS) method to examine whether the underwriter's factors affect the initial return. The samples of this study are companies which are doing the IPO in Indonesia Stock Exchange in the period of 2004- 2011. This study finds that the underwriter's factors have significant effect for the companies which do IPO, such as prestige, number of syndicate, experience, and oversubscription. But other independent variables like reputation, total assets, age, and price revision have no significant impact to initial return. The paper provides useful information for emitens how to choose good underwriters to avoid underpricing which causes wealth transfer to investors, the underwriters with good prestige, big syndicates, a lot of experiences, and less of doing oversubscription are recommended.

*Keywords: Initial Return, Underwriter, Initial Public Offerings*

**Analysis of Banking and Capital Markets Dependencies and Its Effect on  
the Performance of the Public Company on Property Sector in Indonesia**

Gina Havieza Elmizan  
*Padang State University*

**ABSTRACT**

This research aims to analyze: (1) the effect of banking transaction costs, banking moral hazard, banking adverse selection, and externality cost to the banking dependency of the publicly listed companies on the property sector in Indonesia; (2) the effect of capital market transaction costs, capital market moral hazard, capital market adverse selection, and externality cost to the capital market dependency of the publicly listed companies on the property sector in Indonesia; and (3) the effect of the cost of construction, cost of sales, the national economy, and the inflation rate on the performance of publicly listed companies in the property sector in Indonesia. This research is a quantitative-descriptive study. The type of data in this study is the documentary data, and the sources type of data in this study is a secondary data as well as data in the form of panel data with 45 observations, consisting of 15 companies for the years 2010-2012. This study uses a simultaneous equation model analysis tool with the Fixed Effect and Random Effect Model regression method. Endogenous variables in this study are banking dependencies, capital markets dependencies and performance of property companies. While the exogenous variables consist of banking transaction costs, banking moral hazard, banking adverse selection, capital market transaction costs, capital market moral hazard, capital market adverse selection, externality cost, cost of construction, cost of sales, the national economy, and the inflation rate.

The results showed that: (1) Together banking transaction costs, banking moral hazard, banking adverse selection, and externality cost have a significant effect the banking dependencies of the publicly listed companies on property sector in Indonesia. (2) Together capital market transaction costs, capital market moral hazard, capital market adverse selection, and externality cost have a significant impact on the capital market dependency of the publicly listed companies on the property sector in Indonesia. (3) Together the cost of construction, cost of sales, the national economy, and the inflation rate have a significant impact on the performance of publicly listed companies on the property sector in Indonesia. Policy implications of this research are: (1) The government should pay attention to the main variables affecting the banking dependencies. The most important variable affecting the banking dependencies is banking adverse selection represented by the total value of companies' trade receivables.; (2) The government's efforts to be improved is the role of monitoring corporate performance and increasing the

active participation of members in the capital markets to ensure the preservation of the company's performance.; and (3) The government and stakeholders related to the national economy and the development of properties need to integrate the industry in improving the performance of the economy as much as possible for the sake of the common good. Performance of the property company is not really affected by the inflation rate, which indicates that the Indonesian property industry can be a prime choice in considering investment when associated to the price fluctuations.

*Keywords: Banking, Capital Market, Property Sector and Government*

### **Effect of Company Size, Profitability, Leverage, Liquidity and Ownership Structure of the External Party Toward Internet Financial and Sustainability Reporting (IFSR)**

Hesti Amelia Rizkiyah\*  
*Faculty of Economics Universitas Andalas*  
hestiameliarizkiyah@rocketmail.com

Masyhuri Hamidi  
*Faculty of Economics Universitas Andalas*  
hamidi.masyhuri@gmail.com

#### **ABSTRACT**

Internet Financial and Sustainability Reporting (IFSR) was voluntary disclosure. With no specific regulations on IFSR, some companies disclosed its informations about financial, sustainability, products, etc at company's website independently. Its website could interest investor, creditor, and internet user to know more about the company. The objective of this research was to test and analyze the factors that affected the voluntary disclosure by IFSR Index. Firm size, profitability, leverage, liquidity, and outside ownership were the independent variables of this research. The samples of this research were 12 food and beverage companies listed at Indonesia Stock Exchange during 2009 till 2012 that had been selected by using purposive sampling method. Hypothesis testing is performed using multiple linear regression analysis using SPSS (Statistical Program for Social Science). The result of this research revealed that profitability and outside ownership influenced Internet Financial and Sustainability Reporting. Big companies and profitable had a good reporting information system and leaned to have the resources to produce more information.

*Keywords: Company Website, Information, Internet Financial, Sustainability Reporting, Voluntary Disclosure*



## Merger and Acquisition Influence for Level Return of Companies

Kevin Amin\*  
*Accounting Departement Andalas University*  
Kevinamin29@yahoo.com

Yurniwati  
*Accounting Departement Andalas University*  
yurniwati\_feunand@yahoo.co.id

### ABSTRACT

Merger and Acquisition are viewed as a vital role for company as business strategy. A merger or acquisition information that is released by a company will influence share price of acquiring company as well as that of the target company. This research is intended to test whether an announcement of mergers and acquisition are responded by investor so produce abnormal return for the company. Investor reaction toward an announcement is measured by the abnormal return of the company. The sample used in this research consists of 4 companies for mergers and 40 companies for acquisition. They are listed in Indonesia Stock Exchange and have undertaken merger and acquisition in period of 2010-2014. For the analysis, using Wilcoxon Signed Rank for mergers, show that there is no difference in abnormal return between 30 days pre announcement and 30 days post announcement. In addition test of hypothesis for acquisition, using paired sample test, indicates that there is no difference in abnormal return between 30 days pre announcement and 30 days post announcement. It can be concluded that an announcement of mergers and acquisition does not give positive impact to abnormal return. It indicates that there is a potential leakage information before pre announcement or investor does not account an announcement of mergers and acquisition as a benchmark to buy stocks.

Keywords: *merger, acquisition, abnormal return*

## Demographical and Geographical Analysis of Financial Literacy

Lim Thien Sang\*  
*Universiti Malaysia Sabah*  
tslim@ums.edu.my

Zatul Karamah A.B.U.  
*Universiti Malaysia Kelantan*  
zatulkaramah@umk.edu.my

Masyhuri Hamidi  
*Andalas University*  
masyhurihamidi@fekon.unand.ac.id

### ABSTRACT

In Sabah and the rest Malaysia, there are increasing signs of personal financial mismanagement and financial stress, especially among the young generation. Experts in the area of personal finance posit that financial illiteracy is one of the contributing factors to the inability of a person to properly manage his or her financial matters as well as long-term financial commitment. Sabah, being one of the biggest and one of the diverse states has many preconditions for financial literacy research. Analysis based on demographical factors suggests that males are better financial literacy than females. Financial literacy is also better among the higher age groups. Financial literacy gaps also exist in terms of level of education and income group. This study also finds that geographical location is an important factor. Perhaps the most interesting factor of the research is that a non-majority ethnic group has come up top in financial literacy, and the literacy gap compared to all other ethnic groups is statistically significant.

Keywords: *Financial Literacy, Financial Knowledge, Personal Financial Planning*

## Agency Cost at Poorly Managed Firms

Linda  
*Universitas Syiah Kuala*  
lindarisad@gmail.com

Nuraini A  
*Universitas Syiah Kuala*  
aini\_anzib@yahoo.com

### ABSTRACT

There is an ongoing debate on the joint role of corporate governance mechanism and voluntary disclosure information in reducing information asymmetries and ameliorating agency cost. Non-executive directors are the most important internal controls in improving transparency through voluntary disclosure. The independent directors always attempt to improve information disclosure and transparency of reporting, whereas the executive directors, who are responsible for the submission of the company report, always promoting the transparency information.

Samples in this study were manufacturing firms with poorly managed, as measured by the proxy of Tobin's  $Q < 1$  with zero managerial ownership structure. By focusing on the factors that can minimize agency costs, the structural analysis models using PLS technique was used in this study. The results showed that non-executive directors could oversee the company's directors to improve corporate transparency through voluntary disclosure submission. However, voluntary disclosure submitted by the directors of the company was low, therefore the company should increase voluntary disclosure to minimize information asymmetry and agency costs. This study has not focused on voluntary disclosure information quality, but quantity. In addition, proxy for mechanism corporate governance is measured by the proportion of non-executive director, executive director and audit committee board.

*Keywords: Agency Cost, Bid Ask Spread, Corporate Governance, Voluntary Disclosur*

## Investment Enhancement Strategy in Batam (An Empirical Study of Implementation Delphi Techniques)

Lu Sudirman  
*Universitas Internasional Batam*  
dirman\_lu@yahoo.com

Wisnu Yuwono  
*Universitas Internasional Batam*  
wisnu@uib.ac.id

### ABSTRACT

This research aims to find new insights about the investment development programs in Batam using Delphi technic. The questionnaires were distributed to the investors and the investment experts in two phases. We found a consensus that the main priority to attract the investors in Batam is to upgrade the infrastructure. The next priorities in order are the risk variable which is about the legal certainty, the human resource management, the external variables, and the financial variables. The study suggested that the government should focus in upgrading the infrastructure as the main priority to encourage the investors' interest in investing in Batam.

*Keywords: FDI (Foreign Direct Investment), DCI (Domestic Investment), Delphi Technic*

**The Influence of Growth Opportunity, Liquidity, and Profitability  
on Capital Structure of Property and Real Estate Company Listed in  
Indonesia Stock Exchange  
2008-2012**

Rahma Ghassani  
Andalas University  
rahmaghassani10@gmail.com

Masyhuri Hamidi  
Andalas University  
hamidi.masyhuri@gmail.com

**ABSTRACT**

The aims of this study to examine and provide empirical evidence of the effect of growth opportunity, liquidity, and profitability on capital structure. This research utilized firm size as a control variable. The research object are property and real estate companies listed in Indonesia Stock Exchange (IDX) 2008-2012. The twenty-two companies in this research were selected by purposive sampling method. Hypothesis was tested using multiple linear regression analysis in SPSS (Statistical Program for Social Science). The results showed that growth opportunity, liquidity, and profitability simultaneously affected the capital structure. For individually testing the result showed that growth opportunity has a positive influence on the structure of capital but the liquidity and profitability had a negative influence on the structure of capital.

*Keywords: Growth Opportunity, Liquidity, Profitability, Capital Structure*

**The Remodelling of Bankruptcy Model of Combinations Springate,  
Zmijewski, Altman and Groever Scoring.  
At Listed Indonesian Company**

Ratnawati Rafli  
ratnawatirafli@yahoo.co.id

**ABSTRACT**

Financial Performance of the company is become the essential factor that influences the decision of stake holder such as stake holder, employees, and government. The tools of financial performance are variety. One of the tools that be used frequently is financial ratio. We can evaluate the performance of the company by using financial ratios. Furthermore, there are many researches that use it to predict the financial distress of company in the future. Altman, Zmijewski and Groever are the researchers that make the research of the bankrupt company. They find the model that can predict the bankruptcy in the future. This research make remodel of altman, Zmijewski and groever model to predict bankruptcy of the service company in Indonesian. This study uses of discriminant analysis as the tool to make remodel of financial distress prediction

*Keywords: Financial Ratio, Financial Distress, bankruptcy, Discriminant Analysis*

## Financial Contagion Effects of the US Subprime Crisis on Developed Countries and Islamic Index

Rida Rahim  
Andalas University  
rida\_rahim95@ymail.com

### ABSTRACT

This research aims to analyze the impact of the subprime crisis on the stock price movement mortgage ASIA and sharia. In addition, this research also conducts analysis on the long-term relationship (co-integration) and the effects of contagion (contagion-effect) which occurs during this period. This research was made because there are differences between research results with each other on US Subprime Mortgage crisis period regarding its impact on Islamic stock market. This paper uses the Dynamic Conditional Correlation models to examine the phenomenon of financial contagion after the American subprime crisis. This model, developed by Engle (2001, 2002), Engle and Sheppard (2001) and Tse and Tsui (2002) as the original specification of the multivariate models' conditional correlations, allowing tracking the evolution of the correlation between two or more assets. Our sample consisted of six countries and three Islamic Index ASIA is in ASIA, including the American market crisis originated. The data is the data frequency used every day from May 31 2002 to May 31, 2013, while the period of statistical analysis tools used are Ox-Metrics. The results seem to indicate to an amplification of the dynamic conditional correlation during periods of crisis that stretches from August 1, 2007 to 26 February 2010 seems to indicate an increase in the dynamic conditional correlation after the initial subprime crisis. More specifically, we note that the conditional return correlation of the DJIA stock indices and six State ASIA greatly increased during the crisis period.

*Keywords: Financial contagion, subprime crisis, Dynamic conditional correlation*

## Analysis of the Relationships Among Gold Price, Oil Price and Thailand Stock Markets

Ruksakul Cheewakoset  
Faculty of Management Sciences, Kasetsart University, Thailand  
[fmsrsc@src.ku.ac.th](mailto:fmsrsc@src.ku.ac.th)

### ABSTRACT

This purpose of this study was to examine the relationships among gold price, oil price, and stock market in Thailand. Increasing oil prices will increase the cost of production that will affect cash flow and will decrease stock prices. Thailand investors are demonstrating unease in the stock markets due to continuous rising of gold prices on account of no fear and no future loss, this study is using daily time series data from 1 January 2000 to 31 December 2013. This study applied the Augmented Dickey-Fuller (ADF) test to investigate the unit root of those variables, Johansen cointegration analysis and Granger causality were also applied to estimate the long run relationship and the short run adjustment to equilibrium. The results of unit root test found that all of variables had unit root with the same order of integration with an I(1) process. Johansen cointegration test result indicates that there exists a long-term relationship among the selected variables. Granger causality test result shows that there must be either bidirectional or no causality among the variables.

*Keywords: Gold price, oil price, stock markets*

**Predicting the Future Stock Return  
Using E-Information in Indonesia Stock Exchange**

Sawidji Widoatmodjo  
Faculty of Economic of Tarumanegara University  
sawidjiw@pps.untar.ac.id

**ABSTRACT**

A stock return was known too difficult to be predicted. There were many works had been done in the past by both professionals in capital market and also finance scientists. The results were still split in two sides. On one side, they said that a stock return could be predicted by a model, such as CAPM proposed by Sharpe or Three factors model created by Fama & French. On the other side, they opposed that a stock return couldn't be predicted because there were existing of noise traders who always made mispricing by using rumors. The massively use of the internet in stock investment, more strengthen the existence of the noise traders and reinforce the role of the rumors. Now day the noise traders use internet, such as mailing list, message board, facebook, and others, as a media to spread the rumors. This research investigates weather rumors that spread through mailing list—called as e-information—have a role in stock mispricing so that can be used to predict the future stock return? Using bivariate statistic technique and combined with event study with five windows (five days before and after a rumor posting), this research analyzes the stocks return that get the most rumors posted by investors. The result suggest that e-information don't show significant influence the stock return. Base on that result, the conclusion of the research is e-information can't be used to predict the future stock return. The implication is even internet more facility the stock transaction, investors in Indonesia Stock Exchange can't exploit rumors for taking profit as noise traders.

*Keywords: Stock, Return, E-Information, Prediction, Rumor*

**Analysis of The Influence of Efficiency and Capital Adequacy of The  
Financial Performance's Regional Development Banks in Indonesia**

Sparta  
STIE-Indonesia Banking School  
sparta1609@yahoo.com

**ABSTRACT**

This study aims to describe the efficiency of BPD banks in Indonesia and the influence of efficiency, capital adequacy, bank size and macro economic indicators on the performance of BPD banks in Indonesia during the period 2008-2012. This study uses the variable ROA, CAR, LNSIZE, GDP, GCRED and INF. The model used is Ordinary Least Square with panel data. The samples are all BPD banks in Indonesia as many as 26 banks with 130 observation. The results study about BPD banks efficiencies's in Indonesia during the period 2008-2012 show that the average BOPO of all BPD banks in Indonesia during the observation period of five years is 72.45%. During that period, BPD Aceh received the title of the most inefficient banks with BOPO is 92.98% and South Sulawesi BPD received the title of most efficient banks with BOPO is 54.03%. The most efficient BPD for the years 2008, 2009, 2010, 2011 and 2012 respectively are BDKI, BSTR, BACH, BSUA and BSSN. While the most efficient BPD for 2008, 2009, 2010, 2011, and 2012 respectively are BSST, BSTA, BKTU, BSTA and BSTA. The results of this study also showed that none of the BPD banks in Java which has total assets greater than BPD banks outside Java BPD banks awarded the most efficient banks in Indonesia. The results of this study also showed that significantly negative BOPO at 1% with probability alpha 0%, significantly negative CAR at alpha 5% with a probability of 0.0459 alpha, and LNSIZE significantly negative at 5% with a probability alpha 0.0187 affect on the BPD banks financial performance. Regional economic indicators, GCREDR significantly negative affect on the BPD banks financial performance of the alpha 1% with a probability of 0.0078 and INFR significantly positive affect the financial performance of BPD banks at alpha 5% with a probability of 0.0288 alpha. GPDRBT regional economic indicators did not significantly affect the financial performance of BPD. Adjusted R-squared of this study regression equation is 0.58.

*Keywords: BOPO And CAR*



## **Determinants of Credit Risk: Recent Evidence From Indonesian State-Owned Banks**

Venny Darlis  
*Faculty of Economics, Andalas University*  
darlis.rms13@msm.nl

### **ABSTRACT**

This paper aims to investigate the credit risk determinants in Indonesian state-owned banks employing panel data techniques. It scrutinises determinants that play a role on the non-performing loans. The samples include 4 Indonesian state-owned banks covering the period 2009 to 2013. Given the importance of credit risk management, the novelty of this paper is taking into account both macroeconomic variables and microeconomic variables under Basel III pillar. Mainly using STATA for quantitative analysis, the study indicates key determinants of credit risk in Indonesian state-owned banks. The findings reveal those macroeconomic variables; inflation and exchange rate jointly with bank specific variables; capital adequacy, return on asset, and size of the banks have negative effect on the credit risk. Contrary to the expectations, there is evidence supporting positive effect of equity to asset ratio on the credit risk. The study discusses several policy implications of the analysis and contributes to our understanding about credit risk determinants in emerging country.

*Keywords: Credit risk, Non-Performing Loan, Macroeconomic Variables, Indonesian Banking Industry*

## **The Internal Control Analyses in Financial of Mosque, Case Study at 30 Mosques in Padang**

Syarifah Zuhra\*  
*Accounting Department, Padang State Polytechnic*  
Syarifahrara11@gmail.com

Zahara  
*Accounting Department, Padang State Polytechnic*

### **ABSTRACT**

This research aims to measure the mosque financial internal control. In addition, this research also measures the difference of internal control among government, religious organization and community based management mosques. In so doing, 30 mosques were selected as samples. Those mosques were later categorized based on their size, that is big and small mosques.

Internal control data is gathered through questioner, which uses Likert scale in 5 levels. The total average score of internal control is classified in 5 range values which are very good, good, enough, bad and very bad. The result of this research shows that the mosques financial internal control in average is "good". Based on the organizers, this research indicates that the internal control of government based management mosques, are better than religious organizations based management mosques and community based management mosques. Further, the findings of this study also shows that the internal control of big mosques is better than small ones.

*Keywords: Internal Control, Big Mosques, Small Mosques, Government Based Management Mosques, religious organization Based Management Mosques, Community Based Management Mosques*

## Examining the Impact of Strategic Clarity on Strategy Implementation Success from the Lens of Indonesian Islamic Banking

Dudi Permana\*  
Andalas University, Indonesia  
dudipermana.77@gmail.com

Hasliza Abdul Halim  
Universiti Sains Malaysia  
haslizahalim@usm.my

Ishak Ismail  
Universiti Sains Malaysia  
iishak@usm.my

### ABSTRACT

This paper aims at examining the impact of strategic clarity namely align with vision, priority of strategy, scope of strategy on strategy implementation success in Indonesian Islamic banking. Data were collected from middle managers of Indonesian Islamic banks via survey questionnaire developed from related literature. The data collected were then analysed using structural equation modeling via Smart PLS. Findings indicates that strategic clarity in term of align with vision, priority of strategy and scope of strategy have positive significant impact on strategy implementation success in Indonesian Islamic banking. The implications of these findings are further elaborated.

*Keywords: Strategic clarity, Strategy Implementation Success, Islamic banking, Indonesia*

## Strategic Implementation of Government Internal Control System (GICS) Toward Good Corporate Governance in State Polytechnic

Elfitri Santi \*  
Politeknik Negeri Padang  
elfitrisanti.pnp@gmail.com

Endrawati  
Politeknik Negeri Padang  
eentanjung@gmail.com

Variyetmi Wira  
Politeknik Negeri Padang  
variyetmi@yahoo.co.id

### ABSTRACT

Good Corporate Governance (GCG) refers to processes or structures which are guided by the organization to gain continuous aim effectively. General guide of GCG in Indonesia are set by National committee of governance policy (KNKG) at 2006. There were five principles: Transparency, Accountability, Responsibility, Independency, reasonable and Fairness. Government applied GCG in Government Regulation Number 60 - 2008 about Government Internal Control System (GICS). Government has been required to all ministerial to control all activities by GICS. This research was conducted to accelerate SPIP applied in Ministry of Education and Culture in order to reach GCG. It was planned to be conducted for 3 years with the object of research to state polytechnic in West Sumatera. First year of research was to Map the GICS to know the policy and procedure in state polytechnic. It was done by questioner and FGD (Focus Group Discussion). It's resulted items that needed to be repaired according to sub element of SPIP based on PP 60 year 2008. The outcomes was expected to map of internal control system in state polytechnic. the result of study is all item in GICS applied it but not yet maximum. Especially around its controlled environment. Its all caused by less of commitment of doing GICS activities in state polytechnic.

*Keyword: SPIP, GCG, controlling, internalization, procedure*

## **Fraud in Government Agencies and Government Officials' Behavior: Evidence from The Press**

Fauziah Aidafitri  
*Universitas Syiah Kuala*  
fauziah.afitri@yahoo.com\*

Nasrul Arta  
*Universitas Syiah Kuala*

### **ABSTRACT**

This paper aims to examine the role of government officials' behavior involved in fraud cases in Indonesia during 2009-2013. This study integrated the Theory of Planned Behavior and the Fraud Triangle to get a better understanding of fraud cases. The study applied through a descriptive quantitative analysis. The data gathered from 133 news articles from several newspapers available in Indonesia. The data used in this paper based on evidence from the press articles. There are 40 perpetrators of fraud in government agencies used as the research sample. The result of the analysis find that personality traits are the major fraud cause factors. The result of the study reveals that evaluation of behaviors of government officials in government agencies are assessment of attitude, subjective norms and perceived controlled behavior played an important role in understanding and detect behavioral of employee associated with unethical behavior.

*Keywords: Fraud, Fraud Triangle, Theory Of Planned Behavior, Assessment Of Attitude, Subjective Norm, Perceived Controlled Behavior*

## **Strategy Linkage and its Impact on Firms Performance**

Lina Anatan  
*Faculty of Economics, Maranatha Christian University Bandung*  
lina.anatan@yahoo.com; lina.anatan@eco.maranatha.edu

### **ABSTRACT**

The phenomenon of manufacturing industries' rapid development in economic growth, have an impact on the need for understanding the role and strategies to improve company performance, so that the role of empirical studies in examining the phenomenon and the problems that occur is needed. This study aimed to test the hypotheses and answer the research issues related to the conceptual model of manufacturing strategy in the context of competitive strategy and environmental dynamism by using different research settings, namely the large-scale manufacturing companies in Indonesia. 500 questionnaires sent by mail survey sent to CEOs and managers of functional areas, 69 questionnaires were returned yielding return rate of 13.8%. Generally, the results of the study show that environmental dynamism has no significant influence on the choice of competitive strategy and manufacturing strategy, this is due to the real condition of the company in Indonesia, which in this study is a majority owned company of local entrepreneurs still tend to pay less attention to the influence of the external environment in setting strategy competing companies. The study results show a competitive strategy has an influence on manufacturing strategy, specifically on the competitive priority of flexibility. Both competitive strategy and manufacturing strategy has a significant influence on firm performance.

*Keywords: Environmental Dynamism, Manufacturing Strategy, Competitive Strategy, Firm Performance*

## Analysis of the Effect of Training on Performance of Micro and Small

Adi Kuswanto\*)

*Economics Faculty, Gunadarma University*  
kuswanto@staff.gunadarma.ac.id

Sudarsono

*Economics Faculty, Gunadarma University*  
sudarsono@staff.gunadarma.ac.id

Joko Utomo

*Economics Faculty, Gunadarma University*  
joko\_utomo@staff.gunadarma.ac.id

Radi Sahara

*Economics Faculty, Gunadarma University*  
radisahara@staff.gunadarma.ac.id

### ABSTRACT

In the condition of Indonesia's population continues to increase, employment opportunities are becoming increasingly necessary. Labor demand is always smaller than labor supply. Government always recruits employees selectively every year. To provide more job opportunities, the government provides the opportunity for societies to create their own jobs by starting micro, small, medium or large enterprise by providing various facilities. One of the government's supports is the provision of training to the managers of micro and small in order become more competitive. This research aims to analyze the effect of training on the performance of micro and small. This training has two independent variables namely the quality of trainer in training and quality training materials to be implemented and the dependent variable is the enterprise performance. The research uses 77 samples of small firms. The method of data analysis used is multiple regression. The result of this study indicate that the quality of the trainers in the training and the quality of training materials to be implemented together affect on the performance of micro and small. Partially implemented quality training materials affects the performance, but the quality of the trainer in training does not.

*Keywords: Trainer, Training Materials, and Performance*

## Influence of Economics Values on Hospital Performance Improvement: A Conceptual Model

Anna Marina

Universitas Muhammadiyah Surabaya, Indonesia  
a\_m\_rina@yahoo.com

Andi Wardhana

Universitas Muhammadiyah Surabaya, Indonesia  
andiwardhana@ymail.com

### ABSTRACT

The purpose of this research is to find a conceptual model of the influence of economic values to the improvement of hospital performance. The study was planned with a qualitative approach to data collection techniques such as in-depth interview and Focus Group Discussion (FGD). Data processing is planned with content analysis techniques. Specific target of this research is the discovery of a conceptual model of economic value that can be applied to all employees. There are 3 stages of activity were found in order to establish a value-based performance model framework, namely: Value Transaction Stage, Trans internalization value stage, and the value transformation stage. The implication of these findings is convenience in building the vision, mission, and the objectives the hospital.

*Keywords: Economic Values, Improvement Hospital Performance, value Transaction Stage, Trans-internalization Value Stage, Value Transformation Stage*

**Consumer Values in the Perspective of Javanese Mataraman Society:  
Indentification, Meaning and Application**

Anna Triwijayati\*  
*Ma Chung University*  
anna.triwijayati@machung.ac.id

Etsa Astridya Setiyati  
*Ma Chung University*  
etsa.astridya@machung.ac.id

Titik Desi Harsoyo  
*Ma Chung University*  
titik.desi@machung.ac.id

**ABSTRACT**

Culture is the important determinant of human behavior and desire. Culture influences the consumer through the norms and values established by the society in which they live and reflect it. The cultural values of Javanese society certainly have united in the Javanese society behavior in consumption. This research is expected to give big enough theoretical benefits in the findings of cultural value in consumption in Javanese society. These can be an incentive in finding the local cultural value in many tribes in Indonesia, so one time, the local cultural value in Indonesia about consumption can be fundamental part in education and consumption practice in Indonesia. The approach used in this research is non-positivist research or is known as qualitative approach. The method or type of research used in this research is ethnomethodology. The collection data is done in Central Java region. The research subject or informant is determined by the purposive technique by certain criteria determined by the researcher. The data is collected by deep interview and observation. Before the data analysis, the researcher does the storing method data stage and implements the data validity procedures. Then, the data is analyzed by the theme and interactive analysis technique. The Javanese Mataraman society has such consumption values such as has to be sufficient, be careful, economical, submit to the one who creates the life, the way life flow, and the present problem is thought in the present also. In the financial management for consumption, the consumer should have the simple life principles, has to be sufficient, has to be able to eat, has to be able to self-press, well-managed/diligent/accurate/careful, the open or transparent management, has the struggle effort, like to self-sacrifice and think about the future. The meaning of consumption value in family is centered to the

submission and full-trust to God. These consumption values are applied in consumer behavior in self, family, investment and credit need in short term and long term perspective.

*Keywords: Values, Consumer, Consumption, Javanese Mataraman, Ethnomethodology*



**Analysis Effect of Intellectual Intelligence, Emotional Intelligence,  
and Spiritual Intelligence on Employee Performance: Case Faculty of  
Economics University of Andalas**

Arrizal  
Faculty of Economics Andalas Universitas  
Arrizal1959@yahoo.com

**ABSTRACT**

This research was aimed to examine the effect of intellectual intelligence, emotional intelligence, and spiritual intelligence on employee performance in Faculty of Economics University of Andalas. Specifically, the aims of the research were (1) to find out the effect of intellectual intelligence, emotional intelligence, and spiritual intelligence on employee performance in Faculty of Economics University of Andalas, (2) to find out the most influential intellectual intelligence, emotional intelligence, and spiritual intelligence on employee performance in Faculty of Economics University of Andalas. This research was a case in Faculty of Economics University of Andalas. The population of research was all employees of Faculty of Economics University of Andalas, their numbers were 102 employees. The sample of the research was chosen with using the census method. Of the 102 questionnaires were distributed to 102 respondents, 66 questionnaires (64,7%) were returned by respondents and 36 questionnaires (35,3%) were not returned by respondents. Emory and Donald (2000) proposed that a research applied 30 % of the numbers of questionnaires were sufficiently representative and represent the population. The data were collected using a validity and reliable survey instrument. All of the scales described below were responded to on a 7-point Likert type scale. The anchor were strongly agree (7) and strongly disagree (1). The technique of analysis was applied the multiple regression with the SPSS (Statistical Product and Service Solutions). The result of this research showed there were two the results of the research. First, the result of the research showed that the employee performance (Y) in Faculty of Economics University of Andalas was influenced in 10,2% by intellectual intelligence ( $X_1$ ), emotional intelligence ( $X_2$ ), and spiritual intelligence ( $X_3$ ). Whereas the remains of the employee performance (Y) was influenced in 89,8% by the unknown and excluded factors in this model of research. Second, the result of the research showed the employee performance (Y) in Faculty of Economics University of Andalas was the most influential by the intellectual intelligence ( $X_1$ ).

*Keywords: Intellectual intelligence, emotional intelligence, and spiritual intelligence, and employee performance*

**The Relationship of Strategic HRM Practice with Service Quality  
(A Theoretical Review)**

Basuki  
STIMI Banjarmasin  
basuki.stimi.bjm@gmail.com

**ABSTRACT**

The purpose of this paper is to discuss the relationship between of strategic human resource management practice and service quality. Discussion of this approach is to do a literature study and review the results of previous research shown that the discussion of the strategic human resource management practices has a relationship to service quality but cannot be proven empirically yet. Strategic human resource management practices are reflected in indicators of job training (job training), employment (job opportunity), and job security (job insecurity). Services quality of government and private organizations are reflected in indicators of physical (tangible), reliability (reliability), responsiveness (responsiveness), collateral trust (Assurances), and a sense of caring (empathy).

*Keywords: HRM, Service Quality, Strategic*

## Challenges Faced by Women Entrepreneurs in Setting Up Online Business in Malacca

Nur Fatin Syamimi bt Nasharudin  
Universiti Teknikal Malaysia Melaka

Fararishah Abdul Khalid  
Universiti Teknikal Malaysia Melaka  
fararishah@utem.edu.my

### ABSTRACT

Recently, women entrepreneurs have increased in number due to the popularity of business online. People began to take interest of becoming an online entrepreneurs due to its nature that enables people to do the business activities without having time constraints that they normally experiences when working with the organization. Other reasons such as looking ways for increasing their financial status and also as part timehobbies also encourage people to become online entrepreneurs. However, there are some challenges that existed when they tried to set up an online business. Challenges from society, for example, discriminating on their abilities to fund their businesses due to the facts that they originally belong to a weaker gender become an obstacle for them to further develop their business. This report objective is to identify the challenges faced by women entrepreneurs in setting up an online business in Malacca on whether these three challenges affect the entrepreneur's decision to continue setting up the online business Findings shows that the security of online payment system, online business knowledge, and financial resources are a few of the challenges that women entrepreneurs faced in setting up the business This study takes place in the heart of Malacca City, Malacca. The target respondents are 100 respondents of women entrepreneurs consists of university students, career women were asked to identify if these three challenges are the challenges that they faced when setting up the online business. Results show that the security of online payment system was the main challenge they faced in setting up the online business compared to the other two challenges, which are online business knowledge and financial resources.

*Keyword: Women Entrepreneurs, Online Business, Challenges*

## How to Improve Employee Competency to Achieve Superior Performance

Fisla Wirda  
Politeknik Negeri Padang  
fisla\_heri@yahoo.co.id

Jumyetti  
Politeknik Negeri Padang  
yet\_jamal@yahoo.co.id

Imelda M.Nur  
Politeknik Negeri Padang  
Imelda\_mnur@yahoo.co.id

### ABSTRACT

The study of competency is an interesting topic globally. The development of competency models becomes the interest to practitioners, researchers, academicians, employers, and consultant. The purpose of this paper is to review how employee competency is able to achieve superior performance. Literature review method is used with compare reputable journals and handbooks that are relevant with this topic.

The findings of this exploratory study is that competencies are personal characteristics that have role in achieving superior performance. Five types of competency characteristics are motives, traits, self-concepts, knowledge, and skills. Individual characteristic can be used to differentiate between superior and average performers, or between effective and ineffective performers. This competency is used in the organization to define job requirements and position descriptions, to build performance indicators, enhance the professional development program and to guide employee to increase their ability. Employee with high competency will likely to have a good performance. There are some efforts can be done to improve employee competency such as increasing skills, motives, knowledge, attitude and trait that are required in the company.

*Keywords: employee competency, superior performance*

## **The Psychology Effect of Indonesian Towards Medical Treatment in Malaysia Hospital**

Hazmanan Khair  
Universiti Sains Malaysia  
hazmananpasaribu@gmail.com

Widyana Verawaty Siregar  
Universiti Sains Malaysia  
wiedyanav@gmail.com

### **ABSTRACT**

Health tourism recently developed in the Asia Pacific region and become one of the drivers of the economy, Malaysia is one to do a medical tourism destination. One of the potential factors that influence to make medical tourism is consumer psychology. Many studies highlight that the quality of hospital services is the most influencing factors of medical tourism but the influence of consumer psychology is still rarely found. However, this trend has attracted academic attention on the psychological factors affecting medical tourism. This paper aims to identify the relationship between psychology of Indonesian patient and decision for medical treatment in Malaysia hospitals. This study will survey patients from Indonesia who perform treatment in Malaysia hospitals. This study adds to present literature by explaining conceptually on the linkages between psychological factors when making health tourism decisions in Malaysia hospitals.

*Keywords : psychology consumer, medical tourism, Malaysia health industry*

## **Intangible Assets in Management Perspective (Literature Review)**

Hendra Lukito  
Management Department, Faculty of Economic, Andalas University  
Hendra\_lukito@yahoo.com

### **ABSTRACT**

The purpose of this paper is to get an alternative that can be used to further improve the organization performance. Organizational performance needs to be improved in order to gain a competitive advantage because an uncertain environment, rapidly changing and complex. There are many concepts in management science associated with efforts to maximize the organization performance, particularly with regard to the organization's resources, including intangible assets. The research method used is a literature review that did a critical review based on the main journals and some supporting journals relevant. Each organization must be able to improve the management of its intangible assets. In fact, intangible assets are owned by their respective organizations play an important role in improving organizational performance. This paper discusses the role of intangible assets as one of the resources that affect organizational performance. Academic and practical implications of this paper is in managing organizational resources, organizations need to understand the importance of management of the intangible assets to further improve its performance. Because, if the organization is not able to manage the intangible assets well although facilities and infrastructure has been managed well, will be able to affect the performance of the organization as a whole.

*Keywords: intangible assets, organizational performance*

## Industrial Accident in Malaysia: Causative Factors and Solutions

Mohd Nasir Selamat\*  
*Universiti Kebangsaan Malaysia*  
nasiryd0809@gmail.com

Siti Fatimah Zakaria  
*Universiti Teknologi MARA*  
fatimah.zakaria88@gmail.com

Sharifuzah Osman  
*Universiti Utara Malaysia*  
sharifuzahosman@gmail.com

Amar Hisyam Jaafar  
*Universiti Sains Malaysia*  
amarhishamjaaffar@gmail.com

### ABSTRACT

Recent statistics showed industrial accident increased consistently every year from 2008 to 2013. This resulted in the rising of fatality rate, extensive claims of compensation payment and not to mention lost of valuables talents. This study clarified the contributor factors of occurrence industrial accident in Malaysia with suggested any prevention solutions. Several statistic data from Social Security Organization, Department Occupational Safety and Health, *Malaysian* Institute of Road Safety Research, in Malaysia started in 2008 to 2013 were examined. We also reviewed studies related on the issues published between 1990s and 2014 to support the statistic findings. Human factor, organizational factors, job factors, working and social environment, physical environmental such weather, road condition and types of vehicles found as causes of higher occurrence occupational and commuting accident. It is very important to develop behavioural intervention strategies, provide proper safety training at work, implement safety culture, and alter work environment as well as upgrading safety road policy and regulations. More attention should be directed to individual in balancing capabilities and organization demand. At the end, this move will enhance the efficiency of occupational safety and health act, safety road policy and relevance for decision makers, given the significant mean to improve the competitiveness of employees' productivity and well-being of industry employees in Malaysia.

*Keywords: Industrial Accident, Occupational Accident, Commuting Accident.*

## Relationship between Social Capital and Knowledge Sharing in Community of Practice in Malaysia Public Sector: Impact on Individual Work Performance

Mohd Zabri Yusoff \*  
zabriy@hotmail.com

Rosmah Mat Isa  
rosmah@ukm.edu.my

Nor Liza Abdullah  
iza@ukm.edu.my

### ABSTRACT

The biggest obstacle to create knowledge sharing activities in the Community of Practice is the willingness of individual to share their knowledge with each other. By integrating the Social Capital Theory and the Knowledge-Based Theory of the Firm, this paper is to examine the relationship between social capital and knowledge sharing, and it's impact upon individual performance. Data were collected from the Innovative and Creative Circle members in Kuantan Municipal Council, and the Royal Malaysian Customs Department. A total of 219 samples were analyzed using Partial Least Square. The results showed that four aspects namely closeness, trust, shared language, and shared vision underline individuals' knowledge sharing behavior, and has a positive relationship with an individual's work performance. As such, to improve knowledge sharing activities, the need to focus the underlying aspects to the social capital is imperative.

*Keywords: Social Capital, Malaysia Public Sector, Performance*

**Moderating Effect Role Ambiguity, Group Cohesiveness, Locus of Control  
on Relationship of Budgetary Participation and Budgetary Slack**

Nur Azlina\*  
(Faculty of Economic, University of Riau)

Desmiyawati  
(Faculty of Economic, University of Riau)

Rosy Armaini  
(Politeknik State of Sriwijaya)

**ABSTRACT**

This purpose of this research is to examine : 1) the effect of budgetary participation on budgetary slack, 2) the effect of budgetary participation on budgetary slack with role ambiguity as moderating, 3) the effect of budgetary participation on budgetary slack with group cohesiveness as moderating 4) the effect of budgetary participation on budgetary slack with locus of control as moderating. The population in this study is middle and bottom managers at SKPD Riau Province. The selection of sample used purposive sampling method. Data that is used in this research is primary data, that was collected by survey techniques by distributing questionnaires to each middle and bottom managers at SKPD Riau Province. Moderated regression analysis was used as the method of analysis. The result of hypotheses analysis show that budgetary participation have positive and significance effect on budgetary slack. Role ambiguity has negatif effect on the relationship of budgetary participation and budgetary slack . Group cohesiveness has positive effect on the relationship of budgetary participation and budgetary slack and Locus of control has positive effect on the relationship of budgetary participation and budgetary slack.

*Keywords : Budgetary slack , budgetary participation, role ambiguity, group cohesiveness and Locus of control*

**The Role of Emotional Intelligence in the Influence of Situational  
Leadership towards Industrial Relations Climate  
(Survey on Garment Industry Company of West Java Province)**

Prima Vandayani  
Padjadjaran University of Bandung  
scootie.vanda@gmail.com

**ABSTRACT**

This conceptual paper aims to describe emotional intelligence, situational leadership, and industrial relations climate at garment industry company of West Java province. In addition, it is also to find out the influence of situational leadership to industrial relations climate, and moderating role of emotional intelligence in such influence at garment industry company of West Java province. This conceptual paper uses explanatory survey research methods, with type of research is descriptive and verificative. The unit of analysis is the garment industry company of West Java province. With population of 522 companies, the sampling technique uses simple random sampling and data collection techniques through questionnaires with production managers and workers as respondents. Using the Rank Spearman correlation for validity test and Spearman Brown for reliability test. The design of analysis for testing of descriptive hypothesis with percentage calculation, and verificative hypothesis uses the method of Structural Equation Modeling. This research is expected to be useful for the development of science in industrial relations, and gives an idea in the implementation of industrial relations at the corporate level.

*Keywords: Emotional Intelligence, Situational Leadership, Industrial Relations Climate*



**Analyzing The Substitute For Leadership: Is There Any Difference Among Academic And Non Academic Staff?  
Case: Andalas University**

Rahmad Eka Putra  
*Economic Faculty, Andalas University, Padang*  
Rahmadekaputra@gmail.com

Rahmi Fahmy\*  
*Economic Faculty, Andalas University, Padang*  
Rahmifahmy@yahoo.com

**ABSTRACT**

This research has the purpose to find out and analyze the differences of substitutes for leadership among academic and non-academic staff. The research was conducted in the head office and each faculty of Andalas University. The questionnaires were distributed to 254 employees, specifically 161 non-academic staff and 93 academic staff using stratified random sampling method. The data analyzed using SPSS 16. The research found that there was the differentiation of substitute for leadership among academic and non-academic staff. Two sub-variables that contributed mostly to substitute for leadership in academic staff; there were Ability Experience, Training & Knowledge and Professional Orientation. Meanwhile, for non academic staff there were five sub-variables that had high score that contributed mostly to substitute for leadership: Ability Experience, Training & Knowledge Dimension; Professional Orientation; Task Provided Feedback concerning accomplishment; Organizational Formalization; and Advisory and Staff Functions.

*Keywords: Substitutes for Leadership, academic staff, non academic staff*

**The Influence of Compensation to Organizational Commitment with Mediation of Job Satisfaction**

Rahmi Widyanti  
*Faculty of Economic Uniska Banjarmasin*  
rahmiwidyanti@yahoo.com

**ABSTRACT**

The purpose of this study to examine and analyze the influence of compensation to its impact on improving organizational commitment Functional Medical Staff of Government General Hospital in Banjarmasin with mediate of job satisfaction. The research was conducted by using a quantitative approach that forms the causal relationship between variables. There are two General Government Hospital and two Centre for Local Government General Hospital, Medical Staff by Functional analysis unit (SMF). The number of samples used in this study amounted to 52 SMF with census sampling technique. The data analysis technique are used in this study are grouped into two, namely descriptive statistics analysis techniques and inferential statistical analysis techniques by using PLS (Partial Least Square). The study found that financial and non financial as a form of compensation between employees and the organization and job satisfaction between superiors and subordinates are high, each one can give an increase in Functional Medical Professional Staff (SMF) General Hospital Central and Local Government in Banjarmasin which ultimately impact on increasing the organizational commitment. This study can't accommodate all the hypothesized because of compensation by SMF unable to deliver significant improvements to the organizational commitment directly. However, the application of SMF in a job satisfaction was found to significantly improve organizational commitment.

*Keywords: Compensation, Job Satisfaction, Organizational Commitment*

**The Influence of Job Satisfaction, Self-Efficacy and Risk Taking Behavior  
on Motivation to become an Entrepreneur for Employees of PT Bank  
Mandiri Padang Region**

Rangga Endrama

Master of Management, Faculty of Economics, University of Andalas  
rangga\_endrama@yahoo.com

Harif Amali Rivai

Master of Management, Faculty of Economics, University of Andalas  
hharif@yahoo.com

**ABSTRACT**

This study aims to determine the relationship between job satisfaction and personality dimensions (self-efficacy and risk taking) toward one's motivation to become an entrepreneur. The study is descriptive with quantitative approach. Data were collected from 142 respondents through a survey using a structured questionnaire. The survey was conducted on a non-probability sampling of Mandiri Bank employees in the Padang region. Results of multiple regression analysis showed a significant relationship between each independent variable on the dependent variable. Self-efficacy and risk taking behavior indicates significantly positive relationship to a person's motivation to become entrepreneur. The results also showed strong positive linkage between job satisfaction of employees with the motivation to become an entrepreneur.

*Keywords : Job Satisfaction, Personality, Self efficacy, Risk taking, Motivation, Entrepreneur*

**Role of Integrity in Success of Freelance Career**

Abdul Ghafoor Kazi\*

University Tun Hussein Onn Malaysia (UTHM)  
agkazi78@gmail.com

Prof. Dr. Rosman Md Yusoff

University Tun Hussein Onn Malaysia (UTHM)  
rosmanmy@uthm.edu.my

**ABSTRACT**

This paper is a detailed review and the conceptualization of integrity, ethics, integrity and ethics, freelancing, and the integrity for success of freelance business. The paper is supported by non-systematic narrative review of the existing literature. *Firstly*, it is found from review that integrity is wholeness, pure, ethical, moral, and consistent characteristics. *Secondly*, ethics are set of principles or rules we work within; ethics is inseparable element of business. *Thirdly*, if there is no integrity and ethics in business then there is no business. *Fourthly*, freelancer is a person who works on contract basis, is responsible for own-skill development, risks, commitments, business development, and maintenance of integrity in self, profession, and business. *Finally*, it was concluded that integrity is core element for the success of freelancing, entrepreneurship, or any form of business; individuals and management in business are responsible to maintain its integrity. Further, global culture is diverse naturally, some countries are liberal, few are under religious influence, and others are mixed cultured. Hence, the parameters for ethics and integrity may be different contextually, geographically, sociologically, and temporally. The empirical research may be performed on different facet of integrity in order to get solutions for successful business and further research.

*Keywords: Integrity, Business Ethics, Freelancing, Entrepreneurship*

## Factors Affecting Cross Functional Team Effectiveness in Automotive Firms in Eastern Seaboard Industrial Estate

Sasiwimon Suebsook  
Kasetsart University, Thailand  
sasiwimon.suebsook@gmail.com

### ABSTRACT

Automotive industry is one of the main industries of Thailand with significant contribution to the economy, employment, value added and automotive technology development in Thailand as well as supply chain related industries which generates economic value for the country. It accounts for 10% of gross domestic product originating from manufacturing and a source of employment for over 500,000 direct jobs of skill labor. With the need to develop a competitive in today's global marketplace, organizations need to realize the value of creating cross functional work team composed of individuals from diverse academic disciplines with expertise across different functional areas to quickly develop new products or solve complex problems. Although the cross functional team have become a major part of each automotive firms, little neither paper nor study is found in Thailand about this beneficial team. There are several proposes of this study. First, to define the special characteristic of cross functional team in automotive firms, second is to examine the causal relation model among role satisfaction, growth opportunity, job security, returns, policy and target, work environment, relation with colleague and cross function team effectiveness. The last expectation is that the related organizations can adapt and apply the result of this study to improve the effectiveness of cross functional team or other type of teams. Data collection at Hemaraj Eastern Seaboard Industrial Estate in Rayong Province of Thailand. The sample consisted of 139 teams (417 team members) from Automotive Firms. The reliable and valid questionnaires on factors affecting cross functional team effectiveness were used to collect the data.

*Keywords: Cross Functional Team, Team Effectiveness, Automotive*

## The Impact of Organizational Culture and Leadership Style to Employee Performance at PT. PEB Batam through Job Satisfaction

Sri Langgeng Ratnasari  
Economics Faculty of Batam University  
sarisucahyo@yahoo.com

### ABSTRACT

Environments and technology changes rapidly, they are can increase to the complexity of the challenges faced by the organization, so it brought the organization needs to the leader, who can lead and develop subordinates efforts, with the power possessed to achieve organizational goals, to build organizations with high employee performance. Achievement of performance at PT. PEB Batam are still looks not optimal. Leadership is a key element in determining of the effectiveness and productivity of an organization's level. They are still not running as expected, that are looking from coordination among fellow employees in the execution of the work is still going on the gap. Data in this study were obtained from distributing questionnaires to 108 respondents. Object in this study were employees of PT. PEB Batam, and hypothesis testing using path analysis. The results show that the structural model of the first, direct organizational culture and leadership style have a significant effect on job satisfaction. In the second structural model, direct organizational culture, leadership style and job satisfaction have a significant effect on performance and indirectly through job satisfaction organizational culture and the leadership style significantly influence to employee performance.

*Keywords: Organizational Culture, Leadership Style, Job Satisfaction, Employee Performance*

**Personal Branding and Communication Skill of Accountant Educators to Increase Motivation and Improve Students Academic Performance**

Tabroni  
*Universitas Pancasila*  
tabroni\_up@yahoo.com

Masfar Hunawa  
*Universitas Pancasila*  
Masfar2008@ekonomi.upancasila.net

Lailah Fujianti  
*Universitas Pancasila*  
lailahfujianti@yahoo.co.id

**ABSTRACT**

A student's low achievement in the study, from the lecturer's point of view, is often seen as a mistake from the students himself or the institution that recruit the prospective students who have low academic potential. This matter, in fact, is true; however blaming is not the best solution. Therefore, this study is presented to explore the factors that influence the students' academic achievement. The previous study revealed that motivation is influential to the study result of a student and motivation can be improved with the good communicating skill of the lecturer. By the personal branding strategy, a professional service provider must be able to build image and a certain personal identity to influence others. Will the personal branding be able to influence a student in learning motivation. Hence, this study is designed to identify how personal branding and communicating skill of the educator accountant are, how the motivation and academic achievement of the student are and also how the influence of personal branding and the communicating skill of the educator accountant is related to the motivation and academic achievement of the student. This study is the causality quantitative study. Purposive Sampling method is used to take the sample collecting. The sample of this study is 411 students from 5 (five) big private universities in Jakarta. The relation between personal branding and motivation is based on the weak theory concept. Therefore, the data analysis method used is *structural equation modeling* with the basis of variant by using *Smart Partial Least Square program* (PLS). The result of this study shows the educator accountant can build personal branding and communicating skill. The students are able to have a good academic achievement and motivation. However, the educator accountant's ability of personal branding has not been able to influence the

students' motivation in studying. Communicating skill is proven to be able to influence the motivation of the students and the motivation influences the students' academic achievement.

*Keywords: Personal Branding, Communicating Skill, Motivation, Academic Achievement And Educator Accountant*

**The Effects of Leadership Behavior on Employees' Organizational Commitment, Work Motivation, and Job Satisfaction in Retail Stores**

Thitisak Duadsuntia  
Faculty of Management Sciences, Kasetsart University, Thailand  
fmsttd@src.ku.ac.th

**ABSTRACT**

The purposes of this study were to investigate the leadership behavior of managers/ owners of retail stores, and then examine the effects of leadership behaviors on employees' motivation, organizational commitment, and job satisfaction in retail stores. The participants were employees located in convenience and grocery stores distributed in in the area of Chonburi Province, Thailand. A total of 450 questionnaires were handed out and 421 completed questionnaires were collected, giving a response rate of 93.56%. The findings of the study indicated the following: 1) specifically to the retail stores, the percentage of leaders who work with initiating structure leadership behavior, at 69.6 percent, was higher than those who employ consideration leadership behavior, which accounted for only 30.4 percent; 2) overall employees in this type of organization had moderate organizational commitment, rather high work motivation, and high job satisfaction; 3) there is a positive relationship between consideration and initiating structure leadership behavior and all the subscales of organizational commitment, work motivation, and job satisfaction; 4) the capability of predicting organizational commitment, work motivation, and job satisfaction of consideration leadership behavior was at 15.5%, 21.4%, and 26.5% respectively while the that of the initiating structure leadership behavior was at 26.7%, 41.9%, and 41.7% respectively.

*Keywords: leadership behavior, workmotivation, and job satisfaction*

**Effects of Working Cultures and Competitive Strategies on the Relationships between Organizational Commitment to Employees and Organizational Performance with Motivation as Intervening Variable**

Triyono Budiwibowo  
Faculty of Information Technology & Bussiness University of Technology  
Yogyakarta  
three\_yono@yahoo.co.id

**ABSTRACT**

Previous research conducted by Jangwoo Lee and Danny Miller (1999) studied the effects of competitive strategies on the relationships between organizational commitment to employees (OCE) and organizational performance, in which there is a Confucian Dynamism work ethics emphasizing contribution values to community, work group, and the company. Employees are expected to cooperate with the company in the forms of supports and considerations with dedications. The current research is a development previous research by adding motivation as a mediating variable of work ethics. Reason for the addition of motivation variable is because in Korea, OCE was able to create the atmosphere of direction which may create skilled employees' loyalty to the company and hence keep them stay on the company. Employees' loyalty would reduce turnover. In Indonesia, the number of employees outnumber the employment, companies tend to seek skilled employees. OCE is expected to enhance motivation which in turn would help to achieve performances. Reason for the addition of working culture variable is the existence of Confucian work ethics. In Korea, Confucianism is a predominant ethics wherein a group is considered more important than individuals. Employees are expected to cooperate with the company in the form of their dedications, whereas in Indonesia work conducts are developing into perfunctory attitudes with no intentions to produce reliable outcomes. Low work ethics and quick yielding attitudes leading to indifference of whether or not their work would produce such outcomes. SEM approach with Multigroup Analysis shows a moderating effect of dedicated positioning strategy and culture on relationship between motivation and performance. Result show that OCE affected motivation which in turn affected positively and significantly performance. For sampling group that tends to adopt differentiation strategy, work motivation had positive and significant effect on performance. While for sampling group tends to use cost leadership, work motivation had positive but insignificant effect on performance. Result of this research also reveal that sampling group, that tends to have firm work culture, with differentiation strategy, work motivation has big contribution indirectly to organizational performance through motivation.

*Keywords: Organizational Commitments to it's employees (OCE), Working Culture, Competitive Strategy, Motivation, and Organization Performance*

**Performance Measurement System and Job Satisfaction:  
Role of Procedural Fairness, Trust and Feedback**

Wike Syafitri  
*Universitas Riau*

Amries Rusli Tanjung  
*Universitas Riau*

Yesi Mutia Basri  
*Universitas Riau*

**ABSTRACT**

This study investigates financial and non financial performance measurement affects job satisfaction and if so, whether the effect is mediated by procedural fairness and interpersonal trust and feedback. Based on a sample of 103 managers of Bank in Riau , this study finds that financial and non financial performamnce not significant effect on job satisfaction. Procedural fairness is positively associated with job satisfaction. Further analysis reveal trust in supervisor and feedback as mediating variables. Overall, these findings offer empirical evidence on the importance trust and feedback on the relationship between performance measurement and job satisfaction.

*Keywords: Financial And Non Financial Performance, Job Satisfaction, Procedural Fairness, Trust In Supervisor And Feedback.*



## Perceived Organizational Support and Trust as Antecedents of Creative Climate

Rasidah Arshad  
UKM-Graduate School of Business  
rasida@ukm.edu.my

### ABSTRACT

Research evidence shows that developing a creative climate is important in fostering innovation. However, there is limited evidence on the conditions that lead to the development of a creative climate in organizations. Thus, this paper will examine behavioral antecedents of creative climate in organization. Data were collected from employees working in activities related to marketing, product development and R & D in food manufacturing companies. The findings show that perceived organizational support and trust in supervisor have direct and indirect relationships with creative climate via organizational trust. Theoretically, examining the antecedents of creative climate will contribute to our understanding of the behavioral roots of innovativeness. Managerially, the finding of this study can help managers understand the key variables that need to be managed to enhance creativity and innovativeness in organization.

*Keywords: Creative Climate, Perceived Organizational Support, Trust In Supervisor, Organizational Trust, Innovation.*

## Tool for Decision Making Using Dashboard in Distributed Database System (Case Study On Universitas Andalas Academic Information System)

Ardhian A Yulianto \*  
Universitas Andalas  
ardhian.ay@gmail.com

Ikhwan Arief  
Universitas Andalas

### ABSTRACT

The aim of information system implementation in an organization is to make a good process governance and then could also be used as a tool in decision making by top managers. It is common for large organizations using distributed database systems (collection of a numbers of databases logically interrelated and distributed throughout the organization) to maintain their database systems separately. This practice will be better achieved by implementing a dashboard system. The proposed dashboard system will monitor and display every indicators and activities of databases. There are several local settings employed by faculties in Andalas University's Academic Information System registration and re-registration processes. Each of those generic processes must be adhered to the university's general academic calendars and other academic guidances. The proposed dashboard will show indicators from every faculty and top managers can monitor whether these indicators are following university's academic calendar and it will conclude faculties performance process. Indicators could be initiated by problem identification from existing system, preliminary survey, analyzing data from text book, academic regulation and interview with academic information system operators from faculties.

*Keywords : Dashboard, Distributed Database, Performance.*

**The Effect of Information Technology Capability and Quality of Management Accounting Information with Technological Uncertainty as Moderating Variable**

Eliada Herwiyanti\*  
Univeritas Jenderal Soedirman  
elly\_idc@yahoo.com

**ABSTRACT**

This study aims to determine the effect of information technology capability and quality of management accounting information with technological uncertainty as moderating variable. The existence of changes in the external environment related to the rapid development of technology and uncertain technology require companies to be able to respond precisely. Thus, the existence of technological uncertainty will stronger the relationship between information technology capability and quality of management accounting information. Data were collected from respondent represented by accounting managers from the companies that listed in Indonesia Stock Exchange. The data processed using Structural Equation Modeling analysis technique. The screening stage of the data generated 94 responses that were used for decision making of the results study. Data processing has been done using the software SPSS 16.0 and WarpPLS 4.0. The result of this study support that there is positive effect of information technology capability toward quality of management accounting information. Whereas, technological uncertainty cannot moderates the relationship between information technology capability and quality of management accounting information. This study is limited to the lack of connection between the variables in the study due to the lack of the data and heterogeneous of the sample type selection.

*Keywords: information technology capability, technological uncertainty, quality of management accounting information*

**Sales Information System and Computer Hardware Purchasing at N-ONE Store Bandung**

Fanny Engriana \*  
Program Studi Sistem Informasi, UNIKOM Bandung  
E-mail : fannyengriana@yahoo.co.id

Novrini Hasti  
Program Studi Sistem Informasi, UNIKOM Bandung  
E-mail: nhasti@yahoo.com

**ABSTRACT**

Toko N-ONE is a store that is engaged in the sale of computer hardware. Development of sales and purchases of information systems refers to the current manual system. Systems of sales and purchases are running at this time still recorded manually. In addition, Toko N-ONE has constraints, ranging from transaction processing to the making of a report that is still done manually so that the report has not been selling well detailed. In this study, an application will be made based on the sale and purchase of the desktop. The tools that are used to describe the system model is a data FlowMap, Context Diagrams, and Data Flow Diagrams. As for the database design using a data dictionary and Entity Relationship Diagram. After going through the stages of development in accordance with the method chosen then implementing information systems sales and purchases have a follow-up examination system consisting of alpha testing where testing is black box testing method that focuses on the functional requirements of the software. After testing it can be concluded that functional systems can produce output that is expected to provide convenience to the user in data processing.

*Keywords: Information Systems, Sales, Purchase*

## **The Analysis of Factors Affecting the Use of Enterprise Resource Planning (ERP) Systems at PT. Semen Padang Model of Utilization**

Firman Surya\*  
Politeknik Negeri Padang  
firm4n2003@gmail.com

Eka Siskawati  
Politeknik Negeri Padang  
ekasiskawati@gmail.com

### **ABSTRACT**

Enterprise Resources Planning Systems (ERP Systems) is one of the most reliable business organization's information technology. This information system able to integrate all data, information and process into a single complex enterprise information system platform. Because of this advantage PT. Semen Padang implement ERP Systems. One cause of failure of implementation of ERP Systems is the reluctance of users to use it. This study aim to analyze factors that influence the use of ERP Systems in PT. Semen Padang by adapting Model of Utilization proposed by Thompson et.al (1991). The research method used is verification. Questionnaire were used to capture research data from 101 respondents selected by simple random sampling technique. Research data analyzed using Partial Least Squares (PLS) method. SmartPLS 2.0 M3 software were used to do the analysis. Results of this study found Affect and Job-fit have positive influence on the use of ERP Systems in PT. Semen Padang, while Social Factors, Complexity, Long-term Consequencies and Facilitating Conditions do not affect the use of ERP systems in PT. Semen Padang. These results indicate that emotional feeling and technological compatibility with job are the main cause of users willing to use ERP Systems in PT. Semen Padang.

*Keywords: Information Systems, ERP Systems Use, Partial Least Squares*

## **The Utilization of Interactive Visual Communication Technology in Establishment of Information Application for Campus Promotion Base on Multimedia**

Ilham Eka Putra\*  
STMIK Indonesia Padang  
ilhamekaputra@gmail.com

Keukeu Rohendi  
STMIK Indonesia Padang  
ruxcendy@gmail.com

Wahyudi  
STMIK Indonesia Padang  
wahyudisy@gmail.com

### **ABSTRACT**

Interactive visual communication is a communication technology practice preparation consisting of visual components and a lot of media ( multimedia ) are integrated and can interact with each other. Promotion can be used to improve confidence consumer for guarantee the quality of a product or company, the recognition of the quality assurance of a product or company make more the consumers use the products services or the company. Information and Media Promotion in interactive visual communications technology has the ability to save more audio-visual data, images, texts, animations, narrations and videos, as a media for promotion and imaging quality assurance, credible and accountability for education institutions. STMIK Indonesia Padang as a college campus base on IT really need it . This study will analyze the efficiency of the design and development of interactive visual communication technology applications for promotional information STMIK Indonesia Padang, students and stakeholders and improve people's lives and enrich the national culture.

*Keywords: Interactive Visual Communication, Campus Promotion.*

## ICT Adoption Affecting Organizational Performance in Indonesian SMEs

Lucy Chairael  
*STIE Dharma Andalas Padang*  
lucy.chairael69@gmail.com

Setyawan Widyarto  
*University Selangor*  
swidyarto@unisel.edu.my

Vera Pujani  
*University Andalas*  
vpujani@gmail.com

### ABSTRACT

Nowadays, the use of technology in the industry is growing rapidly. However, these conditions are not followed by SMEs around the world especially in Indonesia. The influencing factor of ICT adoption is identified as internal and external factors. Accordingly, the objective of this research is to identify conceptually factors affecting ICT adoption and its impact among Indonesian SMEs. The prior studies involve conceptual model of the combination between DOI theory, TEO theory, and Iocovou's framework. These theoritical framework reviewing numerous journal related to ICT adoption as research approach of this paper is presented. The prior studies believed the Internal and external factors influencing ICT adoption. This study found that the characteristic of technology, organization, and managerial are included as internal factors in adopting ICT. In the meantime, environment factors also are included as the external factor. Thus, the impact of ICT adoption would gave contributions on the efficiency and effectiveness of the organization as reflected in the organization performance. Hence, the organization performance could be measured based on the performance of business processes (operational performance) and financial performance (final performance). Reducing cost, increasing productivity related to operational performance, and profit margin, market share related to final performance. In brief, this study presents the conceptual framework of ICT adoption among Indonesian SMEs. Reviewing numerous prior studies to develop the research framework of this study is undertaken. However, the empirical study of current paper should be continued in the further research.

*Keywords: Internal Factor, External Factor, ICT Adoption, Organizational Performance, Operational Performance, Final Performance*

## BUILDING TRUST: A SOLUTION TO INCREASE USER'S SATISFACTION ON E-MONEY ADOPTION

Meuthia  
*Andalas University, Indonesia*  
meuthia.ute@gmail.com

### ABSTRACT

The main impetus of this study is to test empirically the antecedents of users' satisfaction on e-money adoption. Trust has been considered as a major concern for this study, which then stimulates system quality and user's participation. Diversity of studies through the domains that describe the dimensions and the debate about concept of trust have indicated the need for more specific analysis of trust's constructs. This study uses quantitative approach through an online survey of 117 respondents who have become e-money users in Indonesia. The tool of analysis is Structural Equation Modelling (SEM) with Partial Least Square (PLS) software. The result of this study revealed that high level of trust when followed by system quality and participation being a stimulant for higher level of users' satisfaction. Cognitive stimuli and emotional that affect the system of human brain activity to trust and have confidence when making decision or giving an assessment of things are not directly encouraging user's satisfaction. However, the result of this study represents only Flazz BCA card users. Another e-money products is suggested to be observed for further research.

*Keywords: E-money, trust, system quality, participation, users' satisfaction, Partial Least Square (PLS)*

## Is Mobile Platform A Disruptive Innovation in A Workplace?

Mohd Fuaad Said\*  
Faculty of Economics and Management  
Universiti Putra Malaysia  
fuaad@upm.edu.my

Khairul Akmaliah Adham  
UKM-Graduate School of Business  
Universiti Kebangsaan Malaysia  
ka@ukm.edu.my

### ABSTRACT

Current studies generally look at the adoption of mobile application usage that been imposed or introduced by the organization. Less is known about adoption of technology that are in the hands of the employee as on the case of using mobile device or application in support of office work. As the usage of mobile devices has now becomes ubiquitous, knowing how mobile technology influences individual and group related work is becoming more critical. Therefore the objective of this study is to understand the current trend of mobile technology usage by individual employees. Data for this study are gathered through this understanding help identify how mobile technology usage affect the existing and future of office-work. This study adopts a qualitative study design by conducting in-depth interviews with four senior and four junior level executives in public services. This study found that full integration of mobile platform is hindered by expensive device and mobile phone line, but mobile platform can be disruptive with the availability of corporate sponsors on devices, related technology devices and line and, the existence of expensive current alternatives via fixed line outside of workplace. This information extends existing innovation theories by further defining the elements of sponsors as a factor that influences rapid technology adoption. These findings are useful in assisting organizations to arrange and set up the necessary infrastructure and applications to support the work of their employees, and in supporting mobile service providers in strategizing and improving services toward office workers.

*Keywords: Mobile Technology, Disruptive Innovation, Desktop Computing, Workplace, Qualitative Study*

## The Information System Monitoring of Park Revenue at Padang Town by using Cellular Telephone

Muhammad Amrin Lubis\*  
STMIK Indonesia, Padang  
maloebis@gmail.com

Suardinata  
STMIK Indonesia, Padang  
suardinata@gmail.com

### ABSTRACT

Motor vehicle's user in the city of Padang is increasing every year resulting in increased revenue from the parking sector. This has contributed to the financial revenue to support the area. Parking fee collection performed by dozens of parking attendants scattered in Padang. It is a challenge to get the information as soon as possible. The distance between the location of the parking place and time deposits parked at a certain location implementation is done until late at night becomes an obstacle for the parking attendant for depositing parking revenues must be completed on the same day. Issues that arise include; latest information received parking revenues, parking revenues difficulty monitoring incoming real time monitoring of the location and the difficulties of parking the most productive and non-productive. Developing technology that give trend information dissemination with low cost and wide reach through the medium of the mobile phone. In addition, the parking attendant serves as an entry point. Parking attendant parking revenue simply sends an SMS with the specified format to a specific number to the server Revenue Padang. By using this application Padang Revenue officials can monitor in real time the parking revenue.

*Keywords: park, retribution, revenue, monitoring, SMS*

**Success Model of E-Travel Adoption  
Among Small Enterprises: A Comprehensive Model**

Vera Pujani\*  
Andalas University, Indonesia  
verapujani@yahoo.co.id

**ABSTRACT**

The objective of this paper is to test the success factor of e-travel model among small travel enterprises (STEs) in Padang, Indonesia. The research data was collected by e-survey via My3q free online survey. Respondents were 145- users of travel websites chosen employing purposive sampling technique. Research variables measured were factors of Enjoyment, Usefulness, Ease of use, Self Efficacy, Use, Satisfaction, Trust and Loyalty. These variables were tested in 7-main hypothesis or 11-detail hypothesis. The structural equation modelling (SEM) using SmartPLS 2.0 in data analysing was worked. The result of this study illustrated that nine of eleven hypothesis have contribution significantly and the rest conversely. However, perceive of usefulness did not influence to e-travel adoption and trust to loyalty during browsing travel websites. Finally, examining the success model of e-travel adoption in different provinces and travel websites is as the suggestion of further research.

*Keywords: Website, Small travel enterprise, Indonesia, SEM/PLS*

**The Exploratory Model of “7Ps”: An Ecosystem of Understanding In  
Islamic Banking Management**

Azwan Abdullah\*  
Senior Lecturer, Faculty of Entrepreneurship and Business,  
Universiti Malaysia Kelantan, Malaysia  
azwan.a@umk.edu.my

Mohd Rafi Bin Yaacob  
Associate Professor, Faculty of Entrepreneurship and Business,  
Universiti Malaysia Kelantan, Malaysia  
rafi@umk.edu.my

Mohamad Ismail  
Associate Professor, Faculty of Entrepreneurship and Business,  
Universiti Malaysia Kelantan, Malaysia  
Mohammad.i@umk.edu.my

**ABSTRACT**

Malaysia's Islamic banking sector is growing in tandem with the progress in conventional banking. Until now there are 16 Islamic banking organizations offer a variety of products and services that comply with *Shariah*. However, the development of Islamic banking organization should be established in all angles, including aspects of the understanding of staff in handling tasks effectively. The finding of the study revealed that the form of a model is based on understanding ecosystem elements of “7Ps”. The model is derived from an exploratory study conducted through qualitative methods entirely. The respondents of this study are employees who serve in the selected Islamic banking in Malaysia. The validity of the findings obtained through triangulation techniques. The findings are important as a platform to strengthen the governance of the organization of Islamic banking. Islamic banking organization's management is not just enough to meet the requirements of *Shariah*, but the outcome of the study is anticipated to generate synergies in terms of management and productivity to gain the blessings, mercy and pleased by Allah SWT.

*Keywords: Understanding, Staff, Islamic Banking, Ecosystem*



## Challenges in Shari'ah Audit Supervision in Islamic Banks in Malaysia

Nur Laili Ab Ghani  
UKM-Graduate School of Business, Universiti Kebangsaan Malaysia  
nurlaili@ukm.edu.my

### ABSTRACT

Shari'ah audit is an important element to ensure Shari'ah compliance in Islamic banking operations. Currently in Malaysia, each Islamic bank and financial institution is required by the Shari'ah Governance Framework to establish the Shari'ah audit function to provide reasonable assurance and ensure an effective internal control system for Shari'ah compliance. The Shari'ah audit practices in Islamic banks are overseen by the Shari'ah Committee members to look into the Shari'ah matters related to the Islamic banking activities and operations but little is known in terms of the challenges to supervise Shari'ah audit in Islamic banks. The objective of this study is to evaluate to supervisory and practical challenges in the implementation of Shari'ah audit practices in Islamic banks in Malaysia. The study conducts structured interviews with the Shari'ah Committee members in selected Islamic banks in Malaysia. From the findings, the study found that Shari'ah Committee members faced challenges such as to supervise Shari'ah audit findings, to determine Shari'ah audit work and to conduct an internal Shari'ah audit. In conclusion, the good Shari'ah audit practices in Islamic banks have constituted a positive development in enhancing the integrity of Islamic banks. This further highlights the need for Bank Negara Malaysia to establish a standard Shari'ah audit framework in Malaysia.

*Keywords: shari'ah audit, islamic banks, auditing, islamic auditing*

## International Financial Reporting Standard Implementation: Does Improve Financial Reporting Quality?

Nuraini A\*  
Economic Faculty Syiah Kuala University  
Aini\_anzib@yahoo.com

Linda  
Economic Faculty Syiah Kuala University  
lindarisad@gmail.com

### ABSTRACT

Previous studies have investigated the impact of IFRS implementation on financial reporting quality, nevertheless those studies used the conceptual framework of the preparation of financial statements to measure of IFRS implementation by comparing the value relevance, timeliness, comparability and usefulness of financial reporting quality before and after the implementation of IFRS. This research aims to investigate the influence of corporate governance mechanism on implementation of international financial reporting standard (IFRS) and its impact to financial reporting quality by Indonesia stock exchange companies. The application of IFRS is measure with content of policy approach adopted from the theory of public policy implementation. Using survey method and data collected through questionnaires distribution show that, 1) 51,52% of respondents would not implementing of IFRS if not required by the Regulation. 2) The process is costly. 3). Most of respondents perceive that the benefit of implementing IFRS to lower the cost of capital is rarely. Corporate governance mechanisms had significant effect on the IFRS implementation. Audit committee and internal audit as part of corporate governance are involved on IFRS implementation. The IFRS implementation had significant effect on financial reporting quality. Finally, IFRS implementation improved financial reporting quality.

*Keywords: Corporate Governance, IFRS Implementation and Financial Reporting Quality*

## **The Effect of Audit Committee Role and Internal Auditor Role on Internal Control Effectiveness at Islamic Bank in Indonesia**

Rini\*

Universitas Islam Negeri Syarif Hidayatullah Jakarta  
rini@uinjkt.ac.id

Yessi Fitri

Universitas Islam Negeri Syarif Hidayatullah Jakarta  
yessi\_fitri\_msi@yahoo.com

### **ABSTRACT**

This research examines the effect of audit committee role and internal auditor role on internal control effectiveness. The data is provided from many Islamic banks in Indonesia that was taken by questionnaire from 72 respondents. Questionnaire is consisted of 27 questions. Research instrument contains 9 questions about audit committee role, 8 questions about internal auditor role, and 10 questions on internal control effectiveness. Data analysis used multiple regressions. The result of this research showed that audit committee role and internal auditor role influenced internal control effectiveness simultaneously. Partially, audit committee not significant, but internal auditor influenced internal control effectiveness.

*Keywords: audit committee role, internal auditor role, internal control effectiveness, Islamic bank*

## **Changes in Capital Adequacy, Legal Origin, Economic status, Financial Crisis and Measurement of Islamic Bank performance: The Case of Islamic banks in Developing Countries**

Sulaiman Abdullah Saif Alnasser  
University Sains Malaysia  
sulimanco@gmail.com

### **ABSTRACT**

This study shed a light on the importance of studying capital adequacy ratio in relation to Islamic bank performance in developing countries, we used Zakat and Profit and loss sharing concepts to measure performance of Islamic banks, we used them in addition to ordinary performance proxies. Once running generalize least square method on a pooled panel data from 2007 to 2010, we found that capital adequacy is relation to Islamic bank performance if we consider the legal origin, financial crisis, economic status and measurement issues of Islamic bank performance. The contradicted co efficient signs in the result could enlighten Islamic banking experts on the issues of measurement and proper capital adequacy ratio in proper profitability result.

*Keywords: Financial Crisis, Capital Ratio, Bank Performance, Developing Countries, Islamic banks*

**The Role of Changing Warning Sign Cigarette Product on Customer Purchase Decisions (Case Study Student of STIE Dharma Andalas)**

Afwina Rahmayuni\*  
STIE Dharma Andalas Padang  
afwinarahmayuni@gmail.com

Tiara Turay  
STIE Dharma Andalas Padang  
tiaragf2@gmail.com

**ABSTRACT**

This research is based on the change of warning sign that attach in cigarette product. Where as this sign warning is aim to reduce the level consumption of the product. Cigarette include one most hard selling product in the market especially in Indonesia eventhough cigarette is danger product for human consumption. The dangers effect of cigarette are cancer, heart attack, high blood pressure and disorder of pregnancy. In new warning sign describe more persuasive words and picture of cigarette negative side effect. In this research the writer want to find outis that the new warning sign can give significant influence on customer purchase decisions. In this research the respondent are the students of STIE Dharma Andalas. The methodology of this research is quantitative descriptive, which the writer describe what have been found during the research. In this study data were collected though questionnaire method to 96 respondents in the STIE Dharma Andalas Padang by accidental sampling method, using awareness, knowledge, liking, preference, conviction and purchase as research indicators. Afterward the data has been collected were tested through validity and reliability test as well as hypotheses analysis by using f-test and t-test, and also coefficient determination (R2) test. These analysis data technique that used in this research is multiple linear regression analysis which serves to prove the research hypotheses. The result of these research found that changing of the warning sign only has weak significant influence on customer decision purchase. Those finding that customer will still buy cigarette event thought they have knowledge about the danger of smoking cigarette. This situation is influence by more on psychology and personality factors of consumers

*Keywords: Warning Sign, Purchase Decisions*

**Study of Demarketing Tobacco Product through Local Government Regulation in Padang Panjang, West Sumatra**

Alhapen Ruslin Chandra  
Padang State Polytechnic  
alhapen.chandra@gmail.com

Afifah  
Padang State Polytechnic  
afifahdgtawero@yahoo.com

Willson Gustiawan  
Padang State Polytechnic  
wgustiawan@gmail.com

**ABSTRACT**

Indonesia ranked third mostsmokers in the world whereas many of them were young people. Teenagers were targeted by marketer as potential consumers of tobacco product. Many demarketing activities to reduce cigarette consumption had been done to protect people from bad impact of tobacco. Padang Panjang, West Sumatra, in Indonesia was a city that had implemented a local government regulationto restrict smoking activity. This descriptive study aimed to investigate perception of adolescent in Padang Panjang towards the regulation. Data were collected using some indicators; knowledge, implementation, intention to quit, restriction area, sanction, supporting facilities and effectiveness of the regulation. This study found that though respondent support implementation of the restriction regulation, some of them still need further understanding about the regulation. Most of restriction area had been known. Respondent reduced their consumption around certain places. The regulation could encourage respondent to stop smoking and government should provide facility for them who want to quit. Community less knew about the sanction when someone disobeys the regulation. Half of respondent believed that the regulation less effective to reduce smoker prevalence in Padang Panjang. Therefore, regulation alone was not enough to reduce tobacco consumption.

*Keywords: demarketing, tobacco, smoke, regulation, restriction*

**Analysis Of Brand Association And Perceived Quality Of Indonesia Low Cost Green Car (Lcgc) In Padang**

Dendi Endo Putra  
Andalas University  
dendiendop@yahoo.com

Dian Rani Yolanda  
Andalas University  
dr\_yolanda@yahoo.com & diana.yolanda@uq.edu.au

**ABSTRACT**

This research aims to know the brand association and perceived quality of consumers toward Indonesia Low Cost Green Car (LCGC) in Padang. The type of research is a descriptive study. The data were collected by distributing questionnaires to 100 respondents who know and or have already bought any Low Cost Green Car (LCGC) in Padang.

This study was conducted by testing twelve dimensions of brand association and perceived quality. Nominal, ordinal and interval scale are used in this research. The data were analyzed by using a descriptive statistical method. The results of brand association and perceived quality are sorted by the percentage of the highest average scores on each dimension.

*Keywords: Low Cost Green Car, Brand Association, Perceived Quality*

**The Influence of the Use Celebrity Endorser - Iwan Fals on Purchasing Decisions Top Coffee**

Ari Anggarani WPT  
Universitas Esa Unggul  
ari.anggarini@esaunggul.ac.id

Nina Nurhasanah,  
Universitas Esa Unggul  
nina.nurhasanah@esaunggul.ac.id

**ABSTRACT**

This research is aimed to the effect of the use celebrity endorser, Iwan Fals, on purchasing decisions. In this research, the independent variables consisted of credibility, attractiveness, and power, while the dependent variable is the purchase decision. Respondents of this research is in the area of Rawa Buaya, West Jakarta, who had seen the ads Iwan Fals version and use the Top Coffee. The results showed that credibility has a significant value of 0,049 ( $<0,05$ ), attractiveness of 0,024 ( $<0,05$ ), and power of 0,000 ( $<0,05$ ), so the credibility, attractiveness, and power has a significant influence on purchasing decisions, in addition to the results of the study showed that the credibility, attractiveness, and power together have a significant influence on purchasing decisions, because the significant value of 0.000 ( $<0.05$ ).

*Keywords: Credibility, Attractiveness, Power, Purchase Decision*

## **Brand Awareness of Indonesia Low Cost Green Car (LCGC) in Padang**

Dian Rani Yolanda, SE, M.Bus  
Andalas University  
dr\_yolanda@yahoo.com

### **ABSTRACT**

The title of this research is brand awareness analysis of Indonesia Low Cost Green Car in Padang. This research is aimed to know the brand awareness of each Low Cost Green Car in Padang. This Survey has been done to the respondents who stay in Padang city about their awareness of Low Cost Green Car in Indonesia, whereas the scope is limited to the fourth level of brand awareness: top of mind, brand recall, brand recognition and brand unaware. Population of this survey comprises all societies who stay in Padang city. An accidental sampling procedure is used to select 100 respondents in Padang. The data were gathered through questionnaires which consist of single and multiple questions. Nominal and ordinal scale were used in this research. Measurement of brand awareness is based on the definitions of brand awareness which includes the level of brand awareness: top of mind, brand recall, brand recognition and brand unaware. The data were analyzed by using a descriptive statistical method. The finding shows that the top of mind of Low Cost Green Car in Padang is Agya (Toyota), the second rank is Ayla (Daihatsu), and the third rank is Brio Satya (Honda). The findings for the lower levels of brand awareness's pyramid: brand recall, brand recognition, and brand unaware definitely reinforce the finding of top of mind.

*Keywords: Brand Awareness, Top of Mind, Brand Recall, Brand Recognition, Brand unaware*

## **To Build of Purchase Intention of Private Label Products Through Retail Store Image**

Eri Besra  
Management Departement Andalas University, Padang, West Sumatera  
Doctoral Student at Padjadjaran University Bandung, Indonesia  
eri\_besra@yahoo.co.id

### **ABSTRACT**

The purpose of this study is to conduct empirical test about the role of store image in building of purchase intention of private label products. Research conducted in the city of Bandung, Indonesia, whereas data collection done in a proportional random sampling of 80 consumers who buy private label products in self-service retail. The literature review as the basis for constructing a hypothesis to answer questions regarding the role of research in built store imagery interest of consumers buy products private label retail self-service. The Data was processed using SPSS. The results obtained showed the influence of the image of the store with an interest to buy the retail supermarket private label products.

*Keywords: image of the store, buying interest, private label products, retail self-service*

**The Influence of Brand Image and Customer Satisfaction to Brand Switching  
(Survey on Franchise Customer at Aceh Province)**

Erlinda  
Management Science of Padjadjaran University Bandung  
erlinda.ass@gmail.com

**ABSTRACT**

This research was conducted at Aceh Province, and was aimed to describe brand image, customer satisfaction, and brand switching; and also to find out the influence of brand image, and customer satisfaction to brand switching either through simultaneously or partially at customer franchise of Aceh Province. Number of respondent in this research are 88, sampling technique used in this research is accidental sampling and collected data is processed by descriptive and verificative method, while influence testing between independent variable with dependent variable is conducted by using path analysis. Partial test of the result indicates that the brand image and customer satisfaction have an effect to brand switching. Path analysis test shows that brand image ( $X_1$ ) and customer satisfaction ( $X_2$ ) give simultaneous influence to brand switching ( $Y$ ) at customer franchise of Aceh Province. The path analysis equation is  $Y = 0.282X_1 + 0.307X_2$ . At level significant 5%, obtained  $R^2 = 0.272$  meaning that 27.2% all independent variable (brand image and customer satisfaction) are jointly able to contribution to the brand switching.

*Keywords: Brand image, Customer satisfaction, Brand switching, Franchise*

**The Influence of Marketing Mix, Consumer Trust and Company Image on Consumer Satisfaction and Their Impact on Brand Equity a Study on Toll Road Shuttle Service Bandung-Jakarta**

Heri Erdy Andrat  
Pancasila University Jakarta  
herierdy@yahoo.com

Sri Rahayu\*)  
Muhammadiyah University Palembang  
ayu\_mir67@yahoo.com

**ABSTRACT**

The first objective of this study is to obtain information about the performance of the marketing mix, customer trust, corporate image, customer satisfaction and brand equity in the transportation industry, especially shuttle service in Jakarta and Bandung cities. The second objective is to determine the influence of the marketing mix, trust and corporate image on consumer satisfaction and their impact on brand equity. The population in this study were the passengers of 8 companies selected. Number of samples 304 persons, that selected by simple random sampling. The descriptive and inferential analysis was performed with SPSS and LISREL software support. The study concluded that: 1) Performance of the marketing mix and customer satisfaction has been assessed positively by customers. But, customer trust, corporate image, and brand equity has been assessed not-positively by customers; 2) Marketing mix has a positive and significant influence on company image; company image hasn't influence on trust; trust has a positive and significant on customer satisfaction; trust hasn't influence on brand equity; company image hasn't influence on customer satisfaction; company image hasn't influence on brand equity; Marketing mix has a positive and significant influence on customer's satisfaction; Marketing mix has a positive and significant influence on brand equity; and customer satisfaction has a positive influence on brand equity.

*Keywords: Marketing Mix, Company Image, Trust, Customer Satisfaction, Brand Equity*



**Consumer Behavior for Traditional Thai Massage and Demand Conditions  
in supporting Thailand's National Competitiveness to become the  
Medical Hub of Asia**

Kitiya Thassanabanjong  
*Faculty of Management Sciences, Kasetsart University, Thailand*  
fmsktt@src.ku.ac.th

**ABSTRACT**

The Thai government has launched policy to position itself to become the medical hub of Asia. Thailand has the most superior advanced treatment providers with ability to deliver world- class quality and extremely affordable treatment whilst significant improvements in related fields are being created. Thailand's medical tourism continues to be a growth industry with the considerable strengths and opportunities however there are obstacles as Malaysia and Singapore become main competitors. "Traditional Thai Massage" plays vital role in assisting Thailand to compete because of its distinguished uniqueness of Thai medical /alternative treatment. Country Competitiveness derives from many factors/ mechanism including Demand Condition, which brings better level of national advantage. Local people give financially support, and are fundamentally important to the business development to innovate faster and continuous evolving over time in keeping with any changes in customers' needs.

The research findings often link level of knowledge and attitude which then affects one's purchasing behavior. The Thai government seems to be ineffective in acknowledge Thais the usefulness of Thai Massage hence causes national demand/market failure. This research focused and investigated whether there is a relationship between knowledge, attitude and behaviors of Thai customers. Moreover, in this research will reveal what should be done for the entrepreneur in order to gain customers' satisfactions. A quantitative/exploratory research design was used. Using an evaluation of the literature and an exploratory study, appropriate constructs and instruments were developed and then used interview survey involving approximately 480 Thais. The result, apart from the usefulness of Thai massage revealed, will benefit in addressing effective 7P's strategy encouraging national demand which then strengthen local business competitiveness which then contribute to country's competitiveness to become Medical Hub of Asia.

*Keywords: Consumer Behavior, Demand Conditions, Competitiveness*

**Analysis of Perceived Quality and Brand Loyalty of Small and Medium  
Enterprises (SMEs) of West Sumatra Typical Food in Padang**

Kurnia Ilahi  
Andalas University  
kurniailahii@gmail.com

Dian Rani Yolanda  
Andalas University  
dr\_yolanda@yahoo.com

**ABSTRACT**

This study aims to determine how the perceived quality and brand loyalty of consumers towards West Sumatra typical food in Padang. This study used a descriptive approach. The population of this study are the people in Padang city who have ever purchased the typical food from these three Small and Medium Enterprises (SMEs) in Padang: Shirley, Christine Hakim and Mahkota. A purposive sampling method is used to select 100 respondents in Padang. The data were collected through questionnaires and processed using SPSS version 16.0. The results show that the consumers perceive West Sumatra typical foods of those three Small and Medium Enterprises have a good taste, attractive packaging or appearance, products have compatibility with the specifications on the packaging, product quality remains good until the expiration limit, consistent product quality, satisfactory product service, and good quality of the overall product. The results also show that Small and Medium Enterprises of West Sumatra typical food have loyal customers toward the brand.

*Keywords: Perceived Quality, Brand Loyalty, Small and Medium Enterprises, West Sumatra typical food*

**The Effect of Improvement of Digital Marketing Marketing Rendang  
Oyster Mushrooms (Renjati)  
(Case Study on Oyster Mushrooms Rendang SMEs)**

Michael Jakub Marulitua\*

Bogor Agriculture University Student Department of Management  
myakub01@gmail.com

Ahmad Haris Wijaya

Bogor Agriculture University Student Department of Management  
ahmadhariswijaya@gmail.com

Maria Oryza Yuka

Bogor Agriculture University Student Department of Management  
Mariaoryza7693@gmail.com

Okky Viara Purnomo

Bogor Agriculture University Student Department of Management  
Okky\_viara@yahoo.com

Anggraini Sukmawati

Bogor Agriculture University Lecturer, Department of Management  
anggrainism@gmail.com

**ABSTRACT**

Digital Marketing is a form of business promotion and marketing of a brand using digital media like internet. But not at all companies or SMEs do that. That happens on SMEs Rendang Oyster Mushroom (Renjati), so the author wants to help SMEs in the application of digital marketing Renjati. The goal is to identify the influence of digital marketing in this era of globalization and help Renjati to improving product marketing. The method that author used is a flow diagram approach to observation, group discussion forums, and depth interview. The results of the application of digital marketing in Renjati is the addition Renjati get up to 80 pcs of 156 grams and 250 grams 36 pcs by online

*Keywords: Digital Marketing, Makerting, Renjati, Oyster Mushrooms, Sales*

**The Relationship Between Satisfaction with The Sport Event, Revisit  
Intention and Positive Word-of-Mouth Intention:  
The Study of *Dragon Boat* Sport Event in Padang City**

Ratni Prima Lita

Andalas University  
ratni31@yahoo.com

Ma'ruf

Andalas University

**ABSTRACT**

The purposes of study are to know; the influence of satisfaction with the sport event toward revisit and positive word-of-mouth intention at *dragon boat* sport event in Padang City. Based on consumer behaviour literatures, this explanatory study investigates causality among cross sectional data that was collected by following convenience sampling technique. The sample size is 65 local tourists. The data analyzed by structural equation model. The results show that the effects of satisfaction with the sport event on revisit intention is positive (0.617881) and significant at the alpha of 0.05, with the t-statistic of 7.386118. The visitor satisfaction has positive impact on positive word-of-mouth intention (0,670390) and significant at the alpha of 0.05, with the t-statistic of 8,473988. These results indicate that satisfaction with the sport event has significant influence on revisit and positive word-of-mouth intention of *dragon boat* sport event in Padang City. The Government *City of Padang* may consider this finding to improve satisfaction with the sport event by improve quality of sport event.

*Keywords: Visitor Satisfaction, Revisit Intention, Positive Word-Of-Mouth Intention*

**Linking of Positive Emotional Display, Relationship Quality and Positive Word of Mouth: The Case of Priority Banking Customers**

Syafrizal

*Management Department, Economic Faculty, Andalas University, Padang, Indonesia*  
ajosyafrizal@yahoo.com

Nabsiah Abdul Wahid\*

*Graduate School of Business, Universiti Sains Malaysia, Penang, Malaysia*  
nabsiah@usm.my

Ishak Ismail

*School of Management, Universiti Sains Malaysia, Penang, Malaysia*  
iishak@usm.my

**ABSTRACT**

While emotional display contributes to customer's service evaluation like service quality, satisfaction, word-of-mouth, intention to (re)purchase, the literature reports limited research on the link between positive emotional display and relationship quality. This study aims to fill this gap by investigating the links of positive emotional display on relationship quality (consist of satisfaction and trust) and relationship quality on word of mouth. A pilot study carried out on 92 priority banking customers in Padang, Indonesia found that positive emotional display only influenced bank service provider-customer relationship quality in satisfaction but not trust. Both satisfaction and trust however showed significant effect on word of mouth. The findings imply that service providers like bankers need to consider positive emotional display as it directly affect their customer's satisfaction with services offered although may not be enough to earn their trust. However, the variable may not be enough to earn their trust. Satisfaction is also found to lead to customer's trust. Interestingly, both of satisfaction and trust were found to influence priority banking customer's word of mouth. This findings is for banks to take a note on since priority customers represent an important segment with their large deposits and investment products in the banks.

*Keywords: Positive emotional display, relationship quality, word-of-mouth, priority banking customers*

**Uncertainty Avoidance and Tourist Behavior:  
A Cross-Cultural Perspective**

Handayani Rinuastuti, Thatok Asmony

*Faculty of Economics and Business Mataram University*

**ABSTRACT**

This study is aimed to identify behavior pattern differences of Australian and Japanese tourists who visit Lombok Island and to explain the cultural correlation of Hofstede's Uncertainty Avoidance on both tourists' behavior pattern. This study was conducted on 200 Australian and Japanese visiting tourists. The sampling process was done by means of convenience sampling and the data was analyzed using t-test on two independent samples. The result of this study shows the difference between Australian and Japanese tourists' behavior pattern in terms of selecting tourist destinations, using travel agents service, and social contact. This study proves the correlation between tourist behavior pattern and culture so it can be used as a consideration for tourism service provider to decide their future marketing strategy.

*Keywords: Tourist Behavior Pattern, Destination Oriented, Travel Service, Social Contact, Uncertainty Avoidance*

**The Application of Service Quality and Lean Theory On Service Concept:  
The Importance of Understanding Cross Cultural Consumer Perception on  
Service**

Tiara Turay  
STIE Dharma Andalas  
Tiaragf2@gmail.com\*

**ABSTRACT**

It is important for organization to understand the culture that shaped consumer behaviour on their consumption and perception of service. Culture plays important role on consumer evaluation and accepting the service. Through the cultural analysis, it will be benefitted for organization to have deeper understanding of the customer expectation toward service standard. Learning about the culture of the organization's segmentation and target market is one way that an organization should do in order to have a better understanding of what their customers want and need. People from different culture have different behaviour, expectation, as well as lifestyle that make differences in their consumption and judgement of a product or service. Fail in understanding consumer behaviour in one culture causing organization facing hard time in giving their service and interact with their costumers. Giving the value in service to the customers is one of the competitive advantage that an organization must have and offer in order to stay longlife in business. Furthermore, every culture has their own standard of how the service suppose to be. It is important for the company to understand the prespective of people from different cultural in term of their expectation of the service.

In this article, the writer describe the importance of understanding the cultural differences among consumer in term of their perception in evaluation of expected and perceived service related to over all service quality standard through the analysis the five dimensions of Service Quality model from Parasuraman study (Reliability, Assurance, Tangible, Emphaty, Responiveness) and the five mentals models of Lean concept (specify value, Identfy value stream, make value flow continously, let customer pull value, pursue perfection) as the measurement of the service quality standard., as well as to find out and to close the customer gap (Gap 5 of SERVQUAL Model) and service waste along the service delivery process. The writer conducting the library reasearch on Service quality and Lean Theory as the grand theory for discussion on The importance for the organization to apply these theories in order to understand the consumer perception based on their culture. The reason why the writer brings the topic on Service Quality model and Lean theory in application for Service Concept is because both of these theories focus on people and process that smooth the work flows to

achieve customer satisfaction of service delivery. An organization must have service concept that need to be applied into the company daily activities, in order to create and give the value for the customers.

*Keywords: Lean, service, service quality, Consumer perception*

**Measuring Memorable Tourism Experiences Scale with Kim Ritchie  
McCormick Model  
(Survey on Domestic Tourist at Bukittinggi)**

Verinita  
Andalas University  
verinita26@yahoo.com

**ABSTRACT**

The purpose of this study was to measuring memorable tourism experiences scale with Kim Ritchie McCormick Model. The study is descriptive and explanatory survey verification with the 120 domestic tourists who had at least two visits to one of 15 attractions at Bukittinggi. Data collected through study of documentation, interviews, observation and questionnaires. The Analysis tools used Structural Equation Modeling (SEM) with Lisrel tool. The results showed that memorable tourism experience scale is built by the seven dimensions including hedonism, novelty, local culture, refreshment, meaningfulness, involvement and knowledge. The dimensions of memorable tourism experience can gain a competitive advantage. Dimension of refreshment, meaningfulness and involvement have the effect a bigger than the other dimensions. According to the research, the seven dimensions in memorable tourism experience should consider when developing tourism marketing program. In future, local government should make more attractive destination in Bukittinggi with involving dimension of hedonism, novelty and knowledge. Role of innovation in managing tourism program can increase domestic tourists to visit in Bukittinggi. Past experience that is faced by domestic tourists that will influence the decision the domestic tourists in visiting at Bukittinggi. Most of domestic tourists said that they feel happy when they found a new experience, involved at the experience activities and had a touching experience free from busy everyday life.

*Keywords: memorable tourism experience, hedonism, novelty, local culture, refreshment*

**Brand Association Analysis of Samsung Android Smartphone in Padang**

Yahya  
Andalas University  
ay\_hay88@yahoo.com

Dian Rani Yolanda  
Andalas University  
dr\_yolanda@yahoo.com

**ABSTRACT**

This research aims to know brand association of Samsung Android Smartphone in Padang. Population of this study are people in Padang who know and or have bought Samsung Android Smartphone. A purposive sampling method is used to select 100 respondents in Padang. The data were collected by distributing questionnaires about consumer association to Samsung Android Smartphone. This study uses descriptive approach. Nominal and interval scale are used in this research. The data were analyzed by using a descriptive statistical method. The findings show that from 19 items of association asked, only low radiation that gets the lowest score from the respondents.

*Keywords: Brand Association, Smartphone*

## Creating the Constituent Loyalty Through Political Marketing Mix

Yesi Elsandra\*  
*STIE Dharma Andalas Padang*  
yesi.elsandra@gmail.com

Yofina Mulyati  
*STIE Dharma Andalas Padang*

Haryeni  
*STIE Dharma Andalas Padang*

### ABSTRACT

Elections in Indonesia has been metamorphosed. Election of legislative members, the president, and vice president, also the district head is done directly and based on majority vote. Competition in national and local elections is getting increase, therefore each contestant can adopt the marketing way which is done by companies in business area. As the result of this change in the mechanism of elections in national or local elections to be very competitive. The purpose of this study is seeing of any influence of political marketing activities to constituents loyalty. This type of research is descriptive and verification, the type of investigation is causality and using the cross sectional as the time scope. The sampling technique used convenience sampling with a sample of 400 respondents. Data were examined using both descriptive and path analysis. The unit of observation is the political parties who have representation in parliament at level 1 in West Sumatera, analysis unit which is the constituents who has voting rights and ever been chosen in previous election. The results showed that political marketing mix simultaneous has impact significantly to constituents loyalty of political parties. Partially product, location political parties, people who manage of political parties, and also process of political parties has impact significantly to constituents loyalty of political parties. But the campaign which is done by political parties and the process has no impact significantly to constituent loyalty of political parties. The Impact of contribution of political marketing mix to the constituent loyalty amounted to 70,6% while the rest is influenced by other factors.

*Keywords: Political Marketing Mix, Constituent Loyalty of political parties*

## Market Orientation, Learning Orientation and Organizational Performance; The study of MSMEs in West Sumatera

Yulia Hendri Yeni  
*Economic Faculty, Andalas University*  
yuliayeni@yahoo.com.au

### ABSTRACT

An impressive number of study has showed the positive relationship between Market Orientation and Organizational Performance. However there is still lack of research involve Learning Orientation as a mediator on the relationship between Market Orientation and Micro Small Medium Enterprises (MSMEs) Performance. This Study was conducted to investigate the the impact of Market Orientation and Learning Orientation on MSMEs performance of embroidery industry in West Sumatera. Survey data were gathered from a sample of 144 owners. Smart PLS results provided four hypotheses which examined the effect of Market Orientation, Learning Performance and MSMEs Performace were supported. The practical implications of the results have been discussed in this research paper.

*Keywords: Market Orientation, Learning Orientation, and MSMEs Performance*



## Internationalization of Malaysian Agribusiness Firms: Entry Strategies, Market Selections, and Challenges

Zizah Che Senik\*  
Universiti Kebangsaan Malaysia, UKM  
zizahcs@ukm.edu.my

Ridzuan Md Sham  
Universiti Kuala Lumpur - Malaysian France Institute  
ridzuan@mfi.unikl.edu.my

### ABSTRACT

Despite increasing number of firms operating internationally, little is known about the internationalization of agribusiness industry. To remedy the gap, this study explores how agribusiness firms internationalize, and what challenge the internationalization process. The objectives are twofold: to identify the entry strategies taken by the agribusiness firms to enter targeted markets, and to discover the challenges in their internationalization process. The paper presents the empirical results of in-depth interviews with six Malaysian agribusiness firms conducted between May to August 2010. The study found that agribusiness firms mainly chose direct exporting, agents and distributors as entry strategies into 1 to 20 countries (67%), and also into more than 20 countries (33%) all over the world. This indicates that the agribusiness industry took low commitment mode into foreign countries, yet, able to penetrate into distant and close markets, demonstrating that physic distance has less impact on their internationalization process. Evidently, they face various internal and external challenges, including the home and host countries policies, lack of internal resources, quality control, payment issue, tariff and non-tariff trade barriers, as well as relevant information on targeted markets. Despite these hindrances, one-third of the participating firms internationalized from inception indicated that they had followed the Born-global pattern towards internationalization. The study extends substantial knowledge into firm internationalization particularly on the entry strategies, market selection, challenges to internationalization within the agribusiness industry. It provides managerial implications for managers to benchmark their firms' strategies against both home and host countries' policies, and practical implications for policymakers to provide facilities to lessen the impact of challenges for the internationalization of agribusiness industry. This study is an aperture for future research in the internationalization of agribusiness industry.

**Keywords:** *Internationalization, Agribusiness industry, Entry Strategies, Market selection, Challenges to internationalization*

## Research and Development (R&D) Management and Its Impact on Firm Performance

Fararishah Abdul Khalid\*  
Universiti Teknikal Malaysia Melaka  
fararishah@utem.edu.my

Amiera Syazreen bintiMohd Ghazali  
Universiti Kebangsaan Malaysia  
mierasyazreen@yahoo.com

Aimi Nur Atirah Binti Azelan  
Universiti Teknikal Malaysia Melaka  
aimiazelan@yahoo.com

### ABSTRACT

Nowadays, the success of Research and Development (R&D) management has become crucial to *firm performance*. The purpose of this study is to identify the role of R&D management on firm performance and also to measure the impact of R&D management in an organization. Past studies have shown the significant role played by R&D management in increasing *firm performance*. The study examined *strategy*, *company culture* and *R&D climate* and their role on firm performance. The dependent variable is *firm performance* and the independent variables are *strategy*, *company culture* and *R&D climate*. The research is based on a quantitative research approach. The method use in gathering all data is from primary and secondary data. Primary data can be achieved through a questionnaire. However, for secondary data, all the data can be found from past study, either from published or unpublished sources. The distributions of the questionnaire were through e-mail and face to face to 80 respondents that have responsibilities in the R&D department inside the firms around Malaysia. From the three independent variables (*strategy*, *company culture* and *R&D climate*) only two were significant to give positive impacts on *firm performance*, which is *strategy* and *company culture*. Meanwhile *R&D climate* was found not to be significant and has no impact on *firm performance*. *Strategy* has become the most significant value in terms of its role in R&D management and it can impact *firm performance* positively.

**Keywords:** *R&D management, Strategy, Company culture, R&D climate, Firm performance*

**Performances, Facility Management and Levels of Capacity of Innovation: A Study on Pesantren in North Sumatra**

Jafar Syahbuddin Ritonga\*

*Graduate School Of Business Universiti Sains Malaysia, Malaysia*  
jsr\_jasari@yahoo.com

Md. Harashid bin Haron

*School Of Business Universiti Sains Malaysia, Malaysia*  
harashid@usm.my

Sofri Yahya

*Graduate School Of Business Universiti Sains Malaysia, Malaysia*  
sofri@usm.my

**ABSTRACT**

Pesantrens are the oldest Islamic educational institution in Indonesia. Unfortunately, a growing number of Pesantrens have been closed down due to their poor performances. They cannot compete with the secular schools and other modern education institutions that existing today making more and more Pesantrens become marginalized over the time. The purpose of this paper is to know how Pesantrens' performances are influenced by facility at different levels of capacity of innovation. Facility management is a process of setting up physical assets that relate to teaching and learning activities at the Pesantrens. Informed by theory of Social Entrepreneurship (SE), the Pesantrens are arguably a form of social entrepreneurship that will capitalize on managing their facility management - as a strategic activity, to enhance their performances. Further informed by Contingency theory, the influence of facility management to the Pesantren's performances is expected to be varied according to the levels of capacity of innovation exists at the Pesantrens. Data were collected by means of questionnaires to 172 Pesantrens operating in North Sumatra in the 2012/2013 academic year. The data were analyzed using descriptive and inferential statistics, namely frequency, multiple regressions and hierarchical regression. In a nutshell, the results showed that facility management did influence performances at different levels of capacity of innovation.

*Keywords: Facility Management, Innovation, Social Entrepreneurship, Performances*

**The Design and Implementation of 3 Kg LPG Enclosed Distribution System by the Role of Stakeholders (Case Study at Indramayu, Subang, Purwakarta, Kuningan and Tasikmalaya, West Java)**

Lindawati Kartika\*

*Lecture in Departement of Management FEM-IPB*  
lindawati.kartika@gmail.com

Andita Sayekti

*Lecture in Departement of Management FEM-IPB*

**ABSTRACT**

The existence of competition among the 3 Kg LPG gas distributors makes fluctuation at downstream demand, so the amount of tube safety stock owned by distributor becomes very high. Currently scenario, scenario which retailers can get supplies from a number of different agents and move to another agency, cause demand instability at SPBE and agents. Government makes policy for kerosene conversion to gas according with Republic of Indonesia Presidential Regulation No. 104 in 2007 concerning supply, distribution determination of 3 Kg LPG for households and micro-enterprises to solve that problem. This policy was followed up by Minister of Energy and Mineral Resources' (ESDM) Regulation, which is Regulation No. 26 in 2009 concerning LPG supply and distribution, No. 17 and 5 in 2011, and No. 1714 in 2012 on the 3 Kg LPG benchmark prices establish enclosed scenario to assist in monitoring of LPG distribution, either quantity, quality or distributor. The objective of this study is the arrangement by enclosed system of specified LPG distribution by optimizing the role of stakeholders, so only groups of people with certain criteria are entitled to get distribution with guaranteed quality. The results of this study, alternative strategy, are policy recommendation that can assist in the monitoring and distribution of LPG by the role of stakeholders.

*Keywords: Enclosed Distribution, LPG, SPBE, Stakeholders*

## Walkability Level of Streets around the Railway Station

Romeiza Syafriharti  
Computer University of Indonesia  
romeizasafriharti@yahoo.com

Goldie Melinda Wijayanti  
Computer University of Indonesia  
goldiemelindaw@gmail.com

### ABSTRACT

Integration of various modes in transportation services system should consider 'walking' as another alternative mode of transportation. Walking always supports any transportation mode used, especially the utilization of public transport modes. This paper discusses the level of walkability of pedestrian facilities around the railway station, Bandung Station in Bandung City. The characteristic of respondents of this research are passengers who utilize train as transportation mode for working travel. It obtained two classifications of respondents, who walk from the railway station to the work place and who do not walk. The four aspects assessed the level of walkability are security, safety, comfort, and splendor. Assessment of train passengers who walking from the station to work place is slightly above average for the aspects of security, safety, and comfort. Only aspect of splendor which scored below average. The other hand, train passengers were not walking to the work place form the station to provide an assessment more than the average only for security and comfort, while the safety aspects and splendor scored below average. These results indicate that the overall assessment of train passengers who walking towards the work place from the station is relatively better than assessment of train passengers who do not walk. This assessment provides an overview of the reasons why most of the train passengers would not walk to the work place, although it is possible there are other factors that cause it.

*Keywords: walkability, railway station, transportation*

## Aggregate Production Planning of Hybrid Corn Seed Using Heuristic Methods in PTCNM

Syamsul Anwar\*  
Akademi Teknologi Industri Padang  
syamsul.anwar01@alumni.ui.ac.id

Gus Ari Wardi  
Akademi Teknologi Industri Padang  
gusariwardi@gmail.com

### ABSTRACT

PTCNM is a company producing hybrid corn seeds that are at Solok, West Sumatera. Fluctuating product demand, while there sources or plant's capacity were limited resulted in the company management face difficulties in making plans or production strategies that could meet customer demand. The purpose of this research is to make hybrid corn seed production planning with minimum total cost criteria. The approach used is to apply the aggregate production planning with heuristic methods. The first step is to forecast demand for the next 12 months by using various of time series methods. The smallest value of the mean square error (SME) is used to selected the best forecast method. Finally the decomposition method is chosen to projected product demand. The second step is to apply heuristic methods through pure strategies; work force control, inventory control, overtime, and a mixed strategy; overtime-subcontract control. The comparison of total production cost of the four strategies indicated that work force control strategy is the strategy with the minimum total production cost. The application of the production strategies are given in more detail. The results of this study could help managers in making production planning. The limitations of this study is only considering the production cost as in choosing production strategy. Future studies may consider positive and negative effects of each strategy in its implementation.

*Keywords: Production Planning, Aggregate, Heuristic*

## Developing a Framework for a Viable Research University

Rosmah Mat Isa\*  
UKM-Graduate School of Business  
rosmah@ukm.my

Khairul Akmaliah Adham  
UKM-Graduate School of Business

Hasmiah Kasimin  
UKM-Graduate School of Business

Fatimah Othman  
UKM-Graduate School of Business

Faizah Ahmad  
UKM-Graduate School of Business

### ABSTRACT

A research university is a multi-mission organization involved in education, research, and innovation that support both the social development and economic well-being of society. Hence, there is a need for good management of a research university. However, to date, extant literature had centered on the functional aspects of research universities (namely education, research and commercialization), and less on the systems view of university operation. To fulfill this gap, this study aims to propose a general systems framework for a viable research university. The study first reviews the literature on the functions and purposes of research universities. It then utilizes the viable system model (VSM) as a feasible modeling tool for *developing* a systemic framework for viable research universities. This proposed framework allows a comprehensive view of the functions of research universities, and thus helps university management to develop the necessary capabilities and allocate appropriate resources toward achieving its missions.

*Keywords:* Research university, viable system model, systems thinking, higher education.

## The Impact of Entrepreneurial Practice on Student Entrepreneurial Characteristics Building

Asmi Abbas  
Faculty of Economics, Andalas University  
abbas\_asmi2009@yahoo.com

### ABSTRACT

This research aims to analyze the impact of entrepreneurial practice on student entrepreneurial characteristics building at Faculty of Economics Andalas University. The samples of respondents are students who take subject of entrepreneurship in 2013. From the results of the data processing with SPSS shows the mean that 3.714286 of entrepreneurship practice influence the entrepreneurial characteristics on students' personality. This indicates that the practice of entrepreneurship applied at Faculty of Economics is quite effective and can create the characteristics like responsibility, disciplined, self-confidence, ability to generate ideas, interests in business, ability to identify opportunities, understand the market demand, understand the importance of working with team, creative, understand the importance of a business plan, prioritize the buyers, and commitment to the business. This explanation is supported by the statement from respondents that 54 respondents (52.7%) agreed with the entrepreneurial practice and 26 (25.4%) of the respondents strongly agreed with the practice of entrepreneurship; 92 (89.3%) of respondents felt no objection to the practice of entrepreneurship. 97 (94.2%) of respondents said that the practice of entrepreneurship is necessary, 96 (93.2%) of respondents said not ashamed of practicing entrepreneurship, 101 (98.1%) of respondents had a positive lesson from this entrepreneurial practice. This means that the practice of entrepreneurship needs to be continued and added with other activities so that can increase the motivation and interest of students to become an entrepreneur.

*Keywords:* the practice of entrepreneurship and entrepreneurial characteristics

### **Minangkabau Women's Entrepreneurial Spirit: Identifying Dominant and Specific Characteristics**

Diah Tri Kemala  
*Faculty of Economics, Andalas University*  
Diah.trikemala@gmail.com

Niki Lukviarman  
*Faculty of Economics, Andalas University*  
Lukviarman@gmail.com

#### **ABSTRACT**

This study aims at identifying and describes the Minangkabau women entrepreneur characteristic. Five basic characteristics as driving factors are used to identify the characters of Minangkabau women entrepreneurs, as follows: empathy, adaptive, intuitive, individualist and/or independent and orientation of the risk. The research was conducted by using semi-structured interview technique which addressed to seven respondents who own various types of enterprises. The result of the interview shows that there exist dominant compatibility between basic characteristics above mentioned and characteristics that owned by the respondents. Each characteristic can be identified with different explanation for respondent respectively. The research concludes there are exists typical characteristics of Minangkabau women entrepreneur. They are assessed as tough and authoritative women. The tough characteristic can be seen from their way to cope up with social change and problems whilst authoritative is shown from all of the assets which are noted as their owned.

*Keywords :* Characteristic, women entrepreneurs, Minangkabau women entrepreneurs

### **Exploring the Characteristics of Incubatees Towards Achieving Fourth Generation Incubators**

Fararishah Abdul Khalid  
*Universiti Teknikal Malaysia Melaka*  
fararishah@utem.edu.my

Amiera Syazreen binti Mohd Ghazali  
*Universiti Kebangsaan Malaysia*  
mierasyazreen@yahoo.com

Wan Nur Saidah binti Wan Mohd Zainudin  
*Universiti Teknikal Malaysia Melaka*  
eida91\_zainudin@yahoo.com

#### **ABSTRACT**

Business incubation is an economic development tool which is widely used to stimulate the growth of small to medium sized enterprises (SMEs). It is proven as an effective tool in creating jobs, and accelerating the growth of new businesses. This paper examines the underlying characteristics of incubatees that are needed at the selection phase of the business incubation process towards achieving fourth generation incubators. This study is based on a survey questionnaire from the 121 incubatees from ICT incubators in Malaysia. The characteristics of incubatees, personality, knowledge, skill and behaviour, are found to have inter-correlation among each other and shows to be significant factors for achieving fourth generation incubators. Results show that the most significant characteristic is behaviour while characteristics such as personality, skill and knowledge. The findings provide valuable information for the policy makers, business incubator managers, and potential incubatees toward achieving fourth generation incubators.

*Keywords:* Business incubator, Characteristic of Incubatees, Fourth generation incubators

**Differences between Formal and Informal Small Businesses in Identifying  
and Exploiting Entrepreneurial Opportunities:  
Empirical Evidence from Tanzania**

Gorah K. Abdallah\*  
*Maastricht School of Management, the Netherlands*  
abdallah@msm.nl

**ABSTRACT**

Identification and exploitation of entrepreneurial opportunities has become an important theme of study in the field of entrepreneurship. This paper extends the inquiry by investigating whether there is a difference between formal and informal small businesses in identifying and exploiting entrepreneurial opportunities. Using a survey on owner-managers of 50 formal and 61 informal small businesses from the furniture industry in a least developed country (Tanzania), we found that formal businesses identify and exploit more opportunities compared to informal businesses. Further, we found that, in general, skills & knowledge is the most important barriers for the exploitation of identified opportunities. Recommendations for future research were formulated.

*Keywords: Formal And Informal Small Businesses, Opportunities, Identification, Exploitation, Barriers Of Exploitation*

**Women Entrepreneur Survey In Padang: An Explorative Study**

Gustina  
*Business Administration Departement of Padang State Polytechnic*  
umikhazid@gmail.com

**ABSTRACT**

Today, entrepreneurship is one of the independence work that interested by some people which has dependence self. The prime objective of this research is to investigate women entrepreneur in Padang (as know with struggle women in Minang clan). Moreover, this research also want to make clear about obstacles of business in order to women entrepreneur (they known as a community which almost spent time at home). The method of study is depth of interviews to selected women entrepreneur in this city. The result shown that there are 2 factors become a huge women motivation for them, namely economic factors and self actualization. Finally, a big hope to them is this is a opportunity to find a new work place for other in arounding them, especially their relatives.

*Keywords: Women Entrepreneur, Self Actualization, Economic Factors*



## Quality Effectiveness of Teaching Entrepreneurship Camp in Influencing MRSM Students Choose Entrepreneurship as a Career

Hazlan Zarir bin Othman\*  
Faculty of Education Universiti Kebangsaan Malaysia  
hazlan76@yahoo.com

Mohd Mansur bin Akmaron  
Faculty of Education Universiti Kebangsaan Malaysia

Nor Aishah binti Buang  
Faculty of Education Universiti Kebangsaan Malaysia

### ABSTRACT

This study aims to examine the effectiveness of the quality of teaching entrepreneurship camp in influencing students MRSM to choose entrepreneurship as a career. This study was conducted to look into the aspects of teaching methods and teaching skills in influencing students' tendency toward entrepreneurship. The respondents were among 88 students from MRSM Kuala Klawang, Jelevu from various streams. The instrument used in this study was a questionnaire to answer the research question about the quality and effectiveness of teaching entrepreneurship camp. The data collected were analyzed using the Statistical Package for Social Science (SPSS) version 22.0. The results showed that the quality of teaching entrepreneurship camps are the factors that could influenced students to choose entrepreneurship as career.

*Keywords: Quality Effectiveness, Entrepreneurship, Students*

## Effect of Personal Qualities Entrepreneurial and Entrepreneurial Intentions for Learning Outcomes of Islamic Entrepreneurship Course (Case Studies on Studies Program of English Language in Fakultas Tarbiyah Sekolah Tinggi Agama Islam (STAIN) Sjech. Muhammad Djamil Djambek Bukittinggi)

Helmi Ali Akbar  
Sekolah Tinggi Ilmu Ekonomi (STIE) Haji Agus Salim Bukittinggi  
helmi\_akbary@yahoo.com

### ABSTRACT

This study is a descriptive-qualitative research that is expected to explain the activities of learning outcomes of Islamic Entrepreneurship courses. The study was conducted over four months to four classes with a population of 122 people. Samples taken were considered representative of the class as much as 33 samples. This study aimed to see whether there are significant personal qualities entrepreneurial (KPE) and entrepreneurial intentions (ME) to the Islamic entrepreneurship learning outcomes. Sample measurement used a questionnaire consisting of personal qualities entrepreneurial as much as 55 questions, which is divided into 10 variables, which are finding opportunities, persistence & perseverance, obedience to the employment contract, the demands on quality and efficiency, risk taking, goal setting, information search, planning systematic and monitoring, persuasion and the creation networks, and self-confidence. While the interest of entrepreneurs as much as 10 questions. All of the question have tested the validity and reliability by using a correction factor for the entrepreneur and the personal qualities to test the validity reliability entrepreneurial intentions. While the study results are the end result of learning, as measured from the task and discussion activities, midterm and final exams. Data were analyzed using multiple linear regression models with SPSS seri.19.00. The results showed R Square of 0.430, meaning that only 43% of variables that can explain the alleged dependent variables learning outcomes. The test results showed that the variable partial risk-taking and search opportunities positively and significantly ( $\alpha = 0.05$ ) on student learning outcomes. While other variables, such as goal setting, self-confidence, interest in entrepreneurship, determination and persistence, persuasion and the creation of networks, the demands on quality and efficiency, information retrieval, and adherence to contracta positive and non-significant impact on student learning outcomes in the course of Islamic Entrepreneurship. It can be concluded that the learning process is not enough have a significant effect in improving the quality of personal entrepreneurial and student of entrepreneurial intention (entrepreneurial intention).

*Keywords: Personal qualities entrepreneurship, Entrepreneurial intentions, Learning outcomes, Islamic Entrepreneurship course*

**Cross-Cultural Reliability and Validity of a Scale to Measure  
Entrepreneurship Index for Undergraduates in Malaysia and Indonesia**

Isteti Murni  
*STMIK Indonesia Padang*  
istetimurni@gmail.com

Nor Aishah Buang  
*Universiti Kebangsaan Malaysia (UKM)*  
norais@ukm.my; chahbuang@yahoo.com

Noviarti  
*Sekolah Tinggi Teknologi Payakumbuh West Sumatra Indonesia*  
r\_noviarti@hotmail.com

**ABSTRACT**

This paper presents the process of determining the reliability and validity of an instrument to measure the entrepreneurship index between the two countries, Malaysia and Indonesia. The Malaysian version of the instrument was translated into Indonesian language. These same instrument with two different languages was tested in both countries to determine if the items' reliability will have almost similar scores. The number of samples for both countries were more than 200. The results showed that the total Cronbach Alpha values were almost the same for both countries after dropping some items with less than 0.5 Cronbach Alpha values. For example, the Cronbach Alpha values for the Malaysian version were the attitude (0.882), entrepreneurial thinking (0.962) and entrepreneurial behavior (0.785). The Cronbach Alpha values for the Indonesian version were the attitude (0.785), entrepreneurial thinking (0.620) and entrepreneurial behavior (0.910). In comparison, the Malaysian version scored a little bit higher than her counterpart in Indonesia. However, on administering the instrument in its own language in the two countries on their undergraduates found that the Indonesian students scored higher for all of the three components. This result could explain for the cultural reasons of the higher scores in terms of Indonesian students' attitude, thinking and behavior than the Malaysian students.

*Keywords : Cross-cultural, entrepreneurship index, undergraduates*

**The Spirit of Entrepreneurship in School Curriculum:  
A Discourse Analysis of the Students' Textbooks at Primary Level of  
Education**

Lucy Suraiya\*  
*Faculty of Humanities, Andalas University*  
lucysuraiya@gmail.com

Ramadhani  
*Faculty of Humanities, Andalas University*  
dhani\_gafar@yahoo.com

Laily Martin  
*Faculty of Humanities, Andalas University*  
putimartin@gmail.com

**ABSTRACT**

This study aims at describing the spirit of entrepreneurship developed in formal education, in the way how language may realize the concept of entrepreneurship at the primary level of education. 18 elementary and 9 junior high school student textbooks under government publication (*Kemdikbud*) are analyzed to identify their Speech Acts in relation to the spirit of entrepreneurship. Having applied discourse analysis to the texts, the data reveal that the school curricula have introduced entrepreneurship spirit of all indicators in the different order and focus. Elementary school books are distinct in the more focus on the extroversion and the external efforts to internal locus of control indicators. It is related to the discourse whose aim is mainly to assign the students to do various activities for self-existence and team work, rather than being introduced to new knowledge and doctrines. These are represented in the dominant occurrence of directive speech acts emphasizing that the students are supposed be creative in the process of invention by getting involved actively. Meanwhile, at the junior high level, the text books support the students to be more independent focusing more on the internal locus of control and self-reliance indicators, in representative speech acts primarily.

*Keywords: entrepreneurship, spirit of entrepreneurship, Speech Acts (SAs), Discourse Analysis (DA)*

## **An Empirical Study of Entrepreneurship Orientation in Restaurant Chains in Malaysia: A Case of Managing New Product Innovation**

Mazalan Mifli  
*Universiti Malaysia Sabah*  
mmifli@ums.edu.my

Mat Salleh Ayub\*  
*Universiti Malaysia Sabah*  
mayub@ums.edu.my

### **ABSTRACT**

This paper presents the findings based on the structural model of the relationship between entrepreneurship orientations and the first-stage of new product innovation process, called concept development. Restaurant chains are selected as the empirical setting because they are known to have consistent and standardised product development. Specifically, the focus is to investigate the strategic factors underlying the adoption of entrepreneurial orientations that include market focus and technological posture when engage in managing new menu innovation. In carrying out this investigation, we first advanced the theoretical conceptualization and the empirical validation of the proposed concept development as a second-order hierarchical model using both statistical package for social science (SPSS version 19) and Partial Least Squares (PLS-SEM). Empirically, the measurement and structural models of this study confirmed adequate estimations based on PLS path modelling parameters. The result of the path coefficient value of entrepreneurship orientations on concept development found to be negative ( $\beta = -0.388$ ) and significant at  $p < 0.1$ , thus confirmed radical entrepreneurship orientation being adopted by restaurant chains when engaging in new menu development in a matured consumer market of Klang valley. The implication of these findings is discussed along with the conceptual contribution, limitations and future direction of this study.

**Keywords:** *Menu Innovation Process, Product Innovation Orientations, Entrepreneurship Orientations, Partial Least Squares (PLS-SEM), Malaysia*

## **The Relationship between Competitive Capability and Indonesian SMEs Performance: Environmental Dynamic as Moderator Variable**

Megawati\*  
*Economic Faculty - Padang State University*  
megawati.me@gmail.com

Muthia Roza Linda  
*Economic Faculty - Padang State University*

Rosyeni Rasyid  
*Economic Faculty - Padang State University*

### **ABSTRACT**

The paper aims at identifying the effect of competitive capability on SMEs performance in Indonesia with dynamic environmental as a moderator variable. SME have a significant influence for economic growth in developing countries. Understanding how SMEs can utilize their limited resources to achieve competitiveness is critical in order to their survival, especially in the dynamics of industrial environment. In spite of the contribution of SMEs to the national economy, increasing business competition has placed SMEs in a defenseless position. The lack of competitive capability becomes the main problems for Indonesian SMEs to survive on the market place. Although some empirical studies found that competitive capability have impact on business performance, but using the Resource Based View (RBV) this research would be including dynamic environmental since it will be effected SMEs business performance and change by the year throughout the organization. Therefore, this study put forward a model on the factor that would be influence SMEs performance in Indonesia.

**Keywords:** *Competitive, SMEs , Environment, Economy, Capability*

**Effectiveness of Entrepreneur Literacy Camp Implementation in Fostering Entrepreneurial Skills by Gender among MRSM Students in Kuala Klawang**

Najwa Yahaya\*

*Faculty of Education Universiti Kebangsaan Malaysia*  
[najwa.ny89@yahoo.com](mailto:najwa.ny89@yahoo.com)

Norhauzan Mohd Zainuri

*Faculty of Education Universiti Kebangsaan Malaysia*

Nor Aishah Buang

*Faculty of Education Universiti Kebangsaan Malaysia*

**ABSTRACT**

Entrepreneurship is an important field for the country because it can reduce the culture of 'wage earning' as well as to help to develop the economy of a country. Entrepreneurial skill is a plus point for students in shaping their future. The purpose of this study is to determine the effectiveness of the camp implementation in fostering entrepreneurial skills in Kuala Klawang MRSM's students by gender. A total of 88 students from Form 1,2, 3 and 4 were randomly selected as the respondents. The research instrument used was a questionnaire using a Likert scale of 1 (Very Poor) to 5 (Very Satisfied). Data obtained by questionnaire was analyzed descriptively using the Statistical Package for Social Science (SPSS version 15.0). Overall, the outcome of the analysis showed that the level of nurturing entrepreneurial skills in students is still at a moderate level. Therefore, all parties involved should pay more attention and take appropriate steps to increase the entrepreneurial skills among students.

*Keywords: Gender, Entrepreneurs, MRSM Students*

**Stages in Compiling Integrated Entrepreneurship Module Based on Electronic for University Students**

Ninik Sudarwati

*Lecturer of STKIP PGRI Jombang*

**ABSTRACT**

This study was conducted for two years, the purposes of the first year research are: describing the situation naturally about the entrepreneurial learning in higher education, describes integrated electronic entrepreneurial competence expected by faculty and students, compiling drafted design of the integrated entrepreneurship based on electronic modules material. The steps for this research method are: 1) exploration step, description of the implementation of entrepreneurial learning in higher education, 2) analysis phase, the composition integrated entrepreneurship based on electronic modules that are expected of students and faculty, 3) drafting stage for integrated entrepreneurship based on electronic modules, 4) validation test for module with entrepreneurial and academics experts. Data was collected through interviewing the students who take a course in entrepreneurship has been completed. The research finding of this study is: 1) the first stage, it showed the results of interviews on entrepreneurial learning on students who 80%, they answered that entrepreneurial learning is done 70 % in theory and 30% practice of entrepreneurship, the study time is only one semester of 150 minutes per week, 2) the results of the second stage showed that 85% of students need entrepreneurial-based integrated electronic material that is easy to learn, complete material, the module can be studied independently, 3) the results of the third stage shown that the shape of the module material consist of: forming a entrepreneurship mental, business management and business plans, business development. The module design of each topic is shown film, dubbed material with sound, 4) validation test results indicate that the module has been worth to be applied to the entrepreneurial learning in higher education as a field test of the module.

*Keywords: Module, Integrated Entrepreneurship, Stage, Electronic*

## Social Capital and Entrepreneurial Success Factors of Minang Society

Primadona\*

*Business Administration Department, Padang State Polytechnic*  
pdmamarafif@gmail.com

Emrizal

*Business Administration Department, Padang State Polytechnic*  
Emrizal\_se@yahoo.com

Eva Yoyet

*Business Administration Department, Padang State Polytechnic*  
Eva\_yoyet@yahoo.com

### ABSTRACT

This paper aims to reveal the effect of social capital on entrepreneurial success of Minang society. This ethnic that most of the people live from entrepreneurship, in fact, was very influenced by elements of social capital such as trust, networks and reciprocity. The running of social capital elements in the entrepreneurial of Minang community group or organization was able to contribute to the birth of the new entrepreneurs who are able to compete. So far, there were many theoretical and the real implications revealed by some researchers that have not so much found of the elements of social capital as one of the factors that influence the success of self-employment or creating new entrepreneurs in addition to financial factors or creativity itself. This paper gives a real opinion about the role of social capital in creating new entrepreneurs and greatly affects the success of self-employment in particular Minang society. This study was conducted to Minang entrepreneurs who live in Jakarta with various business fields by using qualitative methods. The results of the study reveal that the influence of social capital on entrepreneurial success for Minang society very large and even exceeds that of the influence of factors other entrepreneurial success. This study was recently conducted using qualitative approach and for further research, it can be conducted using quantitative approach with the results that can distinguish the most dominant elements of social capital that affect the success of entrepreneurial Minang community in Jakarta.

*Keywords: Trust, Networks, Reciprocity, Entrepreneurs, Minang Society*

## An Introduction to the Theory of Cooperative Entrepreneurship

Robby Rosandi\*

*School of Economics and Commerce (STIE Perdagangan) Padang-Indonesia*  
rosandister@gmail.com

### ABSTRACT

Cooperative is a legal form of business in Indonesia. As a collectively-owned firm, little attention has been paid to the study of entrepreneurial aspects of this firm. Entrepreneurship is often associated with the activities of individual player called entrepreneur. Meanwhile in a cooperative, entrepreneurship is not carried out by an individual owner but by the group of owner. In this context, the research question in this paper is how does the joint ownership encouraging entrepreneurship spirit and create effective outcomes?. Another important activity to be further investigated in cooperative entrepreneurship is decision-making of the member firm as the owner of the cooperative firm and the decision making of cooperative firm itself. The member firm's decision, i.e. production and investment decision, should be aligned with the decision of the cooperative firm. It requires an intensive coordination between them. The traditional one member one vote decision right to some extent is no longer suit to the need of the cooperative today. The decision right system has been shifted to the system called proportionality decision right. Even in some countries, cooperatives have developed hybrid ownership structure which have completely abandoned one member one vote decision system. This paper at the end exploring the implication of these practices to the cooperative entrepreneurship in general.

*Keywords: Cooperative Entrepreneurship, Ownership, Decision-Making*



**Management Practices is Not Important for Women Entrepreneurs in Family Business while Enhance Their Business Performance: Evidence from Melaka, Malaysia**

Sentot Imam Wahjono\*  
Universiti Teknikal Malaysia Melaka, Malaysia  
wahjono@utem.edu.my

Harnida Hanim Binti Abdul Hamid  
Universiti Teknikal Malaysia Melaka, Malaysia  
nieda\_anim@yahoo.com

Adilah Mohd Din  
Universiti Teknikal Malaysia Melaka, Malaysia  
adilah@utem.edu.my

Hasan Saleh  
Universiti Teknikal Malaysia Melaka, Malaysia  
hasansaleh@utem.edu.my

**ABSTRACT**

The aim of this paper is to investigate what is the factor of women entrepreneur in family business that can gain the business performance. This research is to focus the how the business performance will give changes in overall business management that increase their business performance. This research use quantitative analysis, involves 150 respondent that have own business in Melaka. The findings, it stated of all factor of women entrepreneur in family business to enhance business performance. The important factors of women entrepreneur to enhance business performance are goals and motivation, individual factor, and networking. While management practices is not important. The Implication of this research is, need to focus on strengthening the motivation and networking in particular to increase sales and profits rather than to counseling, and educational courses to improve management practices.

*Keywords: Entrepreneurs, Business Performance, Success Factors*

**Success factors in Entrepreneurship: The case of Malaysia**

Sitinor Wardatulaina Mohd. Yusof\*  
Universiti Teknikal Malaysia  
wardatulaina@utem.edu.my

Juhaini Jabar  
Universiti Teknikal Malaysia  
juhaini@utem.edu.my

Murzidah Ahmad Murad  
Universiti Teknikal Malaysia  
murzidah@utem.edu.my

**ABSTRACT**

Entrepreneurship is one of the main important drivers of a market nation and economists have underlined the crucial task acting in the market development. There are several studies integrates the major findings in the literature. In this context and due to the scarcity of this type of research, this study aims to analyze the interrelation between the environmental factors and the success of entrepreneurship in Malaysia. The methodology used in this research is the four case studies in Malaysia by using the ATLAS. ti software package for the content analysis. The main findings from the research are as follows; the elements of entrepreneurial culture and mindsets in addition to the elements in entrepreneurial supports and governmental policies are the factors that contributed to the success in entrepreneurship. This research will be practicable for academicians and the researchers who are concerned in examining environmental factors on entrepreneurship. In term of policy makers, this study may conduce through the national or regional laws and regulation be changed to facilitate and retain the entrepreneurial movement. The future research may investigate the result of this study throughout a large-scale within and cross cases analysis.

*Keywords: Entrepreneurship, Environment, Success Factors, SMEs, Case Studies*



## Competitive Advantage of Green Intellectual Capital Based Small and Medium Industries in Semarang

Sri Anik  
Fakultas Ekonomi Unissula Semarang  
Srianieks@yahoo.Co.Id

Heru Sulistiyo  
Fakultas Ekonomi Unissula Semarang  
Ricadona\_6771@yahoo.Co.Id

Sri Ayuni  
Fakultas Ekonomi Unissula Semarang  
Sriayuni\_Budhyanto@yahoo.Com

### ABSTRACT

Environmental management concepts such as green management, green marketing, green production and green innovation has been the attention of researchers previously, but still rarely give emphasis on aspects of intangible resources such as green intellectual capital consisting of green human capital, green structural capital and green relational capital in response to the issue of green innovation to create competitive advantage of the organization. This study sought to develop a green-based environmental management of intellectual capital in promoting green innovation to create competitive advantage of the organization. This study use a sample of small and medium industries (*SMEs*) in Semarang which includes textiles and textile products, pharmaceutical, electronics, food, furniture, chemical products, rubber and rubber products, leather and leather goods by 100 respondents. Technique of sampling using proportional random sampling. The data collection was conducted using a survey, through questionnaires and interviews with owners/ managers of small and medium industries (*SMEs*) in Semarang. The research concludes that there is a significant relationship between green intellectual capital towards green innovation and competitive advantage. Environmental ethics and green innovation affect competitive advantage.

*Keywords: Intellectual Capital, Human Capital, Structural Capital, Relational Capital, Green Innovation*

## An Investigation of CSR Practices Among SMEs in Yogyakarta Special Province (DIY)

Suhermita  
Faculty of Economics, Andalas University  
suhermita@gmail.com

### ABSTRACT

This study has several objectives. First, it aims to assess SMEs Owner/managers' perception toward CSR concept. Second, it also investigates the implementation of CSR related activities and its obstacles within the context of smaller scale business. This study was conducted in the Yogyakarta Special Province (DIY). The data for this study were collected by means of questionnaires with convenience sampling and were analyzed using descriptive statistic. This study concludes that the majority of respondents perceived CSR to be a costly issue. Nevertheless, respondents also believed that ethics and social responsibility might influence long run business financial performance. Furthermore, in this study, the practices of CSR in SME were examined based on four areas of responsibility: market/customer, environment, working place, and local community. Respondents showed their greater concern toward responsibility to market/customer and working place. This study also finds that the lack of perceived economic benefit, interest toward social and ethical issues and human resources were among the obstacles in the implementation of CSR concept in SME(s).

*Keywords: Corporate Social Responsibility, SMEs, Ethic*

## **Relationship between Family Background Factors towards Interest of MRSM Kuala Klawang Students in Entrepreneurship**

Syazwani Yahaya

*Faculty of Education National University of Malaysia*  
supernova\_violet@yahoo.com

Iklima Husna Abdul Rahim

*Faculty of Education National University of Malaysia*

Nor Aishah Buang

*Faculty of Education National University of Malaysia*

### **ABSTRACT**

This study aimed to identify the relationship between family background factors towards interest of MRSM Kuala Klawang students in entrepreneurship. A total of 88 participants involving form 1 to form 4 of the MRSM Kuala Klawang students were selected as a sample. The instrument of the survey form was used to collect data. The data analyze using Program Statistical Package for Social Science (SPSS) version 19.0. The research finding showed that family background influences entrepreneurial interest level among the students. The dimension of family background included three aspects which are background of father, mother and guardian. However the finding shows the background of father component is the main factor in family background. Overall, there is significant moderately strong relationship between the family backgrounds towards the interest of MRSM Kuala Klawang students in entrepreneurship.

**Keywords:** *Family Background, Interest in Entrepreneurship, MRSM, Kuala Klawang Students*

## **Key Success Factors of Gender Minangkabau Mode in Managing a Small Business With Respect to Culture Matriarkhat**

Wahyuni Eloisa Marinda

*Faculty of Economics, Andalas University*  
Marind49 @ymail.com

Latifah Hanum

*Faculty of Economics, Andalas University*  
Latifah\_hanum\_312@yahoo.com

### **ABSTRACT**

The involvement of women in small industry is very important. Women as a leader or as a companion to her husband. Women's role as successor to the family business. The purpose of this study was to analyze the involvement of women in small business, as a housewife and public opinion. Object of this study is a small business run by a woman in West Sumatra. In this study we use several variables: business characteristics, activity profile, the ability of women to develop business and survival strategies of women in business. Data collected through the questionnaire on a small business in the city of Padang, Bukittinggi and Payakumbuh. Data analysis was performed by descriptive and qualitative. The results of this study stated that the behavior of female business Minang: 82 percent effort initiated its own, 18 percent of business heritage, 76 percent of motivation attempt to tackle family income, only 14 percent were able to conduct business management, 86 percent participate in production, working hours are longer than the entrepreneurs male

**Keywords:** *Key Success Factors, gender, matriarkhat, minangkabau*

## Entrepreneur Development Model for T-Shaped ICT Entrepreneur

Wan Muhamad Noor Azam Wan Ya  
National University of Malaysia  
azamnesam@yahoo.com

Muriati Mukhtar  
National University of Malaysia  
mm@ftsm.ukm.my

Yazrina Yahya  
National University of Malaysia  
tpha@ukm.my

### ABSTRACT

Entrepreneurship has been a source of economic growth as nation shift from low productivity areas to high productivity areas. It is also a source for jobs creation. The literature mentioned that the common characteristics of successful entrepreneurs are self awareness, risk orientation, creative thinking, advocacy, profit orientation, perpetual learner, self-efficacy, activator and delegator and building relationship. To be successful ICT entrepreneurs, communication skills and ability to work well with different types of people are also very important. There are various ICT entrepreneur development programs in Malaysia such as MaGIC and PUTEK MARA. Such programs are emphasizing on basic entrepreneurship skills and product innovation. But the human skills are not well developed to the maximum limit. Moreover the entrepreneur are not train to practice beyond own field. Hence, it is proposed that, to be successful, entrepreneurs need to have deep knowledge in some specialize fields whilst at the same time have a broad understanding of trans-disciplinary fields. This is necessary so that entrepreneurs can perform task effectively especially those that require the involvement of personnel from diverse specialized areas. Thus it is fathomed that in order to increase the success rate of entrepreneurs, it is important that they are equipped with a certain skill set that encompass the mention generic skills as mentioned in the literature and some identified special skills. In this research this skill set is known as the T-shaped skill sets. Focusing mainly on ICT entrepreneur, this study aims to identify the characteristics of successful ICT entrepreneurs and identify the characteristics of the T-shaped skill set that should be incorporated into the curriculum of ICT entrepreneur development programs. Hopefully this model will become the basis for the development of T-shaped ICT entrepreneurs.

*Keywords: entrepreneur, T-Shaped, ICT, skills, curriculum*

## Analysis of the Role of the Universities in the Entrepreneurship Character Establishment on the University Student in Batam with the Family Roles as the Intervening Variables

Wisnu Yuwono  
International University Batam  
wisnu@uib.ac.id

### ABSTRACT

This study aims to identify the character of the university students as the actors of entrepreneurship in Batam, to determine the role of universities in the development of the entrepreneurial character by involving the family as an intervening variable and to develop the entrepreneur characters learning model for the university students to face Asean Economic Community (AEC) in the end of 2015. This research uses the descriptive analysis method with the case study approach in Universitas Internasional Batam. Using the scoring analysis and regression technic, involving 113 respondents using the purposive sampling method are used to draw a conclusion that the average characteristics of the university students as the actors of entrepreneurship in Batam have not meet the expectation since they are still in the moderate category, so the universities need to be more creative in fulfilling their role especially in the development of syllabus and curriculum for the learning process.

*Keywords: Scoring Analysis, Regression, Entrepreneur Characters*

## Explorative Study of Entrepreneurship Learning in (STKIP) PGRI West Sumatera

Yeni Erita  
STKIP PGRI West Sumatera  
anwaryenierita@yahoo.co.id

### ABSTRACT

Entrepreneurship learning is very important at University. The purpose of this learning is to build students' character in entrepreneurship. This research was conducted in qualitative and quantitative to see thirteen characteristics of entrepreneurship. Those characteristics of entrepreneurship in this research produced three groups. The first group was best criteria consisted of two items (full enthusiasm and ambitious). The second group was good consisted of four items (take an action, not easy to give up, run the business with ethic standard and independent group). The third group was poor which was consisted of seven items (not of afraid with failure, creative and innovative, optimist, patient and diligent, honest, care with environment, and sensitive to market demand).

*Keywords: Learning, Entrepreneurship, Characteristic*

## Factors Influencing Organizational Commitment: Case in Senior High School Teachers West Sumatera - Indonesia

Harif Amali Rivai  
Andalas University, Indonesia  
harifamali@gmail.com

### ABSTRACT

This study aimed to exam determinant factors of organizational commitment. These factors included perceived organizational support, psychological empowerment, and participative leadership. The current study proposed that these three variables as direct antecedents of organizational commitment. Antecedents of organizational commitment have been explored in various behavioral studies. Nevertheless still rare research in the context educational institution. the majority of these studies focus on business organization as the research context. This study predicts organizational support, psychological empowerment, and participative leadership have positive impact on organizational commitment. Data collection was conducted through questionnaires, and the construct used were adopted from prior research. The data were drawn from senior high school teachers who work for either state or private schools in West Sumatera Province, Indonesia, with 143 respondents. The results of the regression analysis supported that perceived organizational support, psychological empowerment, and participative leadership. Implication, limitation, and suggestion for future research are discussed.

*Keywords: Perceived Organizational Psychological Empowerment, Participative Leadership, Organizational Commitment*