ISBN: 978-621-96852-0-7

FUTURE SCIENCE

Thriving in a Disruptive World: How Enterpreneurs and Managers Learn for a Brighter Future

Radityo Putro Handrito, Safrilia Ayu

Thriving in a Disruptive World: How Entrepreneurs and Managers Learn for a Brighter Future

Editor:
Radityo Putro Handrito
Safrilia Ayu Nani

#72 Salang Street Matain, Subic. 2209. Philippines

Mobile number: 09088602939; 09088602939

ISBN: 978-621-96852-0-7

DOI: https://doi.org/10.11594/futscipress23m

CONTRIBUTORS’ BIOGRAPHIES

Noermijati, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Andi Indriani Ibrahim, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Margono Setiawan, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Desi Tri Kurniawati, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Adelia Shabrina Prameka, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Abdrrahman Hakim, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Erie Awalil Fakhri, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Sri Palupi Prabandari, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Irma Kurniasari, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Nur'Adilla, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Rofiaty, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Mychelia Champaca, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Deny Edy Widodo, University of Muhammadiyah Lampung.

Armanu, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Ayu Desi Indrawati, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Putu Dyah Permatha Korry, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Christin Susilowati, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Dunga Dwi Barinta, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Moh. Erfan Arif, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Nanang Suryadi, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Haqu Imaning Elmiani, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Radityo Putro Handrito, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Camille Willaert, Department Marketing, Innovation, and Organization Faculty of Economics and Business Administration Ghent University Belgium.

Fleur Willaert, Department Marketing, Innovation, and Organization Faculty of Economics and Business Administration Ghent University Belgium.

Fatchur Rohman, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Ananda Sabil Hussein, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Ida Yulianti, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Kardina Yudha Parwati, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Putu Adi Putra Arimbawa, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Astrid Puspaningrum, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Raditha Hapsari, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Siti Aisjah, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Kalimasada, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

M. Fajrul Islam Fasieh, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Wildan Fadilah, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Muhammad Hafiz Riandi, Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

Safrilia Ayu Nani, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia.

CONTENTS

ABOUT THE EDITORS

Radityo Putro Handrito, Ph.D, is a lecturer at the Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia. He serves as Secretary of Management Department Faculty of Economics and Business, Universitas Brawijaya. He completed a bachelor's degree in the Department of Management, Faculty of Economics and Business, Universitas Brawijaya and a master's degree in the Master Program in Management, Major in Marketing and Consumer Behavior, Faculty of Economics and Business Universitas Indonesia. Apart from that, Dr. Radityo also succeeded in completing a doctoral degree in the Doctoral Program in Business Economics, Faculty of Economics and Business Administration, Ghent University and Doctoral Program in Applied Economics, Faculty of Business Economics, University of Antwerp, Belgium. He is currently also active as researcher at Ghent University and CER University of Antwerp.

Safrilia Ayu Nani, Is an employee in the Faculty of Economics and Business at Universitas Brawijaya, Malang, Indonesia. She is also a freelancer in Future Science, Malang, Indonesia. She completed a bachelor's degree in the Department of Education Administration, Faculty of Education, State University of Malang, Malang, Indonesia.

LIST OF TABLES

LIST OF FIGURES

1

CHAPTER 1
Entrepreneurial Orientation and MSME Performance Improvement

Noermijati
Andi Indriani Ibrahim
Margono Setiawan
Desi Tri Kurniawati

Abstract

This study aims to discuss the importance of entrepreneurial orientation in improving MSME performance amid highly competitive markets. Micro, Small, and Medium-Sized Enterprises (MSME) have a strategic role in the national development of Indonesia, one of the countries with rapid MSME growth. MSMEs are small-scale businesses growing and trying to level themselves up as major businesses. In spite of their size and scale, their contribution to the national economy and people's economy is tremendous. However, MSMEs in Indonesia, in general, are still low in performance due to the low entrepreneurial orientation. Thus, in order to be able to improve their performance and to survive and compete in the domestic and international markets, MSME owners need to improve their entrepreneurial orientation. Further, entrepreneurial orientation with innovativeness, proactiveness, and risk-taking actions can improve the performance of the MSME. Different from other articles, this article expands the study and develops the discussion about the concept of innovativeness in entrepreneurial orientation theory by referring to innovative work behavior as the key to the creation of innovation at the individual level, especially in the MSME sphere, to improve their performance.

Keywords: Entrepreneurial orientation, MSMEs, performance improvement, market competition, strategic role

Noermijati, Andi Indriani Ibrahim, Margono Setiawan, Desi Tri Kurniawati
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: nurmi@ub.ac.id

https://doi.org/10.11594/futscipress41

1.1 Introduction

MSMEs provide great benefits for developing countries like Indonesia. The vision of this country is to encourage the people's economy by developing small-scale MSMEs so that they are able to grow into bigger businesses. MSME development should be one of the priorities in this country since MSMEs are "The Little Ones with Big Benefits." Yustika (2005) stated that small, household, and medium industries are export-oriented, so they are very helpful for the government to earn foreign exchange. They have proven to be more flexible in dealing with various unfavorable economic conditions, such as the economic crisis. MSME growth absorbs labor, reduces the number of unemployed, and reduces poverty levels in this country, as well as increasing gross domestic product (GDP).

The role of micro, small, and medium-sized enterprises is instrumental in improving the economy. They play a strategic role in national development, are one of the driving forces of the economy in Indonesia and are the pillars of the people's economy. Indonesia is one of the countries with good MSME growth as their contribution to the country's GDP in 2016 was the highest of all Asian countries, i.e., 57.8% (Wilantara & Susilawati, 2016). In four years, until 2022, this figure had increased to 61.07% (the Ministry of Cooperatives and MSME). However, MSMEs in Indonesia still tend to only serve local markets, as shown by the low export value of 15%; this rate is below the Philippines, Thailand, and Malaysia (Wilantara & Susilawati, 2016). The low export value shows the low performance of Indonesian MSME (Lantu et al., 2016).

In the era of globalization, MSMEs are unstable, unsuccessful, remain small or undeveloped, and suffer from business competition. This condition is caused by their own hindrance, one of which is the expertise or the ability of their owners(Rokhayati, Innovativeness is determined by the innovative work behavior that has gone through the integrated four stages toward innovation. The first stage is idea exploration, which is the ability to find creative ideas or new ways of working to produce more innovative products and services. The second stage is idea generation, which is the ability to produce ideas. The third stage is idea championing, in which the generated innovative ideas are fought for and realized. The final stage is idea implementation, which is the ability to execute creative ideas, such as more innovative work methods, techniques, and products.

References

Aloulou, W., & Fayolle, A. (2005). A Conceptual Approach of Entrepreneurial Orientation Within Small Business Context. Journal of Enterprising Culture, 13(01), 21–45. https://doi.org/10.1142/s0218495805000045

Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. Journal of Management, 17(1), 99–120. https://doi.org/10.1177/014920639101700108

Begley, T. M., & Boyd, D. P. (1987). Psychological characteristics associated with performance in entrepreneurial firms and smaller businesses. Journal of Business Venturing, 2(1), 79–93. https://doi.org/10.1016/0883-9026(87)90020-6

Covin, & Slevin. (1991). conceptual Model Entrepreneur.

De Jong, J., & Den Hartog, D. (2007). How leaders influence employees' innovative behavior. European Journal of Innovation Management, 10(1), 41–64. https://doi.org/10.1108/14601060710720546

De Jong, J. P. J., & Den Hartog, D. N. (2010). Measuring innovative work behaviour behavior. Creativity and Innovation Management, 19(1), 23–36. https://doi.org/10.1111/j.1467-8691.2010.00547.x

De Jong, J. P. J., & Den Hartog, D. N. (2007). How leaders influence employees' innovative behavior. European Journal of Innovation Management, 10(1), 41–64. https://doi.org/10.1108/14601060710720546

Dess, G. T., & G., L. (2005). Research Briefs. Journal of Teacher Education, 19(1), 45–46. https://doi.org/10.1177/002248718203300610

George, J. M., & Zhou, J. (2001). When openness to experience and conscientiousness are related to creative behavior: An interactional approach. Journal of Applied Psychology, 86(3), 513–524. https://doi.org/10.1037/0021-9010.86.3.513

Gosselin, M. (2005). An empirical study of performance measurement in manufacturing firms. International Journal of Productivity and Performance Management, 54(5–6), 419–437. https://doi.org/10.1108/17410400510604566

Hakala, H. (2013). Entrepreneurial and learning orientation: Effects on growth and profitability in the software sector. Baltic Journal of Management, 8(1), 102–118. https://doi.org/10.1108/17465261311291687

Hasibuan, M. S. (2012). Organisasi dan motivasi ; dasar peningkatan produktivitas (Cetakan ke). PT. Bumi Aksara.

Hidayat, M. (2018). SDM yang Kreatif, Inovatif, dan Produktif. Artikel DJKN. https://www.djkn.kemenkeu.go.id/kanwil-jateng/baca-artikel/12739/SDM-yang-Kreatif-Inovatif-dan-Produktif.html

Hills, G. (2008). Marketing and Entrepreneurship, Research Ideas and Opportunities. Journal of Small and Medium Entrepreneur-Ships.

Janssen, O. (2000). Job demands, perceptions of effort-reward fairness and innovative work behavior. Journal of Occupational and Organizational Psychology, 287–302.

Kheng, Y. K., Mahmood, R., & Beris, S. J. H. (2013). A Conceptual Review of Innovative Work Behavior in Knowledge Intensive Business Services among Knowledge Workers in Malaysia. International Journal of Business, Humanities and Technology, 3(2), 91–99.

Kuncoro, M. (2007). Ekonomika Industri Indonesia Menuju Negara Industri Baru 2030, (Yogyakarta: Penerbit Andi, 2007), h. 82. 34.

Kuwayama, M. (2001). E-commerce and export promotion policies for Small- and Medium-Sized Enterprises: East Asian and Latin American Experiences. In International Trade and Integration Division (Issue October).

Lantu, D. C., Triady, M. S., Utami, A. F., & Ghazali, A. (2016). Pengembangan Model Peningkatan Daya Saing UMKM di Indonesia: Validasi Kuantitatif Model. Jurnal Manajemen Teknologi, 15(1), 77–93. https://doi.org/10.12695/jmt.2016.15.1.6

Larsen, P., & Lewis, A. (2007). How award-winning SMEs manage the barriers to innovation. Creativity and Innovation Management, 16(2), 142–151. https://doi.org/10.1111/j.1467-8691.2007.00428.x

Lumpkin, G. T., & Dess, G. G. (2001). Linking Two Dimensions Of Entrepreneurial Orientation To Firm Performance: The Moderating Role Of Environment And Industry Life Cycle. Journal of Business Venturing, 16(3), 119–144.

McGuirk, H., Lenihan, H., & Hart, M. (2015). Measuring the impact of innovative human capital on small firms' propensity to innovate. Research Policy, 44(4), 965–976. https://doi.org/10.1016/j.respol.2014.11.008

Mutegi, H. K., Njeru, P. W., & Ongesa, N. T. (2015). Financial Literacy and Its Impact on Loan Repayment by Small and Medium Entrepreneurs: An Analysis of the Effect of Book Keeping Skills from Equity Group Foundation's Financial Literacy Training Program on Enterpreneurs' Loan Repayment Performance. International Journal of Economics, Commerce, and Management, 3(3), 1–28.

Olsen, B., & Olaisen, J. (1999). Managing and organizing innovation in the knowledge economy. European Journal of Innovation Management, 2(3), 116–128. https://doi.org/10.1108/14601069910289059

Porter, M. E. (1985). The Competitive Advantage: Creating and Sustaining Superior Performance (First Edit). The Free Press, New York.

Porter, M. E. (1990). The Competitive Advantage Of Nations. In (Vol. 4, Issue 1). Free Press. New York.

Renko, M., El Tarabishy, A., Carsrud, A. L., & Brännback, M. (2015). Understanding and measuring entrepreneurial leadership style. Journal of Small Business Management, 53(1), 54–74. https://doi.org/10.1111/jsbm.12086

Reswanda. (2012). The influence of entrepreneurship orientation on organizationalorganizational learning, utmost sustainable competencies, and work performance of SME leather product exporters in Sidoarjo. JEAM, 11(2), 65–91.

Rivai, V. (2005). Performance Appraisal. Edisi Pertama. PT.RajaGravindo Persada. Jakarta.

Rokhayati, I. (2015). Pengukuran Kinerja pada Usaha Mikro Kecil dan Menengah (UMKM): Suatu Telaah Pustaka. Monex, 4(2), 94–100. http://ejournal.poltektegal.ac.id/index.php/monex/article/view/273/267

Setiawan, V., & Riza, F. (2022). The effect of strategic orientation on the business performance of culinary traders in Bogor. 248–256.

Sobirin, A. (2014). Konsep Dasar Kinerja dan Manajemen Kinerja. Manajemen Kinerja,1–67. http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.469.5088&rep=rep1&type=pdf#page=81

Suryana. (2013). Kewirausahaan pedoman Praktis: Kiat dan Proses Menuju Sukses. Salemba Empat.

Tambunan., T. (2012). UMKM di Indonesia. Jakarta: Ghalia Indonesia. Tambunan, T. T. H. (2008). Ukuran Daya Saing Koperasi dan UKM. Badan Perencanaan Pembangunan Nasional.

Umam, K. (2018). SDM yang Kreatif, Inovatif, dan Produktif. https://www.djkn.kemenkeu.go.id/kanwil-jateng/baca-artikel/12739/SDM-yang-Kreatif-Inovatif-dan-Produktif.html

Undang-undang Nomor 20 Tahun. (2008). Tentang Usaha MIkro, Kecil dan Menengah.

Wibowo. (2008). Manajemen Kinerja. Bumi Aksara, Jakarta.

Wiklund, J. (1999). The Sustainability of the Entrepreneurial Orientation. Performance Relationship. Entrepreneurship Theory and Practice, 24(1), 37–48. https://doi.org/10.1177/104225879902400103

Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: A configurational approach. Journal of Business Venturing, 20(1), 71–91. https://doi.org/10.1016/j.jbusvent.2004.01.001

Wilantara, R. F., & Susilawati. (2016). Strategi & Kebijakan Pengembangan UMKM (Upaya Meningkatkan Daya Saing UMKM Nasional di Era MEA). Refika Aditama.

Yustika, E. (2005). Perekonomian Indonesia : Depenelitian, Prepenelitian, dan Kebijakan, Bayumedia, Malang.

2

CHAPTER 2
The Budgetpreneur: Navigating Business Success on a Shoestring Budget for Gen Z

Adelia Shabrina Prameka
Abdrrahman Hakim
Erie Awalil Fakhri

Abstract

This abstract explores the impact of the Gig Economy on Gen-Z entrepreneurs and the challenges they face due to limited financial resources. It discusses the importance of access to capital, alternative funding options such as crowdfunding, and leveraging non-financial resources and support systems. The abstract also highlights the role of university education in providing the necessary support and environment for aspiring entrepreneurs. Overall, it sheds light on the strategies and resources available to Gen-Z entrepreneurs to navigate the business landscape and succeed despite financial constraints.

Keywords: Gen-Z, entrepreneurship, limited financial resources, access to capital, crowdfunding

Adelia Shabrina Prameka, Abdrrahman Hakim, Erie Awalil Fakhri
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: adelia.shabrina@ub.ac.id

https://doi.org/10.11594/futscipress222

2.1 Introduction

The Gig Economy phenomenon has changed the world's perspective on how the economy should operate. This condition is caused by the rapid development of technology, which has broken down barriers in conducting business. The emergence of Artificial Intelligence and the Internet of Things has disrupted the business world with all the conveniences they bring. On the other hand, it is estimated that there will be 23 million jobs that can be replaced by automation processes (McKinsey, 2020).

Entrepreneurship has become a path for Gen-Z to create jobs for themselves and those around them (Youth Co: Lab, 2021). Herbalife Nutrition (2021) found that 70% of 4,093 respondents, millennials, and Gen-Z in the Asia-Pacific region, expressed interest in becoming entrepreneurs. The Gig Economy provides a logical reason for Gen-Z to participate in seizing various opportunities through entrepreneurship.

Many young entrepreneurs from Gen-Z face a common problem when they start their businesses – they often lack money and support. It's a puzzling situation because there are many helpful resources and tools available to make running a business easier. For example, there are financial institutions that offer options like crowdfunding, peer-to-peer lending, and unsecured business loans. There are also events where entrepreneurs can pitch their ideas and get support. On top of that, there's a whole ecosystem of support in place, including free digital services, contract manufacturing, access to knowledge, and other helpful services. All of these are meant to make it easier for young entrepreneurs to succeed despite the initial challenges they may face.

References

Avery, M., & Liu, S. (2009). Alibaba. New York, NY: HarperCollins e-books. Gomez K, Mawhinney T & Betts K (2020). Welcome to Generation Z. U.S. and Canada.

Herbalife Nutrition. (2021). Two thousand twenty-one young entrepreneurs survey. Retrieved from https://www.herbalife.com.sg/apacnews/press-release/2021-young-entrepreneurs-survey/

McKinsey. (2019). Otomasi dan masa depan pekerjaan di Indonesia. Retrieved from https://www.mckinsey.com/~/media/mckinsey/featured%20 insights/asia%20pacific/automation%20and%20the%20futur\e%20of%20 work%20in%20indonesia/automation-and-the- future-of-work-in-indonesia-indonesian.pdf

QICHENG, Yan. (2017). Jack Ma & Alibaba (-). Jakarta: Elexmedia Computindo.

Riepe J and Uhl K (2020). Startups' demand for non-financial resources: Descriptive evidence from an international corporate venture capitalist. Finance Research Letters 36. Elsevier: 101321.

Sambasivan M, Abdul M and Yusop Y (2009). Impact of personal qualities and management skills of entrepreneurs on venture performance in Malaysia: Opportunity recognition skills as a mediating factor. Technovation 29(11). Elsevier: 798–805.

Wang H, Greiner M, and Aronson JE (2009). People-to-people lending: The emerging e-commerce transformation of a financial market. In: Value Creation in E-Business Management: 15th Americas Conference on Information Systems, AMCIS 2009, SIGeBIZ track, San Francisco, CA, USA, August 6-9, 2009. Selected Papers, 2009, pp. 182–195. Springer.

Youth Co: Lab (2021). How Young Entrepreneurs in Asia-Pacific Responded to COVID-19

3

CHAPTER 3
Entrepreneurship Education in Higher Education and Government in Supporting New Entrepreneurs in Indonesia

Sri Palupi Prabandari
Irma Kurniasari
Nur'Adilla

Abstract

This article discusses the importance of entrepreneurship education and the role of universities and the government in fostering entrepreneurship in Indonesia. It explores the debate around the timing of entrepreneurship education, highlighting the benefits of introducing it at an earlier stage while emphasizing the value of university-level education. The article also presents reasons why Indonesia needs more entrepreneurs, including economic growth, job creation, innovation, regional development, and social impact. It identifies sectors with entrepreneurial opportunities and outlines the support systems provided by universities and the government. Lastly, it provides recommendations to strengthen entrepreneurship education, foster collaboration, streamline regulations, expand access to funding and resources, promote international exposure, and encourage social entrepreneurship and sustainability. Overall, this article emphasizes the need for continuous efforts to enhance the entrepreneurial ecosystem in Indonesia.

Keywords: Entrepreneurship, universities, government initiatives, entrepreneurship education, social entrepreneurship

Sri Palupi Prabandari, Irma Kurniasari, Nur'Adilla
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: palupi@ub.ac.id

https://doi.org/10.11594/futscipress43

3.1 Introduction

Entrepreneurship education at universities is still a matter of debate and can vary depending on individual perspectives. Some argue that starting entrepreneurship education at university may be considered "too late" because entrepreneurial skills and mindset can be nurtured early, such as in high school or even at the start of basic education. They believe that introducing entrepreneurial concepts and practical skills at a young age can help cultivate an entrepreneurial mindset and give students a head starts in developing their entrepreneurial aspirations. Universities play an important role in shaping the innovation and entrepreneurship ecosystem. According to Schaeffer et al. (2018), the existence of a research university in an ecosystem is not only important for a successful ecosystem structure but also contributes to socio-economic development at the local level. Apart from that, universities also play a role in technology transfer and academic entrepreneurship.

College is a great time for entrepreneurship education. Secundo et al. (2017) show that universities can facilitate the entrepreneurship learning process to turn students' ideas into entrepreneurial practices. They argue that universities provide an environment that fosters critical thinking, exposes students to diverse knowledge and experiences, and offers resources and networks that can support entrepreneurial endeavors. University-level entrepreneurship education can provide a deeper understanding of business principles, expose students to real-world case studies, and provide access to mentorship and incubation programs that can benefit aspiring entrepreneurs.

It is important to note that entrepreneurship education is not just about starting a business but also about developing a mindset that includes innovation, success. This can help change society's attitudes towards entrepreneurship and encourage more individuals to take the entrepreneurial path.

By implementing these recommendations, universities and the government in Indonesia can better support the development of new entrepreneurs, create a supportive environment for startups, and encourage sustainable economic and social development. Please note that these recommendations are based on general insights and best practices. Specific implementation and strategies may vary based on local context, available resources, and the needs of Indonesia's growing entrepreneurial ecosystem.

References

Acemoglu, D., Johnson, S and Robinson, JA (2005). Colonial Origins of Development Comparative: An Empirical Investigation. American Economic Review 91, 1369-1401.

Afifah, Dian Nurul. (2019). The Role of Entrepreneurial Education in Building Creativity Student Independence (Case Study at the Qurrota Integrated Ibtidaiyah Madrasah A'yun Ponorogo). Madrasah Ibtidaiyah Teacher Education Department. Faculty

Bahri, Artha, B., and Prasetyo, W. (2019). The Role of Village Government in Development Agricultural Entrepreneurship as a Means to Improve Community Welfare. Agrisamudra Research Journal. Vol. 6 No. 2.

Campbell, D.T., and J.C. Stanley (1966). Experimental and Quasi-Experimental Designs For Research. Chicago, IL: Rand McNally.

Debarliev, S., Janeska-Iliev, A., Bozhinovska, T., & Ilieva, V. (2015). Antecedents of entrepreneurial intention: Evidence from the Republic of Macedonia.

Dede Jajang Suyaman, (2015) Entrepreneurship and Creative Industries, (Bandung: Alfabeta), 34.

Hasan, SM, Khan, EA and Nabi, MNU (2017), "Entrepreneurship education at the universities and entrepreneurial development," Education + Training, Vol. 59 No.7/8, pp.888-906. https://doi.org/10.1108/ET-01-2016-0020

Hassan, NA (2020), "University Business Incubators as Acceleration Tools Entrepreneurship: A Theoretical Perspective", Review of Economics and Political Science, Vol. Before printing No. Before printing. https://doi.org/10.1108/REPS-10-2019-0142

Nasir, M. (2018). Students Have the Potential to Become Entrepreneurs in Era 4, 1307312 – 144.

Prasetyo (2019). "Understanding the Entrepreneurial Intentions of Vocational School Students in Indonesia," INARxiv. Tarbiyah and Teacher Training. IAIN Ponorogo. Supervisor Ali Ba'ul Chusna , MSI Business and Economic Horizons, 11 (3), 143–161. https://doi.org/10.15208/beh.2015.11

Schaeffer, P.R., Fischer, B., Queiroz, S., (2018). Beyond education: The role of

Prastyaningtyas EW and Arifin Z (2019) The Importance of Entrepreneurship Education in Students Utilizing Digital Technology as an Effort to Cope Revolution 4.0. ICECRS Proceedings. 2:1. doi: 10.21070/ picecrs.v 2i1.2382

research Universities in innovation ecosystems. Foresight STI Governance 12(2), 50–61.

Ribeiro-Soriano, D., & Galindo-Martín, M. Á. (2012). Government policies to support entrepreneurship. Entrepreneurship and Regional Development, 24 (9–10), 861–864. https://doi.org/10.1080/08985626.2012.742322

Secundo, G., Del Vecchio, P., Schiuma, G., Passiante, G., (2017). Activating entrepreneurial Learning processes for transforming university students' ideas into entrepreneurial practices. Int. J. Entrep. Behav. Res. 23(3), 465–485.

4

CHAPTER 4
Strategic Agility and Entrepreneurship Orientation to Improve Performance

Rofiaty

Abstract

This study focuses on the challenges faced by entrepreneurs during the COVID-19 pandemic and the importance of strategic agility and entrepreneurial orientation in improving organizational performance. The impact of the pandemic requires entrepreneurs to think creatively and adapt their strategies to changing economic conditions. Strategic agility enables businesses to respond quickly to environmental changes, while entrepreneurial orientation drives innovation and risk-taking. The study highlights the role of strategic agility as a mediator between entrepreneurial orientation and company performance. Additionally, it emphasizes the significance of the green economy in promoting sustainable business practices. Overall, this research contributes to understanding how entrepreneurs can thrive amidst uncertainty and achieve desired performance outcomes.

Keywords: Entrepreneurs, COVID-19 pandemic, challenges, business strategies, economic conditions

Rofiaty
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: rofiaty@ub.ac.id

https://doi.org/10.11594/futscipress44

4.1 Introduction

During the COVID-19 outbreak, which is already in its second year now, most entrepreneurs have experienced substantial difficulties in dealing with commercial obstacles. The impact of the COVID-19 epidemic, whether direct or indirect, necessitates their ability to survive in difficult economic circumstances, which necessitates creative thinking in order to build trustworthy and flexible approaches. When everyone is angry, they must be creative in inventing techniques to convert less productive resources into productive ones in order to give economic and added value. There will always be huge challenges for entrepreneurs to face in this dynamic business environment. As a result, they must pursue innovations in corporate operations, such as the use of adaptive capabilities and intelligent techniques to respond to environmental changes, as part of their plan's reinforcement. To obtain the desired results in such instances, all entrepreneurs must have a strong entrepreneurial spirit.

Al-Mamary and Alshallaqi (2002) define organizational entrepreneurship as a three-dimensional process that takes into account autonomy, risk-taking, and proactiveness. Entrepreneurial strategy orientation can be a "driving force" for SME executives looking to improve company performance. Meanwhile, increased organizational performance acts as a gauge, indicating the organization's ability to increase business competitiveness. Al-Dhaafri and Al-Swidi (2016), as well as Al-Dhaafri and Alosani (2020), Mahrous and Genedy (2019), and Rofiaty (2019) explored the impact of entrepreneurial mentality on company performance. They believe that the entrepreneurial approach has a significant impact on corporate performance. In contrast, Pardi et al. (2014) demonstrate that an entrepreneurial approach just has little effect on organizational performance. Risk-taking, proactiveness, inventiveness, competitive aggressiveness, and autonomy are used to assess entrepreneurial-and foresight, responsiveness to internal and external changes, human resource capabilities, and information technology capabilities.

Entrepreneurship is frequently seen as an important factor in organizational performance. There are some characteristics of an entrepreneurial orientation, which include risk-taking, autonomy, proactiveness, and invention ability. Entrepreneurial orientation, particularly, is a strong proactive attitude that has been found to boost performance significantly. Firm performance can be defined as the successful deployment of resources, both financially and non-financially, as a result of the management's efforts. However, performance evaluation frequently causes problems since it is frequently seen solely as an evaluation tool, ignoring additional purposes such as enhancing individual skills in task execution and achieving strategic goals. The performance of the corporation demonstrates its capacity to accomplish corporate objectives. Performance evaluation assists managers in controlling the execution of company strategy by comparing actual results to strategic goals and objectives.

References

Abdillah, W. & Hartono, J. (2015). Partial least square (PLS) – Alternative structural equation modeling (SEM) dalam penelitian bisnis. Yogyakarta: CV Andi Offset.

Al-Dhaafri, A.S. & Al-Swidi, A. (2016). The impact of total quality management and entrepreneurial orientation on organizational performance, International Journal of Quality and Reliability Management, 33(5), 597-614.

Al-Dhaafri, H.S. & Alosani, M. S. (2020). Impact of total quality management, organizational excellence, and entrepreneurial orientation on organizational performance: empirical evidence from the public sector in UAE. Benchmarking, 27(9), 2497-2519.

Al-Mamary, Y. H., & Alshallaqi, M. (2022). Impact of autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness on students' intention to start a new venture. Journal of Innovation & Knowledge, 7(4), 100239.

Arbussa, A., Bikfalvi, A., & Marquès, P. (2017). Strategic agility-driven business model renewal: the case of an SME. Management Decision, 55(2), 271-293.

Arokodare, M.A., Asikhia, O.U., & Makinde, G.O. (2019). Strategic agility and firm performance: the moderating role of organizational culture, Business Management Dynamics, 9(3), 1-12.

Bag, S., Gupta, S., Kumar, A., & Sivarajah, U. (2021). An integrated artificial intelligence framework for knowledge creation and B2B marketing rational decision-making for improving firm performance. Industrial Marketing Management, 92, 178-189.

Barney, J. B., & Hesterly, W. S. (2015). Strategic management and competitive advantage: Concepts and cases. Pearson Publishing

Budianto, B., Surachman, S., Hadiwidjojo, D., & Rofiaty, R. (2021). The effect of manufacturing agility competencies on lean manufacturing in increasing operational performance. Uncertain Supply Chain Management, 9(1), 195-204

Cato, M. S. (2012). Green economics: An introduction to theory, policy, and practice. Routledge.

Cegarra-Navarro, J. G., Soto-Acosta, P., & Wensley, A. K. (2016). Structured knowledge processes and firm performance: The role of organizational agility. Journal of Business Research, 69(5), 1544-1549.

Chakravarty, Anindita., Rajdeep Grewal., and V. Sambamurthy. (2013). Information technology competencies, organizational agility, and firm performance: Enabling and facilitating roles. Information System Research, 24(4), 976–997.

Clauss, T., Kraus, S., Kallinger, F. L., Bican, P. M., Brem, A., & Kailer, N. (2020). Organizational ambidexterity and competitive advantage: The role of strategic agility in the exploration-exploitation paradox. Journal of Innovation and Knowledge, 6(4), 203-213

Cong, C., Dempsey, M., & Xie, H. M. (2017). Political skill, entrepreneurial orientation, and organizational justice: A study of entrepreneurial enterprise in China. International Journal of Entrepreneurial Behavior & Research, 23(1), 20–34.

Christensen, T., & Lægreid, P. (2015). Performance and accountability-A- A theoretical discussion and an empirical assessment. Public Organization Review, 15(2), 207-225.

Darvishmotevali, M., Altinay, L., & Köseoglu, M. A. (2020). The link between environmental uncertainty, organizational agility, and organizational creativity in the hotel industry. International Journal of Hospitality Management, 87, 102499.

Diaz, E. & Sensini, L. (2020). Entrepreneurial orientation and firm performance: Evidence from Argentina. International Business Research, 13(8), 47-55.

Fadda, N & Sorensen, J.f. (2017). The importance of dimensions on performance in the tourism sector. New England Journal of Entrepreneurship, 21(1), 22-44.

Felipe, C. M., Roldán, J. L., & Leal-Rodríguez, A. L. (2016). An explanatory and predictive model for organizational agility. Journal of Business Research, 69(10), 4624-4631.

George, B., Walker, R. M., & Monster, J. (2019). Does strategic planning improve organizational performance? A meta-analysis. Public Administration Review, 79(6), 810–819.

Ghozali, I. (2018). Aplikasi analisis multivariete dengan program IBM SPSS 25. Semarang: Badan Penerbit Universitas Diponegoro.

Gölgeci, I., Arslan, A., Dikova, D., & Gligor, D. M. (2019). Resilient agility in volatile economies: institutional and organizational antecedents. Journal of Organizational Change Management, 33(1), 100-113

Gupta, V. K., & Batra, S. (2016). Entrepreneurial orientation and firm performance in Indian SMEs: Universal and contingency perspectives. International Small Business Journal, 34(5), 660–682.

Harraf, A., Wanasika, I., Tate, K., & Talbott, K. (2015). Organizational agility. Journal of Applied Business Research, 31(2), 675–686.

Hoyle, R. H., & Gottfredson, N. C. (2015). Sample size considerations in prevention research applications of multilevel modeling and structural equation modeling. Prevention Science, 16(7), 987-996.

Iqbal, Q., Ahmad, N. H., Tjahjono, H. K., Nasim, A., Muqaddis, M. M., & Palupi, M. (2020). Enhancing the business performance of Pakistani manufacturing firms via strategic agility in the industry 4.0 era: The role of entrepreneurial bricolage as moderator. In Innovative Management and Business Practices in Asia (pp. 77-97). IGI Global.

Jahanshahi, A. A., Rezaie, M., Nawaser, K., Ranjbar, V., & Pitamber, B. K. (2012). Analyzing the effect of electronic commerce on organizational performance: Evidence from small and medium enterprises. African Journal of Business Management, 6(15), 6486-6496.

Jalali, A., Jaafar, M., & Ramayah, T. (2014). Entrepreneurial orientation and performance: The interaction effect of customer capital. World Journal of Entrepreneurship, Management, and Sustainable Development, 10(1), 48-68.

Jia, F., Cai, S., & Xu, S. (2014). Interacting effects of uncertainties and institutional forces on information sharing in marketing channels. Industrial Marketing Management, 43(5), 737–746. Kale, E., Aknarb, A. & Başarc, Ö. (2019). Absorptive capacity and firm performance: The mediating role of strategic agility, International Journal of Hospitality Management, 78, 276-283.

Kallio, T. J., Kallio, K. M., & Blomberg, A. (2020). From professional bureaucracy to competitive bureaucracy–redefining university organization principles, performance measurement criteria, and reason for being. Qualitative research in accounting & management, 17(1), 82-108.

Khalid, Z., Madhakomala, R. & Purwana, D. (2020). How leadership and organizational culture shape organizational agility in Indonesian SMEs, International Journal of Human Capital Management, 4(2), 49-63.

Kimathi, M. H., Galo, M. N., & Melissa, A. G. (2015). Effect of leverage on the performance of non-financial firms listed at the Nairobi securities exchange. Journal of Finance and Accounting, 3(5), 132–139.

Kuleelung, T. (2015). Organizational agility and firm performance: evidence from information and communication technology (ICT) businesses in Thailand. The Business and Management Review, 7(1), 206-217.

Limanto, E. (2017). Firm performance pada family firm yang diukur dengan financial performance dan stock market perfomance untuk perusahaan yang terdaftar di BEI periode 2011- 2013. Calyptra: Jurnal Ilmiah Mahasiswa Universitas Surabaya, 6(1), 149-163.

Linton, G. (2019). Innovativeness, risk-taking, and proactiveness in startups: a case study and conceptual development. Journal of Global Entrepreneurship Research, 9(1), 1-21.

Lyn Chan, J. I., & Muthuveloo, R. (2021). Antecedents and influence of strategic agility on organizational performance of private higher education institutions in Malaysia. Studies in Higher Education, 46(8), 1726-1739.

Mahrous, A. A., & Genedy, M. A. (2019). Connecting the dots: The relationship among intraorganizational environment, entrepreneurial orientation, market orientation, and organizational performance. Journal of Entrepreneurship in Emerging Economies, 11(1), 2–21.

Mamun, A., Koundal, N., Ibrahim, M. D. & Yusoff, M (2017). Validating the Measurement of Entrepreneurial Orientation. Economics and Sociology, 10, 51-66.

Perkin, N., Abraham, P. (2017). Building the Agile Business through Digital Transformation. First Edition. London: Kogan Page.

Obeidat, S. M., Al Bakri, A. A., & Elbanna, S. (2020). Leveraging “green” human resource practices to enable environmental and organizational performance: Evidence from the Qatari oil and gas industry. Journal of Business Ethics, 164(2), 371-388.

Pardi, S., Imam, S., & Zainul, A. (2014). The effect of market orientation and entrepreneurial orientation toward learning orientation, innovation, competitive advantages, and marketing performance, European Journal of Business Management, 6(21), 69-80.

Parida, V. & Wincent, J. (2019). Why and how to complete through sustainability: a review and outline of trends influencing firm and network level transformation. International Entrepreneurship and Management Journal, 15, 1-19.

Rofiaty. (2019). The relational model of entrepreneurship and knowledge management toward innovation, strategy implementation and improving Islamic boarding school performance, Journal of Modelling in Management, 14(3), 662–685.

Rofiaty, R. Chong, D. Nusron, A. Yulianti, N. A. Sunaryo, S. (2022). Entrepreneurship Orientation and Performance of Green Economy SMEs during Covid-19 Pandemic: The Mediating of Strategic Agility. Journal of Economics, Business, and Accountancy Ventura. Vol. 25, No. 1, April – July 2022, pp 48 – 60.

Rofiaty, R. Aisjah, S. Susilowati, C. (2022). The effect of entrepreneurship orientation and flexibility toward adaptive innovation and improved firm performance. Bisnis dan Manajemen (BISMA). Vol. 15. Pp. 96-118. DOI: 10.26470/bisma/v15n1.p96-118

Sari, A. S. & Ahmad, N. H. (2022). Connecting the dots: Linking entrepreneurial leadership and strategic agility toward SME competitiveness. Vision, 09722629221091658.

Sarkosi, O., Mire, M. S. & Tricahyadinata, I. (2022). The Effect of Entrepreneur Orientation and Strategic agility on SMEs Business Performance During the Recession. American Journal of Humanities and Social Sciences Research (AJHSSR), 6(3), 168-174.

Sekaran, U. & Bougie, R. (2016). Research methods for business (A Skill Building Approach). Wiley. Seventh Edition.

Setili, A. (2014). The agility advantage: how to identify and act on opportunities in a fast-changing world. John Wiley & Sons.

Soekotjo, H., Cahyono, K., Nugroho, N., Rismawati, R., & Kawiana, I. (2021). The role of mediation of product innovation in improving enterprises orientation of marketing performance of the tofu industry. Management Science Letters, 11(2), 473–480.

Solimun, Fernandes, A. A. R, & Nurjannah. (2017) Metode statistika multivariant, pemodalan persamaan struktural (SEM), Pendekatan WrapPLS. UB Press.

Storme, M., Suleyman, O., Gotlib, M., & Lubart, T. (2020). Who is agile? An investigation of the psychological antecedents of workforce agility. Global Business and Organizational Excellence, 39(6), 28–38.

Tahmasebifard, H., Zangoueinezhad, A. & Jafari, P. (2017). The role of entrepreneurial orientation in achieving agility capability, Journal of Applied Economics and Business Research (JAEBR), 7(2), 137–156.

Tikkamäki, K., & Mavengere, N. (2013). Organizational learning, agility and social technologies for enhanced organizational performance. X World Conference on Computers in Education, 395(July), 206–209.

Widjajani, Nurjaman, R., R., A. & Wibowo, L.A. (2021). The role of strategic agility towards the firm performance of logistics service providers in Indonesia. Management Science Letter, 11, pp 965-974.

Zaim, H., Ramadani, V., Dinibutun, S. R., Gërguri- Rashiti, S., & Said, D. S. (2021) Knowledge management and human resources performance: evidence from Turkish family businesses. Journal of Family Business Management, 12(2), 185–199.

Žitkienė, R. & Deksnys, M. (2018). Organizational agility conceptual model. Montenegrin Journal of Economics, 14(2),115–120.

5

CHAPTER 5
Fintech: Entrepreneurial Funding Solutions

Mychelia Champaca
Deny Edy Widodo

Abstract

Discussions on entrepreneurial finance always begin with a discussion of sources of entrepreneurial capital. Large capital requirements at the start require loose funding, which provides flexibility for entrepreneurs to carry out operational activities and form the image of the business that is being built. Entrepreneurial start-up funding therefore relies on owner's capital funding, venture capital, and preferably even if the entrepreneur can find potential investors such as angel investors. This paper discusses the aspect of entrepreneurial funding by utilizing fintech as a flexible funding alternative that is "easy" to access in accordance with the advantages possessed by fintech P2P (Peer-to-Peer) lending. To strengthen the author's argument in discussing fintech as a solution for entrepreneurial business growth, especially in terms of capital, this paper is supplemented by a literature study using bibliometrics.

Keywords: Entrepreneurial finance, Capital funding, Start-up funding, Owner's capital, and Venture capital

Mychelia Champaca
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Deny Edy Widodo
University of Muhammadiyah Lampung
Email: mychelia@ub.ac.id

https://doi.org/10.11594/futscipress45

5. 1 Funding Barriers For Entrepreneurs

In the early stages of growth, entrepreneurs need collateral for assets and cash flows that still do not meet credit requirements, making it difficult for them to get funding. Equity constraints for entrepreneurs are the main obstacle because of the difficulty in obtaining credit approval from formal financial institutions and banks. This includes complex risk assessments and non-technical issues such as insufficient entrepreneurial data, that is, financial reporting that does not meet standards. Research by Suryanto et al. (2020) mentioned the obstacles faced by entrepreneurs, including lack of capital, lack of access to financial services, and lack of financial literacy regarding personal finance and business financial reporting.

How an entrepreneur deals with funding difficulties actually needs to sort out the entrepreneur in what category of funding is needed. Hwang et al. (2019) explain the types of entrepreneurs and the suitability of their funding needs based on examples, which are summarized in the following stages.

1. In the first stage, that is, the Early Stage, large investments require the sacrifice of investors who have loose conditions, and if possible, the need for production is funded by debt. At this stage, the entrepreneur does not have the capacity to borrow large amounts because of limited business resources other than capital.
2. The second stage is steady growth; entrepreneurs tend to seek crowdfunding investors (entrepreneurs are starting to be able to offer business returns), and entrepreneurs are already able to make loans for their operations. At this stage, the entrepreneur still does not meet the credit requirements.
3. The third stage, which is the Fast Growth stage, has a large market share so that it is able to attract venture capital, and in terms of ease of access to obtaining loans,

progress. This is also indicated by the intensity of article publication in the main tier of articles in financial studies, even though the topic of entrepreneurship is a microfinance topic.

References

Agarwal, S. & Chua, Y.H. (2020). FinTech and household finance: a review of the empirical literature. China Finance Review International, 10(4), 361-376.

Beirne, J., Villafuerte, J. and Zhang, B., 2022. Fintech and COVID-19: Impacts, Challenges, and Policy Priorities for Asia.

Demir, A., Pesqué-Cela, V., Altunbas, Y. and Murinde, V., 2022. Fintech, financial inclusion, and income inequality: a quantile regression approach. The European Journal of Finance, 28(1), pp.86-107.

Erdogan, A.I., (2018). Factors affecting SME access to bank financing: an interview study with Turkish bankers. Small Enterprise Research, 25(1), 23–35.

Festa, G., Elbahri, S., Cuomo, M.T., Ossorio, M. and Rossi, M., 2022. FinTech ecosystem as an influencer of young entrepreneurial intentions: empirical findings from Tunisia. Journal of Intellectual Capital, 24(1), pp.205-226.

Hieminga, G., Lande, F. and Nijboer, T., 2016. The FinTech index: Assessing digital and financial inclusion in developing and emerging countries. UK, London: ING Economics Department.

Koroleva, E., (2022). FinTech Entrepreneurial Ecosystems: Exploring the Interplay between Input and Output. International Journal of Financial Studies, 10(4), p.92.

Kumar, S. & Rao, P. (2016). Financing patterns of SMEs in India from 2006 to 2013–an empirical analysis. Journal of Small Business & Entrepreneurship, 28(2), 97–131.

Leong, K. and Sung, A., 2018. FinTech (Financial Technology): What is it, and how to use technologies to create business value in a fintech way? International Journal of Innovation, Management and Technology, 9(2), pp.74–78.

Lu, L., (2018). Promoting SME finance in the context of the fintech revolution: A case study of the UK's practice and regulation. Banking and Finance Law Review, pp.317–343.

Ochinanwata, N., Ezepue, P.O., Nwankwo, T.C., Ochinanwata, C. and Igwe, P.A., 2021. Public–private entrepreneurial financing partnership model in Nigeria. Thunderbird International Business Review, 63(3), pp.369-379.

Rao, P., Kumar, S., Chavan, M. and Lim, W.M., (2023). A systematic literature review on SME financing: Trends and future directions. Journal of Small Business Management, 61(3), 1247–1277.

Rizal, M., Maulina, E. and Kostini, N., 2018. Fintech is one of the financing solutions for SMEs. Jurnal Pemikiran dan Penelitian Administrasi Bisnis dan Kewirausahaan, 3(2), pp.89-100.

Suryanto, R. and Dai, R.M., 2020. Fintech as a catalyst for the growth of micro, small, and medium enterprises in Indonesia. Academy of Strategic Management Journal, 19(5), pp.1-12.

Temelkov, Z. and Gogova Samonikov, M., 2018. The need for fintech companies as non-bank financing alternatives for SMEs in developing economies. International Journal of Information, Business and Management, 10(3), pp.25-33.

Van Song, N., Mai, T.T.H., Thuan, T.D., Van Tien, D., Phuong, N.T.M., Van Ha, T., Que, N.D. and Uan, T.B., 2022. SME financing role in developing business environment and economic growth: empirical evidences from technical SMEs in Vietnam. Environmental Science and Pollution Research, 29(35), pp.53540-53552.

Wang, X. and Guan, J., 2017. Financial inclusion: measurement, spatial effects, and influencing factors. Applied Economics, 49(18), pp.1751-1762.

Yue, P., Korkmaz, A.G., Yin, Z. and Zhou, H., 2022. The rise of digital finance: Financial inclusion or debt trap? Finance Research Letters, 47, p.102604.

6

CHAPTER 6
The Role of Micro, Small and Medium Enterprises for Bali's Economy (Contribution of Innovation to MSME Sustainability)

Armanu
Ayu Desi Indrawati
Putu Dyah Permatha Korry

Abstract

The MSME sector is one of the sectors that has a significant impact on economic growth in Bali Province. In addition to contributing economically, MSMEs also have a social and cultural impact on society. MSME sustainability faces various challenges both from the internal side and the external environment, so to be able to maintain its long-term sustainability, MSMEs must have competitiveness. This study aims to explain the role of innovation for MSMEs in Bali to increase the competitiveness and sustainability of MSMEs. The results showed that innovation is one of the factors that determine the success of MSME business because, through innovation, MSMEs can adapt and also survive changes in the external environment and create competitiveness. Most MSMEs in Bali implement marketing, product, and process innovations, but there are still few that innovate management, organization, and services. The results of this research are expected to be recommendations for MSME business actors and stakeholders to improve the culture of sustainable innovation in MSMEs in Bali in order to increase their competitiveness in the global market.

Keywords: Innovation, MSMEs

Armanu, Ayu Desi Indrawati, Putu Dyah Permatha Korry
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: armanu@ub.ac.id

https://doi.org/10.11594/futscipress46

6. 1 Introduction

One of the economic sectors that contributes to the progress in Indonesia is Micro, Small, and Medium Enterprises (MSMEs), which are very much growing in Indonesia. Based on the world's perspective, it is recognized that MSMEs) play a vital role in economic development and growth, not only in developing countries but also in developed countries. The role of MSMEs is very large for Indonesia's economic growth, with the number reaching 99 percent of all business units. The contribution of MSMEs to GDP also reached 60.5 percent, and labor absorption reached 96.9 percent of the total national employment (Coordinating Ministry for Economic Affairs of the Republic of Indonesia, 2022). MSMEs are also believed to have high economic resilience so that they can support the financial system and economic stability. MSMEs also contribute to the country's foreign exchange receipts because the market share of MSMEs is not only national but also begins to penetrate the international market so that MSME income can help in increasing the country's foreign exchange. Evidence of the role of MSMEs in the formation of GDP can be seen in the following figure.

References

Alfarobi, Muhammad Nabil. 2022. Pengaruh Inovasi Terbuka pada Kinerja Inovasi UKM di Indonesia. Skripsi, Universitas Islam Indonesia, Yogyakarta.

Alwi, Taufik, Hesti Handayani. 2018. Keunggulan Bersaing UKM yang Dipengaruhi Oleh Inovasi Produk dan Orientasi Pasar. Jurnal Pengembangan Wiraswasta, Vol. 20, NO. 3 pp : 1-10.

Badan Pusat Statistik. 2020. Berita Resmi Statistik, Pertumbuhan Ekonomi Indonesia Triwulan IV-2020.

Bank Indonesia. 2021. Laporan Perekonomian Provinsi Bali 2021.

Gunawan, Sandy Syarief, Rizal Nurhayati, Popong Joewono, Handito Hadi Asnawi, Yudhna Heryawan. 2023. Nilai Kearifan Lokal sebagai Pendekatan Tanggung Jawab Sosial UKM Bali untuk Meningkatkan Daya Saing Ekspor. Disertasi. Institut Pertanian Bogor.

Han, Jin K, Narnwoon Kim, and Rajendra K Srivastava, 1998, Market Orientation an Organization Performance: Is Innovation Missing Link?, Journal of Marketing, p. 42 - 54

Hartono, A., & Kusumawardhan, R. (2018). Searching widely or deeply? The Impact of Open Innovation on Innovation and Innovation Performance Among Indonesia Manufacturing Firms. Journal of Indonesian Economy and Business, 3(2). pp.128-142 https://doi.org/https://doi.org/10.22146/jieb.29218

Kaspuddin. 2022. Peran UMKM Terhadap Perekonomian Nasional. https://www.metrokalimantan.co.id/2022/12/peran-umkm-terhadap-perekonomian.html.

Kementerian Koordinator Bidang Perekonomian Republik Indonesia. 2022. Siaran Pers. Perkembangan UKM Sebagai Critical Engine Perekonomian Nasional Terus Mendapatkan Dukungan Pemerintah.

Kim, S., Kim, E., Suh, Y., & Zheng, Z. (2016). The Effect of Service Innovation on R&D Activities and Government Support Systems: The Moderating role of government support systems in Korea. Journal of Open Innovation: Technology, Market, and Complexity, 2(5). https://doi.org/10.1186/s40852-016-0032-1

Lisna, Yenita. 2022. Tantangan UMKM Indonesia di Masa Pandemi Covid -19. https://www.bi.go.id/id/bi-institute/BI-Epsilon/Pages/Tantangan-UMKM-Indonesia- diMasa-Pandemi-Covid-19.aspx

Mention, A.-L. (2011). Co-operation and co-opetition as open innovation practices in the service sector: Which influence on innovation novelty? Technovation, 31(1), pp.44–53.

Plotnikova, Maria, Isidoro Romero, Juan A. Martinez Roman. 2016. Process innovation in small businesses: the self-employed as entrepreneurs. Small Business Economic. An Entrepreneurship Journal, pp: 1 – 16.

Priyatna, Slamet Adi. 2023. Pertumbuhan UMKM di Kota Denpasar. Kementerian Keuangan Republik Indonesia. https://www.djkn.kemenkeu.go.id/artikel/baca/15941/Pertumbuhan-UMKM-di-KotaDenpasar.html.

Sulistia Irhami. 2022. Pengaruh Nilai-Nilai Kewirausahaan Dan Inovasi Terbuka Pada Kinerja Usaha Mikro, Kecil Dan Menengah (Umkm) (Studi Kasus Pada Umkm Sektor Kuliner Di Kecamatan Parung Kabupaten Bogor). Thesis, Sekolah Tinggi Ilmu Ekonomi Indonesia, Jakarta.

Sunariani, Ni Nyoman, AAN Oka Suryadinatha, Ida IDM Rai Mahaputra. 2017. Pemberdayaan Usaha Mikro Kecil Menengah (UMKM) Melalui Program Binaan di Provinsi Bali. Jurnal Ilmiah Manajemen dan Bisnis, Vol. 2, No. 1, pp: 1–20.

7

CHAPTER 7
Knowledge Management Orientation as SME Resilience in Disruption Era

Christin Susilowati
Dunga Dwi Barinta

Abstract

This article explores the challenges posed by the disruptive era in the business environment and the importance of adapting to change. It emphasizes the role of Knowledge Management Orientation (KMO) in improving company performance and resilience. The article discusses key components of KMO, including organizational memory, knowledge sharing, knowledge absorption, and knowledge receptivity. Practical strategies for implementing KMO are provided, highlighting the significance of knowledge retention for Micro, Small, and Medium Enterprises (MSMEs) to navigate the era of disruption successfully.

Keywords: Business environment, Knowledge Management Orientation (KMO), company performance, Micro, Small, and Medium Enterprises (MSMEs)

Christin Susilowati, Dunga Dwi Barinta
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: christin@ub.ac.id

https://doi.org/10.11594/futscipress47

7.1 SME's On Disruption Era

The current business environment is faced with intense pressure globally. Businesspeople on a corporate scale, micro-scale, and micro-scale are required to adapt to change and uncertainty. Changes in the business environment have entered the era of disruption, which has no precedence in the past and is unpredictable1,2. The era of disruption begins with the development of technological sophistication. The sophistication of digital era technology has changed human behavior in communicating, shopping, searching for information, and doing business as a whole. The era of disruption will increase uncertainty and change rapidly with new technologies and innovations changing the way traditional business operates.

Business actors who are unable to adapt to technological updates face big challenges in maintaining the market. The era of disruption has forced business actors to be more responsive, innovative, and adaptive to ongoing changes. On the other hand, information disclosure and technological updates can provide space for business players to create innovations, develop business scale, or expand markets. However, these benefits will be difficult to capture when business people are reluctant to create databases and share knowledge and information4. Even though the era of disruption opened up space for development, MSMEs are faced with uncertainty, instability, and increased business risk. MSMEs will be required to compete with innovative startups and often have greater flexibility in dealing with change. MSMEs must adapt to changes in business systems in response to environmental changes they face, for example, switching to the use of online-based business systems 5.

References

Agustina, T., Candrarin, G., & Manan, A. (2017). MSMEs Challenges in Phenomena of Disruption Era. Journal of Economics and Sustainable Development, 8(21), 116-121.

Badan Pusat Statistik. (2022). Usaha Mikro Kecil. https://www.bps.go.id. Access on: June 5, 2022

Bagis, A. A. (2022). The Disruption Challenge in Building Business Viability of SMEs Through Virtual Capital Ownership. Sustainable Competitive Advantage (SCA), 11(1).

Christensen, C. M., Raynor, M. E., & McDonald, R. (2015). What Is Disruptive Innovation? Harvard Business Review, 93(12), 44-53.

Farooq, R., & Vij, S. (2019). Does market orientation mediate between knowledge management orientation and business performance? Journal of Information & Knowledge Management, 18(04), 1950039.

Hagedoorn, J., & Duysters, G. (2020). The Effectiveness of Strategic Technological Partnering in Times of Technological Change. Research Policy, 49(9), 103963.

Husein, A. S., Rahayu, M., Rosita, N. H., & Ayuni, R. F. (2018). Knowledge Management Orientation Orientation, Market Orientation, and SME's Performance: a Lesson From Indonesia's Creative Economy Sector. Interdisciplinary Journal of Information, Knowledge, and Management, 13, 183-199. https://doi.org/10.28945/4089

Kementerian Koperasi dan UKM. (2022). Usaha Mikro Kecil dan Menengah. https://kemenkopukm.go.id/. Access on: June 5, 2022

Kmieciak, R., & Michna, A. (2018). Knowledge management orientation, innovativeness, and competitive intensity: evidence from Polish SMEs. Knowledge Management Research & Practice, 16(4), 559-572

Le, T. T., & Ikram, M. (2022). Do sustainability innovation and firm competitiveness help improve firm performance? Evidence from the SME sector in Vietnam. Sustainable Production and Consumption, 29, 588-599.

Li, Y., Liu, J., & Li, C. (2020). Knowledge management, innovation capability, and firm performance: A dynamic capability perspective. Journal of Business Research, 120, 42-54.

McGrath, R. G. (2019). Seeing Around Corners: How to Spot Inflection Points in Business Before They Happen. Houghton Mifflin Harcourt.

Nasution, R. E., Sumual, H., & Mas'ud, M. (2020). The role of knowledge management, dynamic capabilities, and innovation in improving SME performance. Journal of Innovation and Entrepreneurship, 9(1), 1-22.
Organizational Performance: Insights From Telecom Sector of Pakistan. Knowledge Management Orientation & E-Learning, 11(4), 522-551. https://doi.org/10.34105/j.kmel.2019.11.027

Raghunathan, S., Raghunathan, B., & Madhavan, R. (2014). Impact of technology adoption on the competitive advantage of SMEs. Journal of Enterprise Information Management, 27(6), 677-694.
Routledge.

Sedera, D., Lokuge, S., & Teoh, S. Y. (2020). Knowledge sharing in organizations: A conceptual model for understanding antecedents and consequences. Journal of Knowledge Management, 24(4), 875-895.

Ullah, I., Mirza, B., Kashif, A. R., & Abbas, F. (2019). Examination of Knowledge management orientation and Market orientation, Innovation, and

Wang,C. L., Ahmed, P. K., & Rafiq, M. (2008). Knowledge management orientation: construct development and empirical validation.European Journal of Information Systems, 17(3), 219-235.

Wang, C. L., Hult, G. T. M., Ketchen Jr, D. J., & Ahmed, P. K. (2009). Knowledge management orientation, market orientation, and firm performance: an integration and empirical examination. Journal of Strategic Marketing, 17(2), 99-122.

Wiig, K. M. (2019). Knowledge Management: An Introduction and Perspective.

8

CHAPTER 8
Increasing SME Competitiveness through Digital Technology

Moh. Erfan Arif

Abstract

Small and medium enterprises (SMEs) need to be supported by various parties so that their strategic roles, such as employment, economic stability, and others, can be felt by the community. SMEs that can make a big contribution to society are those that have competitiveness, could maintain their position in the market by meeting product supply, and are able to respond quickly to changes in demand. SMEs need to have competitiveness because they face intense competition, not only with local products but also with imported products. This competitiveness can be determined by business environmental factors and the capabilities possessed by SME owners. Competitiveness can be built by improving the quality of human capital, which includes experience, abilities, knowledge, and expertise. One significant effort to increase the competitiveness of SMEs is by utilizing digital technology, which can make it easier to reach the targe0t market. The use of digital technology through various types of platforms in business also opens opportunities for SMEs to not only serve local markets but also internationally. The opportunity for SMEs to reach foreign markets needs to be fully supported by the government and related parties because the number of export-oriented Indonesian SMEs is still small. In other words, optimizing the use of digital technology by SMEs can expand market reach, both domestic and foreign, which will automatically contribute to the international trade balance.

Keywords: SME competitiveness, competition, digital technology, internationalization

M. Erfan Arif
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: erfan_arif@ub.ac.id

https://doi.org/10.11594/futscipress48

8.1 Competitiveness and Sustainability of SMEs

The Small and Medium Enterprises (SME) sector in Indonesia plays an important role in driving economic growth because it is one of the most dynamic and diverse developing sectors. The big role of SMEs in the economy does not only apply to developing countries like Indonesia but also to developed countries. SME activities can directly make a major contribution to the country's Gross Domestic Product (GDP), playing a role in job creation and community empowerment (Tambunan, 2012).

The expected strategic role of SMEs in the form of economic stability of a country is very dependent on the performance of these SMEs. The dependence of economic stability on SMEs is due to their strategic role in absorbing labor, developing entrepreneurship, and increasing business skills (Ayandibu & Houghton, 2017). Apart from that, (Das et al., 2020) emphasized that SMEs contribute greatly to ensuring the sustainability of the country's and regional economies. However, the competitiveness of Indonesian SMEs currently still needs improvement so that their positive role becomes greater.

Irawan Prilianti (2020) emphasized the large role of SMEs as reliable drivers of the country's economy because this SME group has high survival power in facing various economic turmoil, both local and global. In various cases of economic recession, SMEs can still maintain and increase their contribution to regional and national economic growth, as well as increase state tax revenues (Febriyantoro & Arisandi, 2018).

Based on the results of the economic census in Indonesia in 2020, the number of SMEs that are the basis of people's lives reached 64.2 million. This with partner countries. This digital diplomacy aims to ensure that SME business activities by utilizing digital technology can run well without various types of political and other obstacles.

h. Support innovation. The European Commission (2020) suggests that governments can provide sufficient incentives and support SMEs in adopting new technologies, such as blockchain and artificial intelligence, to increase their competitiveness in the global market. This support will provide additional energy for SMEs to continue to carry out various innovations that will enable their products to be accepted by foreign markets.

From the description above, the role that can be played by both central and regional governments in supporting the internationalization of SMEs using information technology is quite significant. These roles can take the form of support directly aimed at SMEs, such as training and business digitalization education. Apart from that, the government can also take various steps to ensure the flow of international trade carried out by SMEs by means of negotiations with financial institutions, digital diplomacy, and so on.

References

Adomako, S., Opoku, R. A., & Frimpong, K. (2017). The Moderating Influence of Competitive Intensity on the Relationship between CEOs' Regulatory Foci and SME Internationalization. Journal of International Management, 23(3), 268–278. https://doi.org/10.1016/j.intman.2017.02.001

Afanasieva, N. V., Rodionov, D. G., & Vasilev, Y. N. (2018). System of indicators of coal enterprise competitiveness assessment. Revistas Espacios, 39(36), 10.

Angeline, A. D., Leo, L., & Prianto, Y. (2022). Pengembangan UMKM Digital Sebagai Upaya Ketahanan Bisnis Pasca Pandemi Covid-19. SERINA IV UNTAR 2022.

Annur, C. M. (2022). Ada 204,7 Juta Pengguna Internet di Indonesia Awal 2022.databoks.katadata.co.id.https://databoks.katadata.co.id/datapublish /2022/03/2 3/ada-2047-juta-pengguna-internet-di-indonesia-awal-2022 diakses tanggal 03 april 2022.

Ayandibu, A., O. & Houghton, J. (2017). The Role of Small and Medium Scale Enterprises in Local Economic Development (LED). Banach Journal of Mathematical Analysis 11(2): 133–39.

Baark, E., Lau, A., Lo, W. and Naubahar, S. (2011). "Innovation sources, capabilities, and competitiveness: evidence from Hong Kong firms," DIME Final Conference, 6-8 April, pp. 1-40.

Baumann-Pauly, D., Cernat, L., & Wermelinger, M. (2020). SME Internationalisation and Digital Technologies. World Trade Organization (WTO).

Cho, Dong-Sung & Moon, Hwy-Chang. 2003. From Adam Smith to Michael Porter: Evolusi Teori Daya Saing. Jakarta: Salemba Empat.

Dana, L. P. (2017). International entrepreneurship research: how it evolved and directions for the future. International Journal of Entrepreneurship and Small Business, 30(4): 477–489.

Daryanto, A. dan Hafizrianda, Y. 2010. Model - Model Kuantitatif Untuk Perencanaan Pembangunan Ekonomi Daerah: Konsep dan Aplikasi, Bogor: PT. Penerbit IPB Press.

Das, M., Rangarajan, K., & Dutta, G. (2020). Corporate sustainability in SMEs: an Asian perspective. J. Asia Bus. Studies, 14 (Issue 1), pp. 109-138, 10.1108/JABS-10-2017-0176.

European Commission. (2020). Artificial Intelligence: Shaping Europe's Digital Future. https://commission.europa.eu/documents_en (accessed on September, 5th 2023)

Febriyantoro, M. T., & Arisandi, D. (2018). Pemanfaatan Digital Marketing Bagi Usaha Mikro, Kecil Dan Menengah Pada Era Masyarakat Ekonomi Asean. JMD: Jurnal Riset Manajemen & Bisnis Dewantara, 1(2), 61–76. https://doi.org/10.26533/jmd.v1i2.175

Hazarbassanova, D. B. (2016). The value creation logic and the internationalisation of internet firms. Review of International Business and Strategy, 26(3), 349–370. https://doi.org/10.1108/RIBS-02-2016-0007

Ilyas, R., & Hartono, R. (2023). Digitalisasi UMKM Dan Pertumbuhan Ekonomi. Bangka: Shiddiq Press.

Indrawati, S. 2021. UMKM Kuat, Ekonomi Berdaulat. https://www.djkn.kemenkeu.go.id/artikel/baca/14214/UMKM-Kuat-Ekonomi-Berdaulat.html (diakses 5 Mei 2023)

Irawan, P. L. T., & Prilianti, K. R. (2020). Pemberdayaan Usaha Kecil Menengah (Ukm) Melalui Implementasi E-Commerce Di Kelurahan Tlogomas. Jurnal Solma, 9(1), 33- 44.

Kotler, P. & Keller, K., L. (2016). Manajemen Pemasaran edisi 12 Jilid 1 & 2. Jakarta: PT. Indeks

Leonard-Barton, D., 1995. Wellsprings of knowledge: Building and sustaining the source of innovation. Boston: Harvard Business School Press.

Mahdi, I., M. (2022). Pengguna Internet Dunia Capai 4,95 Miliar pada Januari 2022. https://dataindonesia.id/internet/detail/pengguna-internet-dunia-capai-495-miliar-pada-januari-2022 (diakses pada 5 Juni 2022).

Man, T. W. Y., Lau, T., & Chan, K. F. (2002). The competitiveness of small and medium enterprises: A conceptualization with focus on entrepreneurial competencies. Journal of Business Venturing, 17(2), 123–142. https://doi.org/10.1016/S0883-9026(00)00058-6

Novia, C., Santoso, I., Soemarno, S. and Astuti, R.(2020). Classification of product life cycle cluster to improve the performance of SMEs apple chips. Food Research 4 (5), 1794 - 1801. DOI: https://doi.org/10.26656/fr.2017.4(6).208

Oktaviana, M. F., & Widiastuti, T. (2018). Factors affecting the competitiveness of small and medium-sized enterprises (SMEs): A case study in Indonesia. International Journal of Economic Perspectives, 12(4), 137-144.

OECD. (2020). SME and Entrepreneurship Outlook 2020. Paris: OECD Publishing.

OECD. (2009). Top Barriers and Drivers to SME Internationalisation, Report by the OECD Working Party on SMEs and Entrepreneurship. Paris: OECD Publishing

Porter, M. (2001). Strategi Bersaing : Teknik Menganalisis Industri dan Peluang. Erlangga.

Ramón-Llorens, M. C., García-Meca, E., & Duréndez, A. (2017). Influence of CEO characteristics in family firms internationalization. International Business Review, 26(4), 786–799. https://doi.org/10.1016/j.ibusrev.2017.01.007

Rasbin dan Ginting, A., M. 2011. Upaya Peningkatan Ekspor Dalam Sektor Usaha Mikro, Kecil dan Menengah melalui Peningkatan Daya Saing Produk, Jurnal Ekonomi dan Kebijakan Publik, Vol 2, No. 1

Romanello, R., and Chiarvesio, M. (2019). Early internationalizing firms: 2004–2018. Journal of International Entrepreneurship: 1-48.

Satudatadiskopukmjatim, 2023. Wilayah Pemasaran. https://data.diskopukm.jatimprov.go.id/satu_data/ (Accessed, 7th May 2023).

Saunila, M. (2019). Innovation capability in SMEs: A systematic review of the literature. Journal of Innovation Knowledge.5 (4), 260–265. https://doi.org/10.1016/j.jik.2019.11.002

Stallkamp, M., and Schotter, A. P. (2018). Platforms Without Borders? The International Strategies of Digital Platform Firms. Global Strategy Journal: 1-23.

Swasta, B. & Irawan. (2008). Manajemen Pemasaran Modern.Yogyakarta: Liberty

Tambunan, T. (2012). UMKM di Indonesia. Jakarta: Ghalia Indonesia.

UNCTAD. (2020). UNGIS Dialogue on the Role of Digitalization in the Decade of Action Accelerating the achievement of the SDGs through better collaboration in the UN System. USA: United Nations Conference on Trade and Development.

Wijaya, T., & Basuki, B. B. (2020). The impact of digital technology on the competitiveness of SMEs in Indonesia. Journal of Asia Business Studies, 14(1), 74-89.

Wittkop, A., Zulauf, K., and Wagner, R. (2018). How Digitalization Changes the Internationalization of Entrepreneurial Firms: Theoretical Considerations and Empirical Evidence. Management Dynamics in the Knowledge Economy, 6(2): 193- 207.

Westerman, G., Bonnet, D., & McAfee, A. (2019). The Digital Advantage: How Digital Leaders Outperform Their Peers in Every Industry. Harvard Business Review Press.

9

CHAPTER 9
Social Entrepreneurship As Agent Of Change

Nanang Suryadi
Haqu Imaning Elmiani

Abstract

The rapid growth of social entrepreneurship in Indonesia as a response to the country's social and environmental challenges. Social entrepreneurs, driven by a strong sense of being agents of change, aim to find innovative solutions to pressing issues such as poverty, education, health services, and renewable energy. They empower marginalized communities, create sustainable businesses, inspire others, influence systemic changes, and leverage technology and innovation. Notable examples of successful social enterprises in Indonesia, such as Kitabisa.com, Du Anyam, and Pandawara Group, demonstrate the positive impact of social entrepreneurship in various sectors. The increasing support and awareness surrounding social entrepreneurship hold the potential to inspire more entrepreneurs to drive positive change in Indonesian society.

Keywords: Social entrepreneurship, Indonesia, Social issues, Environmental challenges, Agents of change

Nanang Suryadi, Haqu Imaning Elmiani
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: nanangs@ub.ac.id

https://doi.org/10.11594/futscipress49

9.1 Introduction

The country of Indonesia is a very large country, has the 15th largest landmass in the world and expanses of sea that are rich in resources. The extent of the area is followed by complex problems in management. Indonesia has the 4th most densely populated population in the world [1]; it is only natural that many social and environmental issues have arisen, and no solutions have been found for these problems. The emergence of various problems in Indonesia, both in social and environmental terms, has encouraged many young people in Indonesia to establish social-based businesses (Social Entrepreneurship). Social Entrepreneurship is an effective, innovative, and solutive process for sustainable meetings between entrepreneurship activities and social and environmental challenges [2]. With the development of the times and the digital era towards 5.0, Social Entrepreneurship in Indonesia is growing very rapidly. Social Entrepreneurship is a solution to various social issues and environmental issues that are packaged using a touch of innovation and creativity that can change social and economic structures. To achieve this success, it is very important for an entrepreneur in the social field (social entrepreneur) to have a sense of being an "agent of change." The main characteristic that must be possessed by an agent of change is having a high interest in finding out the causes of problems that occur around them and also being interested in finding out what actions can be taken as a solution.

The many visible and felt impacts further strengthen the role of social entrepreneurs as agents of change. Basically, the characteristics possessed by social entrepreneurs are the same as those of entrepreneurs in general, but the social entrepreneurial climate and motivation that is formed are several additional

Build Knowledge and Skills: Learn about business and project management, as well as skills relevant to the social and environmental field. This will prepare you to face potential challenges. Cultivate Passion: Social entrepreneurship requires a deep passion for creating positive change. Ensure you have a genuine and heartfelt commitment to your goals.

Seek Mentorship: Find a mentor or an experienced figure in the field of social entrepreneurship. They can provide valuable insights and guidance on your journey.

Harness Technology & Innovation: Leverage technology and innovation to enhance your impact. Embrace new trends and stay adaptable to emerging technologies.

In essence, becoming a social entrepreneur and an agent of change in Indonesia requires a blend of passion, knowledge, skills, and a relentless commitment to making a difference. By looking up to exemplary Indonesian figures like M. Al-Fatih Timur, Gamal Albinsaid, Dian Siswarini, and Tri Mumpuni, aspiring social entrepreneurs can embark on a journey of impact, contributing to a brighter future for their communities and the nation as a whole.

References

Ahmad, M. I. S., Idrus, M. I., & Rijal, S. (2023). The Role of Education in Fostering Entrepreneurial Spirit in the Young Generation. Journal of Contemporary Administration and Management (ADMAN), 1(2), 93-100.

Evidence from Madura Island, Indonesia.

Katsushi, N. I. S. H. I. M. U. R. A. (2020, July). Social Enterprise Development in Indonesia by Transdisciplinary Approach. In IOP Conference Series: Earth and Environmental Science (Vol. 536, No. 1, p. 012010). IOP Publishing.

Muttaqin, F., & Halim, R. E. (2020, April). The effect of economic growth and inflation on tax revenue: Analysis of areas with dominant economic activities in agriculture, plantation, and fisheries sectors. In 3rd Asia Pacific International Conference of Management and Business Science (AICMBS 2019) (pp. 27-33). Atlantis Press.

M. A. Sastre-Castillo, M. Peris-Ortiz, and I. Danvila-Del Valle, "What Is Different about the Profile of the Social Entrepreneur?," Nonprofit Manag Leadersh, vol. 25, no. 4, pp. 349–369, Jun. 2015, doi: 10.1002/nml.21138.

P. Gupta, Chauhan Sumedha, Paul Justin, and M. Jaiswal, "Social entrepreneurship research: A review and future research agenda," Elsevier, pp. 209–229, 2020.

Reindrawati, D. Y., & Sos, S. (2016). Developing Tourism Social Entrepreneurship.

Robertus Andrianto, "PBB Ramal India Negara Terpadat Dunia, Indonesia Nomor Berapa," CNBC INDONESIA, 2023.

T. Chahine, "Introduction to Social Entrepreneurship," 2016.

Staicu, D. (2021). A qualitative study on social entrepreneurship: technology-based social ventures and humanitarian entrepreneurial mindset. In Proceedings of the International Conference on Business Excellence (Vol. 15, No. 1, pp. 1096-1112).

Sudadio, M. P. Community Empowerment through New Entrepreneurship in the Era of the Corona Virus Pandemic in Banten Province.

Sukumar, A., Jafari-Sadeghi, V., Xu, Z., & Tomlins, R. (2022). Young students and desire to social entrepreneurship: The impact of government's role. International Journal of Entrepreneurship and Small Business, 46(4), 526-554.

Thaker, H. M. T., Khaliq, A., Sankaran, K. C., & Thaker, M. A. M. T. (2020). A discourse on the potential of crowdfunding and Islamic finance in the agricultural sector of East Java, Indonesia. Jurnal Ekonomi & Keuangan Islam, 10-23.

10

CHAPTER 10
Does Social Enterprises are Financially Different?
A Study from Belgium

Radityo Putro Handrito
Camille Willaert
Fleur Willaert

Abstract

This literature review explores the financing structure of social enterprises compared to traditional enterprises. It highlights the growing interest in social entrepreneurship and the unique challenges social enterprises face in accessing external financing. The review examines different definitions of social entrepreneurship and its impact on society. It also discusses the motivations and management approaches of traditional entrepreneurship. Additionally, the review delves into the concept of capital structure and the role it plays in financing operations. Finally, it addresses profitability as a determinant of a firm's financial health. Overall, the review provides insights into the differences and similarities between social and traditional enterprises in terms of their financing structure.

Keywords: Social enterprises, financing structure, social entrepreneurship, external financing, management approaches, capital structure

Radityo Putro Handrito
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Camille Willaert, Fleur Willaert
Department Marketing, Innovation, and Organization Faculty of Economics and Business Administration Ghent University Belgium
Email: radityohandrito@ub.ac.id

https://doi.org/10.11594/futscipress221

10.1 Introduction

The concept of social entrepreneurship and its implementations, social enterprises (SE), has been growing for more than three decades (Hota, 2023; Klarin & Suseno, 2023; Short et al., 2009; Weerakoon, 2021). SE has evolved from a not-for-profit organization (Dees, 1998) to a for-profit venture (Dees, 2012; Dees & Anderson, 2003), which has recently become a prominent career choice for future entrepreneurs (Hota, 2023). This shifting journey of the concept, as well as the organizations, contributes to our understanding of the various determinants of SE, such as the actors, institutions, ethics, and financial-related issues. Inevitably, the last determinant has been the classical issue and consistently occurs when it comes to SE's source of funding and management. Especially when discussing financial performance.

It is obvious that the main goal of commercial entrepreneurship and its application, commercial enterprises (CE), differs from SE. CE is aimed at optimizing profit (Sapienza et al., 2003), while SE is aimed at solving social and environmental problems (Shaw & Carter, 2007; Zahra et al., 2008). However, as it evolved into a financially sustainable organization and to ensure the continuity of its mission, SE is also expected to perform well in its financial aspect. Moreover, when securing funding support, financial performance becomes one of the critical points that should be considered (Frumkin & Keating, 2011). For instance, a bank expects a financially healthy organization to ensure the prudentiality of the loan; a transparent financial report is also prerequisite to access grants from the government, and long-term projection is essential for the donor to ensure the sustainability of the organization (Battilana, 2018; Fitzgerald & Shepherd, 2018).

In fact, Sunley and Pinch (2012) postulate that SE resides in environments with poor resources. They obtain financing by relapsing into habits and best practices they

Finally, like the other performance, non-profit SE and non-profit CE show no significant difference in their tangibility. Instead, a higher tangibility ratio is found in for-profit SE than in for-profit CE. It indicates that SEs are more appreciated by the market, which we argue mostly because of their social value and good deeds. However, the market must be cautious because it does not fully reflect their "for-profit" goals. Thus, investors for the for-profit SE need to explore this segment to secure their investment.

Second, all in all, the significant difference we can draw from the results is the difference between SE and CE lies in the purpose of the organization: non-profit vs for-profit. In other word, the main goal of the organization is likely to drive the business process and financial performance of the company, either SE or CE. For the non-profit organization, the financial performance indeed is not the main parameter. Thus, the delivery of social value is essential. Meanwhile, for for-profit organizations, SE performs better compared to CE. This is an important finding that must be wisely understood by the stakeholders so that they have a better understanding of invest, running, or supporting SE. For the policymaker, this finding must be taken into consideration for policymaking so that the fairness of the policy is well-maintained. For the future social entrepreneur, the finding opens a wider avenue for the future SE and sustainable career.

References

Akinleye, G. T., & Ogunleye, J. S. (2019). Liquidity and the profitability of manufacturing firms in Nigeria. Applied Finance and Accounting, 5(2), 68-73.

Austin, J., Stevenson, H. & Wei-Skillern, J. (2006). "Social and commercial entrepreneurship: same, different, or both?" *Entrepreneurship: Theory and Practice*, Vol. 30 No. 1, pp. 1–22.

Bacq, S., Lumpkin, G.T., (2014). Can social entrepreneurship researchers learn from family business scholarship? A theory-based future research agenda. J. Soc. Enterp. 5 (3), 270–294.

Battilana, J. (2018). Cracking the organizational challenge of pursuing joint social and financial goals: Social enterprise as a laboratory to understand hybrid organizing. *M@n@gement*, *21*(4), 1278–1305. https://doi.org/10.3917/mana.214.1278

Bromberger, A. R. (2007). Social enterprise: A lawyer's perspective. *New York, NY: Perlman & Perlman. Retrieved October 15*, 2013.

Bryson, J. & Buttle, M. (2005). "Enabling inclusion through alternative discursive formations: the regional development of community development loan funds in the United Kingdom," The Service Industries Journal, Vol. 25 No. 2, pp. 273–88.

Calic, G., Mosakowski, E., 2016. Kicking off social entrepreneurship: how a sustainability orientation influences crowdfunding success. J. Manag. Stud. 53 (5), 738–767.

Chaganti, R., DeCarolis, D., & Deeds, D. (1996). Predictors of capital structure in small ventures. *Entrepreneurship Theory and Practice*, *20*(2), 7–18.

Dees, J. G. (1998). Enterprising nonprofits. *Harvard Business Review*, *76*, 54.

Dees, J. G. (2012). A Tale of Two Cultures: Charity, Problem Solving, and the Future of Social Entrepreneurship. *Journal of Business Ethics*, *111*(3), 321–334. https://doi.org/10.1007/s10551-012-1412-5

Dees, J. G., & Anderson, B. B. (2003). For-Profit Social Ventures. In M. L. Kourilsky & W. B. Walstad (Eds.), *Social Entrepreneurship*. Senate Hall Academic Publishing.

Dees, J. G. (2003). Social entrepreneurship is about innovation and impact, not income. Social edge, 1-4.

Dees, J. G., Emerson, J., & Economy, P. (2002). *Enterprising nonprofits: A toolkit for social entrepreneurs*. John Wiley & Sons.

Degryse, H., de Goeij, P., Kappert, P., 2012. The impact of firm and industry characteristics on small firms' capital structure. Small Bus. Econ. 38 (4), 431–447.

Egbide, B. C., Uwuigbe, O., & Uwalomwa, U. (2013). Liquidity management and profitability of manufacturing companies in Nigeria. IOSR Journal of

Business and Management, 9(1), 13-21. https://doi.org/10.9790/487X-0911321

Emerson, J., Freundlich, T. and Fruchterman, J. (2008). "Nothing ventured, nothing gained: addressing the critical gaps in risk-taking capital for social enterprise", working paper, Skoll Centre, Said Business School, Oxford.

Emery, D. R., Iskandar-Datta, M. E., & Rhim, J. C. (1994). CAPITAL STRUCTURE MANAGEMENT AS A MOTIVATION FOR CALLING CONVERTIBLE DEBT. *Journal of Financial Research*, *17*(1), 91–104. https://doi.org/10.1111/j.1475-6803.1994.tb00176.x

Ferrati, F., & Muffatto, M. (2021). Reviewing equity investors' funding criteria: a comprehensive classification and research agenda. *Venture Capital*, *23*(2), 157–178. https://doi.org/10.1080/13691066.2021.1883211

Gartner, W. (1990). What are we talking about when we talk about entrepreneurship? *Journal of Business Venturing*, 5(1): 15–29.

Fitzgerald, T., & Shepherd, D. (2018). Emerging Structures for Social Enterprises Within Nonprofits: An Institutional Logics Perspective. *Nonprofit and Voluntary Sector Quarterly*, *47*(3), 474–492. https://doi.org/10.1177/0899764018757024

Frumkin, P., & Keating, E. K. (2011). Diversification Reconsidered: The Risks and Rewards of Revenue Concentration. *Journal of Social Entrepreneurship*, *2*(2), 151–164. https://doi.org/10.1080/19420676.2011.614630

Guo, B., & Peng, S. (2020). Do nonprofit and for-profit social enterprises differ in financing? *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, *31*(3), 521-532.

Hang, M., Geyer-Klingeberg, J., Rathgeber, A. W., & Stöckl, S. (2018). Measurement matters—A meta-study of the determinants of corporate capital structure. The Quarterly Review of Economics and Finance, 68, 211-225.

Hota, P. K. (2023). Tracing the Intellectual Evolution of Social Entrepreneurship Research: Past Advances, Current Trends, and Future Directions. *Journal of Business Ethics*, *182*(3), 637–659. https://doi.org/10.1007/s10551-021-04962-6

Husna, A., & Satria, I. (2019). Effects of return on asset, debt to asset ratio, current ratio, firm size, and dividend payout ratio on firm value. International Journal of Economics and Financial Issues, 9(5), 50.

Khilstrom, R., & Laffont, J. (1979). A general equilibrium entrepreneurial theory of firm formation based on risk aversion. *Journal of Political Economy*, 87(4): 719–748.

Kirzner, I., (1973). Competition and entrepreneurship. The University of Chicago Press, Chicago.

Swanson, L. A., & Di Zhang, D. (2010). The social entrepreneurship zone. *Journal of Nonprofit & Public Sector Marketing*, *22*(2), 71–88.

Klarin, A., & Suseno, Y. (2023). An Integrative Literature Review of Social Entrepreneurship Research: Mapping the Literature and Future Research Directions. *Business and Society*, *62*(3), 565–611. https://doi.org/10.1177/00076503221101611

Lesakova, L. (2007, June). Uses and limitations of profitability ratio analysis in managerial practice. In International Conference on Management, Enterprise and Benchmarking (pp. 1-2).

Lipson, M. L., & Mortal, S. (2009). Liquidity and capital structure. Journal of financial markets, 12(4), 611–644.

Madushanka, K. H. I., & Jathurika, M. (2018). The impact of liquidity ratios on profitability. International Research Journal of Advanced Engineering and Science, 3(4), 157-161.

Martin, R. L., & Osberg, S. (2015). *Getting beyond better: How social entrepreneurship works*. Harvard Business Review Press.

Michaelas, N., Chittenden, F., Poutziouris, P., (1999). Financial policy and capital structure choice in U.K. SMEs: empirical evidence from company panel data. Small Bus. Econ. 12 (2), 113–130.

Parsons, C. & Titman, S. (2008). A review, foundations, and trends in finance, vol. 3, no. 1, pp. 1–93.

Peredo, A. M., & McLean, M. (2006). Social entrepreneurship: A critical review of the concept. *Journal of World Business, 41(1), 56–65.*

Rao, P., Kumar, S., Chavan, M., & Lim, W. M. (2021). A systematic literature review on SME financing: Trends and future directions. *Journal of Small Business Management*, pp. 1–31.

Roper, J. and Cheney, G. (2005), "The meanings of social entrepreneurship today", Corporate Governance, Vol. 5 No. 3, pp. 95–104. https://doi.org/10.1108/14720700510604733.

Sapienza, H. J., Korsgaard, M. A., & Forbes, D. P. (2003). The self-determination motive and entrepreneurs' choice of financing. In *Cognitive approaches to entrepreneurship research*. Emerald Group Publishing Limited.

Šarlija, N., & Harc, M. (2012). The impact of liquidity on the capital structure: a case study of Croatian firms. Business Systems Research: International Journal of the Society for Advancing Innovation and Research in Economy, 3(1), 30-36.

Schumpeter, J.A., 1942. Capitalism, socialism, and democracy. Harper and Brothers, New York.

Shaw, E., & Carter, S. (2007). Social entrepreneurship: Theoretical antecedents and empirical analysis of entrepreneurial processes and outcomes. *Journal of Small Business and Enterprise Development*, *14*(3), 418–434. https://doi.org/10.1108/14626000710773529

Siqueira, A. C. O., Guenster, N., Vanacker, T., & Crucke, S. (2018). A longitudinal comparison of capital structure between young for-profit social and commercial enterprises. *Journal of Business Venturing*, *33*(2), 225-240.

Social Enterprise UK (2011). Fightback Britain: A Report on the State of Social Enterprise Survey 2011, Social Enterprise UK, London.

Short,J. C., Moss, T. W., & Lumpkin, G. T. (2009). Research in social entrepreneurship: past contributions and future opportunities. *Strategic Entrepreneurship Journal*, *3*(2), 161–194. https://doi.org/10.1002/sej.69

Stevenson, H. H. (1983). *A perspective on entrepreneurship*(Vol. 13). Cambridge, MA: Harvard Business School.

Sunley, P. and Pinch, S. (2012). "Financing social enterprise: social bricolage or evolutionary entrepreneurialism?" Social Enterprise Journal, Vol. 8 No. 2, pp. 108–122. https://doi.org/10.1108/17508611211252837

Terpstra, M., Verbeeten, F.H.M. (2014). Customer satisfaction: Cost driver or value driver? Empirical evidence from the financial services industry. European Management Journal, 32(3), 499–508.

Titman, S. & Wessels, R. (1988). The determinants of capital structure choice. *The journal of finance, Vol. XLIII, No. 1*. https://doi.org/10.1111/j.1540-6261.1988.tb02585.x

Venkataraman, S. 1997. The distinctive domain of entrepreneurship research: An editor's perspective. In J. Katz & R. Brockhaus (Eds.), *Advances in entrepreneurship, firm emergence and growth*: Vol. 3, 119–138. Greenwich, CT: JAI Press.

Wardana, R.I.P. (2015), Analisis pengaruh CAR, FDR, NPF, BOPO dan size terhadap profitabilitas pada bank umum syariah di Indonesia (studi kasus pada bank umum syariah di Indonesia periode 2011-2014). Diponegoro Journal of Management, 4, 1-65.

Warner, J. B. (1977). Bankruptcy Costs: Some Evidence. *The Journal of Finance*, *32*(2), 337. https://doi.org/10.2307/2326766

Weaver, R. L. (2023). The Impact of COVID-19 on the Social Enterprise Sector. Journal of Social Entrepreneurship, 14(2), 177–185. https://doi.org/10.1080/19420676.2020.1861476

Weerakoon, C. (2021). A Decade of Research Published in the Journal of Social Entrepreneurship: A Review and a Research Agenda. *Journal of Social Entrepreneurship*, *0*(0), 1–23. https://doi.org/10.1080/19420676.2021.1968938

Wolverton, B. (2003). Surviving tough times. Chronicle on Philanthropy, October 30.

Zahra, S. A., Gedajlovic, E., Neubaum, D. O., & Shulman, J. M. (2009). A typology of social entrepreneurs: Motives, search processes, and ethical challenges. Journal of business venturing, 24(5), 519-532.

Zahra, S., Ireland, D., Guiterrez, I., Hitt, M., 2000. Privatization and entrepreneurial transformation: a review and research agenda. Academy of Management Review 25, 509–524.

Zahra, S. A., Rawhouser, H. N., Bhawe, N., Neubaum, D. O., & Hayton, J. C. (2008). Globalization of social entrepreneurship opportunities. *Strategic Entrepreneurship Journal*, *2*(2), 117–131. https://doi.org/10.1002/sej.43

11

CHAPTER 11
Integrating Experiential-value and Seeking-escaping Travel Motivation Model: Exploring the Role of Motivation and Experience toward Tourist Behavioral Loyalty

Fatchur Rohman
Ananda Sabil Hussein
Ida Yulianti
Kardina Yudha Parwati
Putu Adi Putra Arimbawa

Abstract

This study explores the relationship between tourism development, quality of life, and the success of marketing and management strategies in tourism destinations. It emphasizes the role of cultural identity and gastronomy in attracting tourists. Additionally, it focuses on the proliferation of themed cafes in Indonesia, examining how perceived authenticity, service quality, and experience quality influence visitors' satisfaction and revisit intention. The study also highlights the importance of subjective well-being and offers insights into the wellbeing-loyalty model in the context of thematic cafes.

Keywords: Tourism development, quality of life, marketing strategies, cultural identity, gastronomy

Fatchur Rohman, Ananda Sabil Hussein, Ida Yulianti, Kardina Yudha Parwati, Putu Adi Arimbawa
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: fatchur@ub.ac.id

https://doi.org/10.11594/futscipress220

11. 1 Introduction

The tourism industry makes a significant contribution to the Indonesian economy. Tourism generates contributions from both inside and outside the country. This sector contributes more to the economy the greater the number of visitors who visit. Tourism employs a substantial number of individuals as a sector that contributes to the national economy. Due to the extensive reach of the tourism industry, particularly in the service sector, numerous employment opportunities are available. Consequently, the Indonesian tourism industry contributes significantly to employment. Beginning in 2020, the Global Covid19 pandemic had a negative impact on the Indonesian tourism industry. The presence of restrictions on human mobility reduces the number of travelers who participate in tourism-related activities. This has a negative effect on the tourism industry in Indonesia. Numerous tourism-related enterprises have declared bankruptcy. For companies that are not bankrupt and are able to endure, maximizing efficiency and reducing labor are two of the measures taken to ensure their continued existence. The sloping transmission rate of the COVID-19 virus globally, including in Indonesia in early 2023, until the pandemic status is changed to endemic in several countries, enables the tourism sector to contribute to the economy of the country once again. The ability of tourism industry managers to create tourist loyalty will have a positive effect on them, according to a review of tourism marketing science. This is because loyal visitors will return voluntarily and disseminate positive word of mouth about the tourist attraction. As an essential aspect of the tourism industry, it is evident that generating customer loyalty is a crucial task that must be accomplished by administrators of tourist attractions.

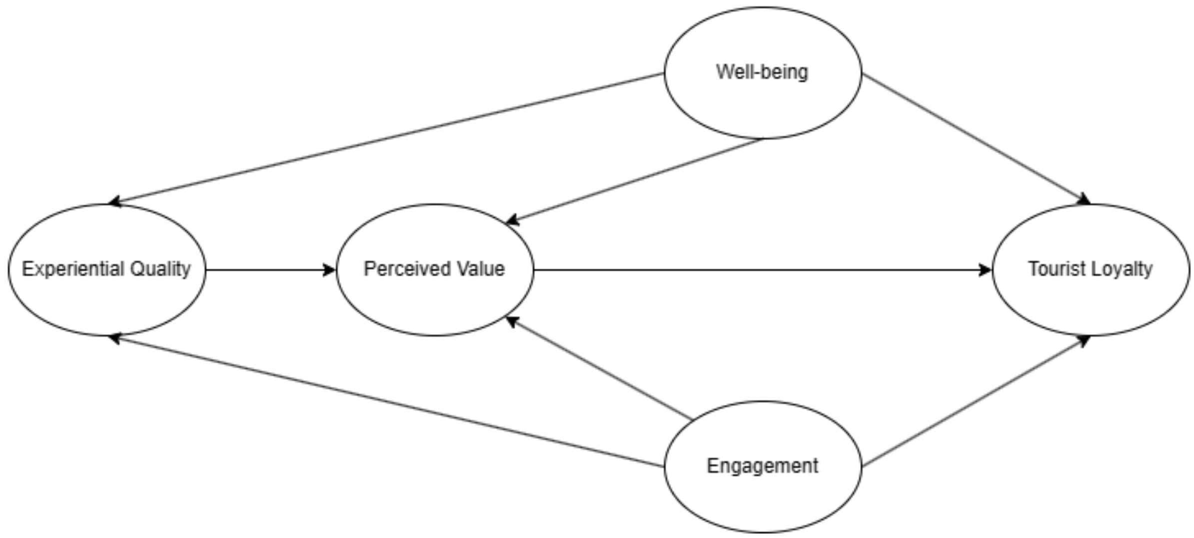

Figure 11.1. Experiential Motivation Escaping Model

References

Alves, H., Campón-Cerro, A. M. and Hernández-Mogollón, J. M. (2019) 'Enhancing rural destinations' loyalty through relationship quality,' *Spanish Journal of Marketing - ESIC, 23*(2), pp. 185–204. doi: 10.1108/SJME-09-2018-0041.

Breiby, M.A. (2014). Exploring aesthetic dimensions in a nature-based tourism context. *Journal of Vacation Marketing, 20*(2), 163-173

Brodie, R. J., Hollebeek, L. D., Jurić, B., & Ilić, A. (2011). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research, 14*(3), 252–271.

Chen, A., Peng, N. & Hung, K-P. (2015). Examining tourists' loyalty toward cultural quarters. *Annals of Tourism Research, 51*, 59-63

Chen, H., & Rahman, I. (2018). Cultural tourism: An analysis of engagement, cultural contact, memorable tourism experience and destination loyalty. *Tourism Management Perspectives, 26*, 153–163.

Chen, Z. (2019). A qualitative pilot study exploring tourists' pre-and post-trip perceptions on the destination image of Macau. *Journal of Travel & Tourism Marketing, 36*(3), 330–344.

Deb, M., & Lomo-David, E. (2021). Determinants of word-of-mouth intention for a World Heritage Site: The case of the Sun Temple in India. *Journal of Destination Marketing & Management, 19*, 100533.

Echchakoui, S. (2016). Relationship between sales force reputation and customer behavior: Role of experiential value added by sales force. *Journal of Retailing and Consumer Services, 28*, 54-66
every business a stage. Harvard Business Press: Boston.

Hung, K-P., & Peng, N. & Chen, A. (2019). Incorporating on-site activity involvement and sense of belonging into the Mehrabian-Russell model: The experiential value of cultural tourism destinations. *Tourism Management Perspectives, 30*, 43-52.

Hussein, A. S., & Hapsari, R. (2021). Heritage experiential quality and behavioral intention: lessons from Indonesian heritage hotel consumers. *Journal of Heritage Tourism, 16*(3), 317-336.

Hussein, A. S., & Rifandani, E. P. (2023). Effect of Experience Quality on Ethnic Restaurant Customer Loyalty: Mediating Role of Restaurant Image. *International Journal of Tourism and Hospitality in Asia Pasific (IJTHAP), 6*(1), 26–35.

Hussein, A. S., & Rohman, F. (2021). The Formation of Tourist Loyalty: A Lesson from Indonesian Agro Tourism Sector. *Global Business & Management Research*, 13.

Hussein, A. S., Hapsari, R. D. V., & Yulianti, I. (2018). Experience quality and hotel boutique customer loyalty: Mediating role of hotel image and perceived value. *Journal of Quality Assurance in Hospitality & Tourism, 19*(4), 442-459.*Information & Management, 48*, 201-207.

Iso-Ahola (1982). "Toward a Social Psychological Theory of Tourism Motivation: A Rejoinder." *Annals of Tourism Research, 9*:256-62.

Jian, Y., Lin, J., & Zhou, Z. (2021). The role of travel constraints in shaping nostalgia, destination attachment, and revisit intentions and the moderating effect of prevention regulatory focus. *Journal of Destination Marketing & Management, 19*, 100516.

Kalaiya, A. B., & Kumar, A. (2018). The role of psychology and its impact on tourist vacation satisfaction-An- An analysis of PERMA Model. *International Journal of Advanced Research in Computer Science and Management Studies, 6*(3), 57–63.

Kotler, P., & Keller, K. L. (2016). Marketing management (15th global ed.). England: Pearson.

Laing, J. H., & Frost, W. (2017). Journeys of well-being: Women's travel narratives of transformation and self-discovery in Italy. *Tourism Management, 62*, 110–119.

Li, X., Liu, J., & Su, X. (2021). Effects of motivation and emotion on experiential value and festival brand equity: The moderating effect of self-congruity. *Journal of Hospitality and Tourism Management, 49*, 601-611.

Mahika, E.-C. (2011). Current trends in tourist motivation. *In Cactus Tourism Journal* (Vol. 2, Issue 2).

Mathwick, C., Malhotra, N.K., & Rigdon, E. (2002). The effect of dynamic retail experiences on experiential perceptions of value: an Internet and catalog comparison. *Journal of Retailing, 78*(1), 51-60

Mitas, O., Yarnal, C., & Chick, G. (2012). Jokes build community: Mature tourists' positive emotions. *Annals of Tourism Research, 39*(4), 1884–1905.

Mollen, A., & Wilson, H. (2010). Engagement, telepresence and interactivity in online consumer experience: Reconciling scholastic and managerial perspectives. *Journal of Business Research, 63*(9–10), 919–925.

Patwardhan, V., Ribeiro, M. A., Woosnam, K. M., Payne, V., & Mallya, J. (2020). Visitors' loyalty to religious tourism destinations: Considering place attachment, emotional experience, and religious affiliation. *Tourism Management Perspectives*, p. 36, 100737.

Pearce, P. L., and M. L. Caltabiano (1983). "Inferring Travel Motivation from Traveler's Experiences." *Journal of Travel Research, 22*:16-20.

Pine, B.J., & Gilmore, J.H. (1999). The experience economy: work is theatre and

Pradhan, D., Moharana, T. R., & Malik, G. (2023). Influence of celebrity, destination and tourist personality on destination attachment and revisit intention: Moderating roles of endorsement embeddedness, destination crowding and gender. *Journal of Destination Marketing & Management, 27*, 100754.

Ramkissoon, H., & Mavondo, F. T. (2015). The satisfaction–place attachment relationship: Potential mediators and moderators. *Journal of Business Research, 68*(12), 2593-2602.

Reitsamer, B. F., & Brunner-Sperdin, A. (2017). Tourist destination perception and well-being: What makes a destination attractive? *Journal of Vacation Marketing, 23*(1), 55-72.

Robinson, P., Heitmann, S., & Dieke, P. (2011). Research themes for tourism. CABI.

Rohman, F., Hussein, A. S., Hapsari, R., & Tamitiadini, D. (2023). Investigating spiritual tourism experience quality, destination image, and loyalty: the mediating role of perceived sacredness and subjective wellbeing. *Tourism and Hospitality Management, 29*(1), 133–145.

Satisfaction with virtual worlds: An integrated model of experiential value.

Seligman, M. E. P. (2011). Flourish: A visionary new understanding of happiness and well-being. Simon and Schuster.

Snepenger, D., King, J., Marshall, E., & Uysal, M. (2006). Modeling Iso-Ahola's motivation theory in the tourism context. *Journal of travel research, 45*(2), 140-149.

Sweeney, J.C., & Soutar, G.N. (2001). Consumer perceived value: the development of multiple item scale. Journal of Retailing, 77(2), 203-220

Vada, S., Filep, S., Moyle, B., Gardiner, S., & Tuguinay, J. (2023). Welcome back: Repeat visitation and tourist wellbeing. *Tourism Management, 98*, 104747.

Vada, S., Prentice, C., & Hsiao, A. (2019). The influence of tourism experience and well-being on place attachment. *Journal of Retailing and Consumer Services, 47*, 322-330.

van Wee, B., & Mokhtarian, P. (2023). Escape theory: Explaining a negative motivation to travel. Transportation research part A: Policy and practice, 169, 103603.

Varshneya, G. & Das, G. (2017). Experiential value: Multi-item scale development and validation. *Journal of Retailing and Consumer Services, 34*, 48-57

Verhagen, T., Feldberg, F., van den Hoof, B., Meents, S. & Merikivi, J. (2011).

Weidmann, K-P., Hennigs, N., & Siebels, A. (2009). Value-based segmentation of luxury consumption behaviour. *Psychology and Marketing, 26*(7), 625-651.

Wu H. C., Cheng C. C., & Ai C. H. (2018). A study of experiential quality, experiential value, trust, corporate reputation, experiential satisfaction and behavioral intentions for cruise tourists: The case of Hong Kong. *Tourism Management, 66*, 200–220.

Wu, C.H.J., & Liang, R.D. (2009). Effect of experiential value on customer satisfaction with service encounters in luxury-hotel restaurants. *International Journal of Hospitality Management, 28*(4), 586-593

Wu, C.H.J., & Liang, R.D. (2011). The relationship between white water rafting experience formation and customer reaction: A flow theory perspective. *Tourism Management, 32*(2), 317-325

12

CHAPTER 12
Improving Customer Wellbeing and Loyalty in Culinary Tourism: Integrating Authenticity in Well-being – Loyalty Model

Astrid Puspaningrum
Raditha Hapsari

Abstract

This study explores the relationship between tourism development, quality of life, and the success of marketing and management strategies in tourism destinations. It emphasizes the role of cultural identity and gastronomy in attracting tourists. Additionally, it focuses on the proliferation of themed cafes in Indonesia, examining how perceived authenticity, service quality, and experience quality influence visitors' satisfaction and revisit intention. The study also highlights the importance of subjective well-being and offers insights into the well-being-loyalty model in the context of thematic cafes.

Keywords: Tourism development, quality of life, marketing strategies, cultural identity, gastronomy

Astrid Puspaningrum, Raditha Hapsari
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: astrid@ub.ac.id

https://doi.org/10.11594/futscipress53

12. 1 Introduction

Tourism is one of the world's largest sectors, with an essentially constant and rapid annual increase in revenue and employment (Prnar & Günlü, 2012). With such rapid expansion, competition has become severe, and only tourism locations that employ innovative and effective management and marketing techniques will thrive. As a result, tourism destination site marketers have a vested interest in extremely successful marketing and management tactics. Much research has been conducted on the influence of tourism development as an essential field of study with important marketing implications. The impact of tourist development on the quality of life of community members is a focus point in this study stream.

In the past few decades, research on Quality of Life has been more popular in the social, behavioral, environmental, and policy sciences. It is thought of as a portion of the social indices. In sociology and economics, the movement had its start. The social indicators movement is driven by the conviction that more significant development indicators, such as need satisfaction, life satisfaction, perceived quality of life, happiness, or life fulfillment, cannot be equated with traditional economic measures of societal development. Therefore, it is imperative that the influence of tourism on quality of life be discussed.

Local culture is becoming a more valuable source of novel goods and activities to draw in and amuse tourists as competition among travel destinations heats up. Food is an integral part of the tourist experience, so gastronomy is particularly important in this regard. In addition, gastronomy has grown to be a major source of identity formation in postmodern culture. Travelers' dietary habits also change as they grow more mobile. The growing mobility of food, the well-being as a critical factor in long-term success and shape their plans accordingly.

References

Alan, A. K., Kabadayi, E. T., & Yilmaz, C. (2016). Cognitive and affective constituents of the consumption experience in retail service settings: effects on store loyalty. *Service Business*, *10*, 715-735.

An, M. A., & Han, S. L. (2020). Effects of experiential motivation and customer engagement on customer value creation: Analysis of psychological process in the experience-based retail environment. *Journal of Business Research*, *120*, 389-397.

Brady, M. K., & Cronin Jr, J. J. (2001). Customer orientation: Effects on customer service perceptions and outcome behaviors. *Journal of Service Research*, *3*(3), 241–251.

Diener, E., Oishi, S., & Lucas, R. E. (2015). National accounts of subjective well-being. *American psychologist*, *70*(3), 234.

Kim, W. G., & Moon, Y. J. (2009). Customers' cognitive, emotional, and actionable response to the servicescape: A test of the moderating effect of the restaurant type. *International journal of hospitality management*, *28*(1), 144-156.

Krösbacher, C., & Mazanec, J. A. (2010). Perceived authenticity and the museum experience. In *Analysing international city tourism* (pp. 227-241). Springer, Vienna.

Nicolotti, M., & Magrin, M. E. (2020). Authenticity: Psychological Perspectives and Operationalizations. In *Encyclopedia of Quality of Life and Well-Being Research* (pp. 1-7). Cham: Springer International Publishing.

Schiffman LG, Kanuk LL. 2007. Perilaku Konsumen Ed-7. Jakarta: PT Indeks.

Wu, H. C., Ai, C. H., & Cheng, C. C. (2019). Experiential quality, experiential, psychological states and experiential outcomes in an unmanned convenience store. *Journal of Retailing and Consumer Services*, *51*, 409-420.

Yuan, Y. H. E., & Wu, C. K. (2008). Relationships among experiential marketing, experiential value, and customer satisfaction. *Journal of Hospitality & Tourism Research*, *32*(3), 387-410.

Zeithaml, Valarie A, dan Bitner. 2016. Service Marketing 2nd edition: Integrating Customer Focus, New York: Mc Graw Hill Inc.

13

CHAPTER 13
Bias Financial Behavior on Investment Decisions

Siti Aisjah
Kalimasada
M. Fajrul Islam Fasieh
Wildan Fadilah

Abstract

This literature review explores the theory of behavioral finance and its application in understanding investor behavior and decision-making processes. Behavioral finance integrates psychological factors into finance to explain irrational financial decisions and anomalies observed in the market. The review examines key theories within behavioral finance, including prospect theory, heuristic models, and the dual-process theory. It also discusses various investment instruments in the capital market, such as stocks and bonds, and their associated risks. Additionally, the review highlights common investment behavioral biases and provides recommendations to mitigate their influence on decision-making. Understanding and addressing these biases can lead to more objective and informed investment strategies.

Keywords: Behavioral finance, investor behavior, decision-making, capital, investment strategies.

Siti Aisjah, Kalimasada, M. Fajrul Islam Fasieh, Wildan Fadilah
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: aisjah@ub.ac.id

https://doi.org/10.11594/futscipress51

13.1 Behavioral Finance

In the 1990s, studies were conducted to examine the efficacy of standard finance or traditional finance theories in explaining the movements of stock prices and other securities. These theories can be traced back to Eugene Fama's seminal work in 1965, which is commonly connected with current portfolio theory and the efficient market hypothesis. According to these theories, the price of a security in an efficient market represents all accessible and relevant information about that security. In other words, the current price is assumed to be its fair value. Consequently, under this theoretical framework, active market participants are theoretically unable to consistently achieve abnormal returns (commonly known as "beating the market") due to the prompt dissemination of their actions to other investors. Recognizing the inadequacy of traditional finance in explaining anomalies observed in the realms of money and capital markets, financial researchers have begun to explore the integration of behavioral aspects, leading to the emergence of behavioral finance as a viable approach.

To comprehend behavioral finance, two sub-topics must be distinguished. The first is behavioral finance micro, which examines how individual investors differ from rational actors envisioned in classical economic theory. Second, behavioral finance macro is the detection and description of behavioral models that can explain the occurrence of anomalies in the Efficient Market Hypothesis (Pompian, 2006).

References

Adler Manurung, Desmon, Wilson. (2007). Hubungan Rasio-rasio Keuangan dengan Rating Obligasi. Institute Perbanas. Jakarta.

Arkes, H.R, & Blumer, C. (2006). *The Psychology of Sunk Cost. Organizational Behavior and Human Decision Progresses.*

Ausop, A. Z., & Nur Aulia, E. S. (2018). Teknologi Cryptocurrency Bitcoin Untuk. Investasi Dan Transaksi Bisnis menurut Syariat Islam.

Bauman, W. S. (1967). "Scientific Investment Analysis: Science or Fiction?" *Financial Analyst Journal*, *Jan-Feb*.

Bodie, Z., Kane, A., & Marcus, A. J. (2005). Investments (7th Edition ed.). New York: McGraw-Hill.

Bihari, A., Dash, M., Muduli, K., Kumar, A., Mulat-Weldemeskel, E., & Luthra, S. (2023). Does cognitively biased knowledge influence investor decisions? An empirical investigation using machine learning and artificial neural networks. *VINE Journal of Information and Knowledge Management Systems*.

Burrell, O. K. (1951). Possibility of an Experimental Approach to Investment Studies. *Journal of Finance*, *June*.

Darmadji, M. Dan M. Fakhrudin. (2001). Pasar Modal Di Indonesia, Jakarta : Salemba Empat

Downes, & Goodman. (2003). *Dictionary of Finance and Investment Terms*. United States: Barron.

Gigerenzer, G., & Gaissmaier, W. (2011). Heuristic decision-making. *Annual Review of Psychology*, *62*, 451–482.

Hartono, J. (2017). Teori Portofolio dan Analisis Investasi, Edisi Kesebelas. BPFE-Yogyakarta.

Heflin, F. dan Shaw, K. (2000)."Blockholder Ownership and Market Liquidity".Journal of Financial and Quantitative Analysis, Vol. 35, No. 4, h. 621–633.

Husnan, Suad. (2015). Dasar-Dasar Teori Portofolio dan Analisis Sekuritas.

(Edisi 5). Yogyakarta : UPPN STIM YKPN.

Jurevičienė, D., & Ivanova, O. (2013). Behavioural finance: theory and survey. *Mokslas-Lietuvos Ateitis*, *5*(1), 53–58.

Jogiyanto, H.M. (2000). Teori Portofolio dan Analisis Investasi. Edisi Kedua. BPFE. Yogyakarta.

Kahneman, D., & Tversky, A. (1979). *On the interpretation of intuitive probability: A reply to Jonathan Cohen.*

Kasmir dan Jakfar, (2007). Studi Kelayakan Bisnis, Edisi 2 Kencana, Jakarta.

Levy, Haim and Marshall Sarnat. (1990). Capital Investment Financial Decisions. New York: Pentice Hall: 331–548.

Moore. (2003). Recent Changes in U.S Family Finances: Evidence from the 1998 and 2001 Survey of Consumer Finances. Federal Reserve Bulletin, 89 (January), hlm. 1–32.

Nofsinger, J. R. (2022). *The psychology of investing*. Taylor & Francis.

Pompian, Michael, M. (2006). *Behavioral Finance and Wealth Management*. New York: John Wiley & Sons.

Ritter, J. R. (2003). Behavioral finance. Pacific Basin Finance Journal, 11(4), 429– 437. https://doi.org/10.1016/S0927-538X(03)00048-9

Ross. (2008). *Corporate Finance Fundamental. McGrawHill International Edition*.

Sahmuddin. (2003). *Responsibilities and Experience in Manufacturing Decision on Credit Granting. University of Diponegoro Thesis First Edition*.

Schultz, D.P., & Schultz, S.E. 1994. Psychology anda Work Today: An Introduction to Industrial and Organizational Psychology (6th Ed.). New York: MacMillan Publishing Company.

Sutha,I.P.G.A. (2000). Menuju Pasar Modal Modern. Jakarta: Yayasan SAD Satria Bhakti

Shefrin, H. (2010). Behavioralizing finance. *Foundations and Trends® in Finance*, *4*(1–2), 1–184.

Shovkhalov, S., & Idrisov, H. (2021). Economic and Legal Analysis of Cryptocurrency: Scientific Views

Slovic, P. (1969). Analyzing the expert judge: A descriptive study of a stockbroker's decision process. *Journal of Applied Psychology*, *53*(4), 255.

Slovic, P. (1972). Psychological study of human judgment: Implications for investment decision making. *The Journal of Finance*, *27*(4), 779–799.

Waweru, N. M, Munyoki E. dan Uliana E. (2008). *The effects of behavioral factors in investment decision-making: a survey of institutional investors operating at the Nairobi Stock Exchange.* International Journal of Business and Emerging Markets. 1(1) : 24-41.

14

CHAPTER 14
Adapting to AI as a Tool of Operations Management in Society 5.0

Muhammad Hafiz Riandi

Abstract

This paper explores the integration of Artificial Intelligence (AI) in operations management, highlighting its transformative impact on industries. It discusses the benefits and challenges of adopting AI in areas such as production planning, inventory control, supply chain management, and quality assurance through case studies. The paper proposes an 8-step model to guide organizations in implementing AI, emphasizing ethical considerations and collaboration. The future implications include IoT integration and predictive analytics. With careful planning, AI has the potential to revolutionize operations management and contribute to societal advancement.

Keywords: Operations Management, Artificial Intelligence, Transformative Impact, Production Planning and Inventory Control.

Muhammad Hafiz Riandi
Department of Management, Faculty of Economics and Business, Universitas Brawijaya, Malang, Indonesia
Email: mhriandi@ub.ac.id

https://doi.org/10.11594/futscipress52

14.1 Introduction to AI and Operations Management

Artificial Intelligence (AI)—a technology that simulates human intelligence processes by machines, especially computer systems—has been around since the 1950s, but its recent advancements have made it a game-changer in many industries, including Operations management. AI is a broad field that encompasses a wide range of technologies, including machine learning, natural language processing, and computer vision. These technologies have the potential to transform the way businesses operate by enabling them to automate processes, optimize operations, and make better decisions. The usefulness of AI, the advancement of technology, as well as the Covid-19 pandemic crisis, which hit the world in 2020, forced the hands of decision-makers around the world to increase the rate of AI adoption. The global trend in increasing AI adoption throughout the years can be inferred from the increasing market size of AI in North America, which can be seen in the chart below.

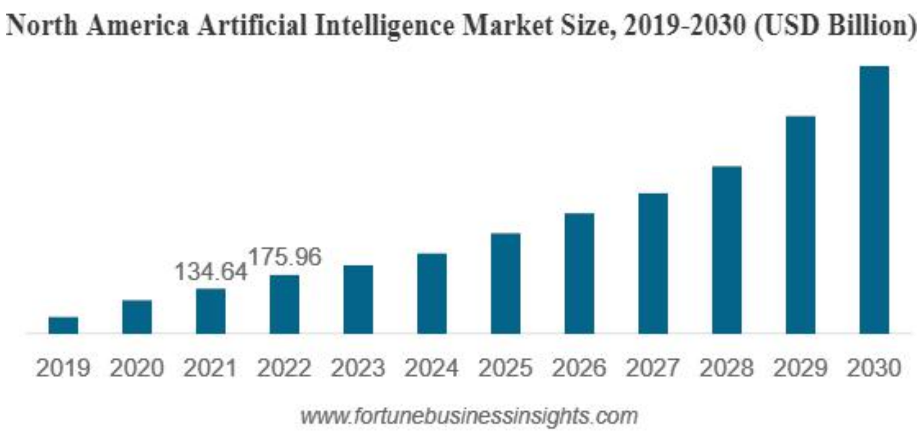

Figure 14.1. North American AI Market Size 2019-2030[3]

The chart showed an increase of USD 41.32 billion in AI market size from 2021 to 2022 in the US alone. The COVID-19 pandemic crisis exacerbates the need for a faster data-processing method, which AI can provide, especially in healthcare where machine learning models assist public-health decision-making-innovation and competitiveness[23]. Policymakers should collaborate with industry experts and AI stakeholders to develop regulations that strike a balance between encouraging AI adoption and ensuring its responsible use. By fostering a supportive regulatory environment, policymakers can help organizations leverage the benefits of AI while mitigating potential risks.

In conclusion, this chapter highlights the importance of adapting to AI as a tool of operations management in Society 5.0. The integration of AI technologies brings numerous opportunities for organizations to enhance efficiency, decision-making, and cost reduction[8]. However, this adaptation requires careful consideration of workforce development, ethical considerations, collaboration, and addressing resistance. By effectively managing these aspects, organizations can successfully leverage AI to drive innovation and maintain a competitive edge in the ever-evolving business landscape.

As we navigate the future, it is essential for organizations to stay informed about emerging AI trends, proactively prepare their workforce, and engage in responsible AI practices. The dynamic nature of AI technology calls for continuous learning and adaptation. By embracing AI as a tool of operations management, organizations can position themselves for success in Society 5.0 and unlock the full potential of AI to transform their operations and deliver value to stakeholders.

References

BMW Group. Fast, efficient, reliable: Artificial intelligence in BMW Group Production. BMW Group. Published 2019. Accessed May 23, 2023. https://www.press.bmwgroup.com/global/article/detail/T0298650EN/fast efficient-reliable:-artificial-intelligence-in-bmw-group-production?language=en

Bohr A, Memarzadeh K. *The Rise of Artificial Intelligence in Healthcare Applications*.; 2020. doi:10.1016/B978-0-12-818438-7.00002-2

Brehm R. How AI Is Enabling Self-Learning Factories. Harvard Business Review. Published 2021. Accessed May 23, 2023. https://hbr.org/sponsored/2021/12/how-ai-is-enabling-self learning-factories

Caminiti S. How Walmart is using A.I. to make shopping better for its millions of customers. www.cnbc.com. Published 2023. Accessed May 23, 2023. https://www.cnbc.com/2023/03/27/how-walmart-is-using-ai-to-make-shopping-better.html

De Stefano V, Wouters M. *AI and Digital Tools in Workplace Management and Evaluation*.; 2022.https://www.europarl.europa.eu/thinktank/en/document/EPRS_STU(2022)729516.

Diaz M. What is AI? Everything you need to know about Artificial Intelligence. ZDNet. Published 2023. Accessed May 23, 2023. https://www.zdnet.com/article/what-is-ai-heres-everything-you-need-to-know-about-artificial-intelligence/

Fortune Business Insight. Artificial Intelligence Market Size, Share & and COVID-19 Impact Analysis, By Component (Hardware, Software/Platform, and Services), By Function (Human Resources, Marketing &amp Sales, Product/Service Deployment, Service Operation, Risk, Supply-Chain Man. Fortune Business Insight. Published 2023. Accessed May 23, 2023. https://www.fortunebusinessinsights.com/industry-reports/artificial-intelligence-market-100114

Fosso Wamba S, Queiroz MM, Braganza A. Preface: artificial intelligence in operations management. *Ann Oper Res*. 2022;308(1-2):1-6. doi:10.1007/s10479-021-04450-0

Gartner. Gartner Survey Reveals 66% of Organizations Increased or Did Not Change AI Investments Since the Onset of COVID-19. Gartner Press

Gladden ME. Who will be the members of Society 5.0? Towards an anthropology of technologically posthumanized future societies. *Soc Sci*. 2019;8(5). doi:10.3390/socsci8050148

Goldman S. AI is embedded everywhere at Walmart. venturebeat.com. Published 2022. Accessed May 23, 2023. https://venturebeat.com/ai/ai-is-embedded-everywhere-at-walmart/

Gordon R. AI – a core part of BMW's production system. transformindustry.com. Published 2020. Accessed May 23, 2023. https://transformindustry.com/sensors/ai-a-core-part-of-bmw-production-system/

Grover P, Kar AK, Dwivedi YK. *Understanding Artificial Intelligence Adoption in Operations Management: Insights from the Review of Academic Literature and Social Media Discussions*. Vol 308. Springer US; 2022. doi:10.1007/s10479-020-03683-9

Gurtu A. How To Build A Perfect AI Team. Forbes. Published 2021. Accessed May 20, 2023. https://www.forbes.com/sites/forbestechcouncil/2021/07/28/how-to-build-a-perfect-ai-team/?sh=29606b076fcb

Helo P, Hao Y. Artificial intelligence in operations management and supply chain management: an exploratory case study. *Prod Plan Control*. 2022;33(16):1573-1590. doi:10.1080/09537287.2021.1882690 https://www.wired.com/story/bmw-virtual-factory-ai-hone-assembly-line/

Kim-Schmid J, Raveendhran R. Where AI Can — and Can't — Help Talent Management. Harvard Business Review. Published 2022. Accessed May 23, 2023. https://hbr.org/2022/10/where-ai-can-and-cant-help-talent-management

Knight W. BMW's Virtual Factory Uses AI to Hone the Assembly Line. Wired.com. Published 2021. Accessed May 23, 2023.

Kumar S, Lim WM, Sivarajah U, Kaur J. Artificial Intelligence and Blockchain Integration in Business: Trends from a Bibliometric-Content Analysis. *Inf Syst Front*. Published online 2022:871-896. doi:10.1007/s10796-022-10279-0

Leadbeater S. Coca-Cola's use of AI to stay at the top of the drinks market. Telefónica Tech. Published 2021. Accessed May 23, 2023. https://business.blogthinkbig.com/coca-colas-use-of-ai-to-stay-at-the-top-of-the-drinks-market/

Perifanis NA, Kitsios F. Investigating the Influence of Artificial Intelligence on Business Value in the Digital Era of Strategy: A Literature Review. *Inf*. 2023;14(2). doi:10.3390/info14020085

Pichai S. A Message from Our CEO: An important next step on our AI journey. Google Blog. Published 2023. Accessed May 20, 2023. https://blog.google/technology/ai/bard-google-ai-search-updates/

Plathottam SJ, Rzonca A, Lakhnori R, Iloeje CO. A review of artificial intelligence applications in manufacturing operations. *J Adv Manuf Process*. 2023;46(December 2022):03001. doi:10.1002/amp2.10159

Release. Published 2020. Accessed May 20, 2023. https://www.gartner.com/en/newsroom/press-releases/2020-10-01_gartner-survey-revels-66-percent-of-orgnizations-increased-or-did-not-change-ai-investments-since-the-onset-of-covid-19

Russell SJ, Norvig P. *Artificial Intelligence: A Modern Approach*. 4th ed. (Russell Siemens) Pearson Education, Inc.; 2020. doi:10.1109/ICCAE.2010.5451578

Siemens. Artificial intelligence in industry: intelligent production. Siemens Official Website. Published 2023. Accessed May 23, 2023. https://www.siemens.com/global/en/company/stories/industry/ai-in-industries.html

Silverstein S. Walmart uses AI to predict demand. www.supplychaindive.com. SJ, Norvig P, eds.). Published 2020. Accessed May 23, 2023. https://www.supplychaindive.com/news/walmart-grocery-AI-demand-operations/585424/

SupplyChain 247. Coca-Cola Leverages AI for Inventory Management. SupplyChain 247. Published 2017. Accessed May 23, 2023. https://www.supplychain247.com/article/coca_cola_leverages_ai_for_inventory_management

Tessaro I, Mariani VC, Coelho L dos S. Machine Learning Models Applied to Predictive Maintenance in Automotive Engine Components. Published online 2020:26. doi:10.3390/iecat2020-08508

Tsamados A, Aggarwal N, Cowls J, et al. The ethics of algorithms: key problems and solutions. *AI Soc*. 2022;37(1):215-230. doi:10.1007/s00146-021-01154-8

Uttamchandani S. How to build a unicorn AI team without unicorns. venturebeat.com. Published 2021. Accessed May 20, 2023. https://venturebeat.com/ai/how-to-build-a-unicorn-ai-team-without-unicorns/

Walmart. Walmart Commerce Technologies and Salesforce Team Up To Unlock Local Fulfillment and Delivery Solutions for Retailers. Walmart Newsroom. Published 2023. Accessed May 21, 2023. https://corporate.walmart.com/newsroom/2023/01/12/walmart-commerce-technologies-and-salesforce-team-up-to-unlock-local-fulfillment-and-delivery-solutions-for-retailers

Willemink MJ, Koszek WA, Hardell C, et al. Preparing Medical Imaging Data for Machine Learning. *Radiology*. 2020;295(1):4-15. doi:10.1148/radiol.2020192224

Wilson; HJ, Daugherty PR. Collaborative Intelligence: Humans and AI Are Joining Forces. Harvard Business Review. Published 2018. Accessed May 23, 2023. https://hbr.org/2018/07/collaborative-intelligence-humans-and-ai-are-joining-forces

Xu Y, Liu X, Cao X, et al. Artificial intelligence: A powerful paradigm for scientific research. *Innovation*. 2021;2(4). doi:10.1016/j.xinn.2021.100179

ISBN 978-621-96852-0-7

For more information, please kindly visit our international website https://fsh-publication.com/public/

ebook is also available on the FUTURE SCIENCE market Place: http://book.futuresciencepress.com

You can reach us through WhatsApp and Email

1. +639088602939 (Philippine)

2. +6282257922819 (Indonesia)

Email: editor@futuresciencepress.com