

ICBESS 2016

The 3rd International Conference on Business,
Economics and Social Sciences



Managing Global Competition Issues on
Economics, Business and Social Science
Research Enhancing a Sustainable
Economic Environment

Discovery Kartika Plaza Hotel, Bali
10 – 11 August 2016



Forewords

STEI supported by the Universiti Selangor (Malaysia), Universiti Kuala Lumpur (Malaysia), Kaseem Bundit University (Thailand), Universiti Sultan Zainal Abidin (Malaysia), University of Social Sciences & Humanities Ho Chi Minh (Vietnam), ICOOP College, Universitas Tarumanegara, Indonesia Banking School, Universitas Meru Buana, STIKOM Bali, Universitas Gunadarma, UPN Jakarta, Universitas Satyagama, Universitas Pancasila, Universitas Negeri Jakarta, Universitas Singa Perbangsa, IBM ASMI, STIE IPWIJA, Universitas Jenderal Soedirman, Universitas Muhammadiyah Gorontalo, Universitas Surabaya, Universitas Al-Azhar Indonesia, Universitas Negeri Malang, Universitas Muhammadiyah Mataram, STIE Muhammadiyah - Kalimantan Timur, Universitas Widyatama, IBI Kwik Kian Gie, Indonesian Financial Management Association (IFMA) and Ikatan Sarjana Ekonomi Indonesia (ISEI) Jaya proudly present the third Scientific Forum of International Conference on Business, Economics and Social Science (ICBESS) on 10 - 11 August 2016 in Kuta, Bali themed "*Managing Global Competition Issues on Economics Business and Social Science Research – Enhancing a sustainable Economic Environment*".

This conference is hoped to facilitate the managers (in corporation, government, social organization, education institution), researchers, academicians, and students in Indonesia and abroad to share and exchange their thoughts and experiences especially in the fields of economy, business, and social sciences.

I would like to take this opportunity to extend our sincere gratitude and appreciation to all of you for your invaluable contributions in making this event a great success. The success of ICBESS depends completely to researchers who have written and submitted papers on a variety of topics. In its third year, around 200 participants from 7 countries (Indonesia, Malaysia, Singapore, Vietnam, Thailand, United Arab Emirates and Nigeria) has attended ICBESS in Kuta, Bali.

We are honored to have Prof Andrew Delios and Prof Vo Van Sen as our keynote speakers. Thanks are also deserved for the committee members, Business and Higher education institutions for their contributions to this conference.

Finally, On behalf of the 3rd ICBESS committee members, Conference team and all Sekolah Tinggi Ilmu Ekonomi Indonesia / Indonesian College of Economics (STEI) staff, we welcome you to "*A God Island*" Bali, Indonesia. I wish you every success in your deliberations and very pleasant stay in Bali.

Irvan Noormansyah, BA(Hons), MA, PhD
Conference Chair



Opening Speech

**Director of Indonesia Banking School
(Co-Host of ICBESS 2016)**

Distinguished Conference Participants, Ladies and Gentlemen,

It gives me great pleasure to extend to you all a very warm welcome on behalf of the Indonesia Banking School as one of the co-Host of **The 3rd International Conference on Business, Economics and Social Sciences (ICBESS 2016)**. Indonesia Banking School as one of the higher education private institution focusing on financing and banking education in Jakarta, is proud to have co-hosted an event that brings together Accounting, Business and Economics community around the world.

ICBESS conference is a great opportunity to discuss current and future researches that develops in our area of expertise. In every event, ICBESS has brought top researchers from each field as well as new researcher with novel ideas. The conference has been and continues to be the melting pot of researchers from various international backgrounds, to meet and to build a strong network within the research community.

Indonesia Banking School, in particular, has a high interest in developing relationships with this community and open for offers or initiation of collaboration, in research and academic area in general. We believe by cultivating relationship between institutions across regions, it will leads to richer insights, which will benefit all parties involved.

Our sincere gratitude to all authors who have contributed their paper for the conference, and also the committee and co-hosts of ICBESS 2016 for their hard work and support for this great event. It is hoped that the discussion and sharing will bring out the best insights from all of the participants and the networking will last after the conference for future collaboration. Thank you.

Sincerely,

Director of Indonesia Banking School

Dr. Subarjo Joyosumarto, SE., MA



Message from the Dean of Faculty of
Economics of Tarumanagara University
(Co – Host of ICBESS)

The New Landscape of Competition

First I would like to thank to the committee of the 3rd ICBESS 2016 that has invited me to give this remark. Second on behalf of Faculty of Economics of Tarumanagara University, as one of the co-host of this seminar, I also would like to give my great appreciation to all speakers and participants for your participation to this event.

The theme of this seminar is Global Competition Issue on Economics, Business and Social Science Research-enhancing a sustainable economic environment. I think this theme is very relevant and actual for the current situation. The change of economic environment that caused by the massive development of information and communication technology is not only strengthen the global competition but also change its landscape. Business competition is happened not only among offline business but also between offline and online business. I'm very sure that the business owners need many inputs to change their business strategy and business model to meet the newest trend.

I hope this seminar can provide the fresh ideas to help the business world by sharing best practice and research result among speakers and participants.

Have a nice seminar

Dr. Sawidji Widodoatmodjo, SE, MM, MBA
Dean of Faculty of Economics of Tarumanagara University

PATRONS

Keynote Speakers

1. Prof. Andrew Delios (Department of Strategy & Policy, NUS Business School, National University of Singapore)
2. Prof. Dr. Vo Van Sen (President of the University of Social Sciences and Humanities, Vietnam National University – Ho Chi Minh City)

Organizer

Sekolah Tinggi Ilmu Ekonomi Indonesia (STEI) Jakarta / Indonesia College of Economics

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EXPLORING THE DETERMINANT FACTORS OF BUSINESS RESPONSIBILITY PRACTICES OF SMALL MEDIUM ENTERPRISES

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Abstract - For small and medium businesses, it is not easy to be able to apply business responsibility and this matter still leaves the debate about the pros and cons emergence. This study explored the extent to which the doers of SMEs applying this concept. The study involved 65 Small and Medium Enterprise (SME) doers using qualitative study. The findings of this study indicate that the doers of SMEs regard business responsibility as a multidimensional concept. In running business, they need to consider the benefits to society/community and refer to the ethical aspects of the right business. Facts on the ground revealed was that the SME doers realize the business should be beneficial for the environment, so that the economic and social aspects will not be overlapping. Building relationships with stakeholders is an important factor that is also explored in the research. Interesting finding was that the SME doers have not been optimally be able to build a good relationship with external stakeholders regarding the involvement of marginalized people and build collaborations with educational institutions to develop innovation. The results can be used as a basis for the development of quantitative research in the future in order to gain insight of how the SME doers in general understand the essence of business responsibility by utilizing network resources owned by stakeholders.

Keywords: Business Responsibility, The SME Doers, Corporate Social Responsibility, Stakeholders, Relationship