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ТА ПІДПРИЄМНИЦТВО:
ТРЕНДИ РОЗВИТКУ

MANAGEMENT AND ENTREPRENEURSHIP: TRENDS OF DEVELOPMENT

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ACTOR NETWORK IN TOURISM MANAGEMENT BASED ON SUSTAINABLE DEVELOPMENT (CASE STUDY OF TOURISM DEVELOPMENT IN BATU CITY, INDONESIA)

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Abstract. Batu City is known as one of the leading tourist cities in Indonesia because of its extraordinary potential of natural beauty. The purpose of this research is to analysize the actor network in tourism management based on sustainable development in Batu City. This study used a descriptive research method with a qualitative approach. As a result it is recommended to strengthen the role Department of Environmental Service in tourism development policies in Batu City. Batu City Government needs to establish a forum for "Community Conscious Environment" as a controlling agent. Batu City Government also needs to expand cooperation with academics, especially in environmental assessment cooperation.

Keywords: actor netwwork, tourism management, sustainable development.
JEL Classification: A21, I28.

INTRODUCTION

Tourism is one of the sectors that has an important role in the development of the level of economic welfare of the nations in the world which has been getting better and more advanced in the last two decades. Increasing welfare and progress make tourism a trend of people's need or lifestyle to get to know nature and culture in various regions. The current tourism trend is like a link that drives the wheels of the economy which has a common thread to become a service industry that contributes to the world economy.

According to Soebagyo (2011, p. 154) Tourism development has three functions, namely promoting the economy, maintaining the national personality and preserving the function and quality of the environment, and fostering a sense of love for the homeland and the nation. This is because the tourism sector can provide employment, stimulate production sectors, and contribute directly to progress in the development and improvement of roads, ports and airports. In its development, the tourism sector will encourage the implementation of hygiene, health, cultural facilities, environmental preservation programs, and can provide benefits and enjoyment to both local people and local and foreign tourists.

Batu City is known as one of the leading tourist cities in Indonesia because of its extraordinary potential of natural beauty. The Dutch admiration for the beauty and nature of the rock makes the new territories aligned with a European country, namely Switzerland and dubbed as *De Kleine Zwitserland* or Swiss minor on Java Island (Sukmana, 2009).

Since it was found as an autonomous region in 2001 Batu City had been established and solidifies its territory as the center of Tourism and Agro-polite especially in East Java Province (Sukmana, 2009). This is reflected in the Master of Tourism Development Plan in Batu City (2010-2020) and Batu City Regional Regulation Number 7 in 2011 about the regional spatial plan of Batu City 2010-2030. It is namely increasing the position and role of Batu City from the tourist city Become a tourism center that is taken into account at the regional or even national level, with the addition of various objects and tourist attractions. It is supported by facilities and infrastructures and supporting elements of adequate tourism with a relatively evenly spread In the area of Batu city to expand the field of employment in order to overcome unemployment and increase the income of citizens as well as Local-Generated Revenue of Batu City basically on tourism.

The management of tourism development in Batu City has a very positive impact on the economy in Batu City. However, it has a very bad impact on the environment in Batu City. This can be seen from the increase in air temperature in Batu City, the reduction of springs in Batu City, and the decrease in Green Open Space in Batu City.

Seeing the environmental problems that continue to arise as a result of tourism development activities in Batu City, Batu City Government needs to apply the principles of sustainable development in implementing tourism development policies. And in realizing this, must be supported by the network synergy stakeholder / actor implements.

According to Syahrir (2004, p. 5), a network between stakeholders is needed because it is increasingly clear that no one sector in society can provide the concept of sustainable development individually. In this context, what will be done and become the responsibility of the multi-stakeholder is not done individually but is stipulated in the terms of the contract. A multi-stakeholder network is a network that pursues a common vision, maintains and supports mutual problem solving together.

Seeing the existing conditions in Batu City, so that environmental problems occur which prove that tourism development there is not based on the principle of sustainable development, it can be seen that the actors implementing tourism development policies are running independently and communication between actors is not optimal.

LITERATURE REVIEW

Actor Network Theory

Stolley (2005, p. 86) defines networks as "the patterned relationships that connect us with those outside of our established groups." The focus of the study on Actor-Network-Theory lies on actors. The starting point for the inter-actor approach starts from the environment of actors who relate to other actors. In order to maintain its existence, an actor needs resources. This actor then establishes relationships with other actors and there is also a chord network that communicates with each other.

In the perspective of policy networks, Frans Van Waarden (1992) develops a theory policy formulation process based of a network with the main dimensions of a policy network. These dimensions of policy networks can be used to view and analyze policy formulation process based of the network.

The following are the dimensions of the policy network:

1. *Actors*

Actors in the policy network are not only individuals but also be an organization as the actors involved can also be representations of certain groups / parties.

2. *Function*

This concept of "function" then forms a perspective link between structures and actors in the network. The main function of a policy network is as a tool used to increase the intensity of the relationship (relationship) between parties with an interest in a public policy both at the formulation and implementation stages.

3. *Structure*

The policy network structure refers to the relationship pattern between the actors involved.

4. *Institutionalization*

The level of institutionalization refers to the formal characteristics of the network and its stability. This will depend on the form / characteristics of the network structure and the higher the level of institutionalization of a network, the more effective the policy network will be.

5. *Rules of conduct*

The network is then formed by the rules of the game in the interactions that govern the exchange in a network.

6. *Power relations*

This distribution of power takes the form of a function of the distribution of resources and needs among actors and between organizational structures when the organization is involved.

7. *Actor strategies*

In policy networks, actors use networks as a strategy to manage their interdependence. They create and or use networks to get their needs, interests and goals.

Tourism Management

Management is a very important part in the Public Administration System. Management is the engine driving public administration and it means that management is the integration of planning, organizing, implementing, and monitoring / evaluating. Management is a system, because if one of the sub-systems is not functioning properly, mismanagement will occur (mismanagement) (Ibrahim, 2009; Zamili et al., 2020).

One of the public management is in the tourism sector. Tourism is a multidimensional concept. In the public planning system in tourism management refers to management principles that emphasize the values of the preservation of the natural environment, community and social values that enable tourists to do tourism activities and benefit the welfare of local communities (Pitana, 2009, p. 81). The aim of tourism management is to balance economic growth and income with services to tourists and protection of the environment and preservation of cultural diversity.

Sustainable Development

Experts and authors of the book define the concepts of *Sustainable Development* or sustainable development differently. (C. Suryono and Rismiati, 2016) stated that Sustainability is defined as a development to meet the needs of the current generation without prejudice to necessities of future generations. The risks and consequences of any current development should not be all handed down to future generations, but should be considered justly for the present generation and future generations.

Otto Soemarwoto (2013) in Anggraeni Diah Kurnia; Sulaeman, Endang Sutisna (2013), explained that there are four indicators that can be used as the benchmark of sustainable development in a simple way for both the central and local governments to assess the success A head of government in the implementation of sustainable development processes. The four benchmarks include as follows:

a. Pro Economic Welfare

The explanation of Pro economy welfare is the economic growth aimed at the welfare of all members of the community, can be achieved through innovative technologies that have a minimum impact on environmental damage.

b. Pro Sustainable Environment

The explanation of the pro sustainable environment is concerned about the ethics of non-anthropocentric environmental people who become guidelines for community life, so that they always strive for sustainability and environmental balance, natural resource conservation and prioritizes the quality of non-material life.

c. Pro Social Justice

The explanation of the pro social justice is fairness and equality of access to natural resources and public services, appreciating cultural diversity and gender equality.

d. Pro Environmental Life

The explanation of the Pro environment is about some indicators that can be used to measure it. One of them is the index of conformity, such as the broad forest ratio to the area (the less or less), the discharge ratio of the river water in the rainy season to the dry season, air quality, and so on.

METHODOLOGY

This study used a descriptive research method with a qualitative approach. The data sources used were primary data and secondary data. Data collection techniques were using observation, interviews and documentation. The research instruments used were the researchers themselves, interview guides, and field notes. The data analysis method used is the Interactive Model Analysis by Miles and Huberman (1992, p. 20), namely by collecting data, reducing data, presenting data, and drawing conclusions. In this study, the research location is Batu City.

RESULTS AND DISCUSSION

The Actors Network of Tourism Management based Sustainable Development in Batu City :

a. *Actor*

Actors who are involved in tourism development in Batu City based on sustainable development, consist of Inside Government Actors (actors who are in the realm of Batu City Government) and Outside Government Actors (actors who are outside the realm of Batu City Government). Inside Government actors can be classified into two, namely primary actors and secondary / supplementary / supporting actors.

b. *Function*

Inside Government actors consist of primary actors and secondary actors. The primary actor functions as the main actor in determining the direction of sustainable development-based tourism development policies in Batu City. And the function of the secondary / supplementary / supporting actors is the actor who supports the main actor in tourism development based on sustainable development in Batu City. These secondary actors act on the basis of the government as the main actor.

Outside Government actors consist of the Regional Tourism Promotion Board (BPPD); Investors / Private; Public; Mass media; Academics; and Local Environmental NGOs. The function of the investor / private sector is to help the Batu City government develop tourism by investing in tourism development in Batu City.

The community also participates in tourism development in Batu City. The community is involved and contributes their ideas in developing sustainable development-based tourism in Batu City.

The function of the mass media is as a medium to promote tourism in Batu City. The function of academics in developing tourism based on sustainable development in Batu City is to help provide input on tourism development in Batu City. And the function of Local Environment NGOs is to oversee tourism development and prevent environmental degradation caused by the existence of tourism development activities in Batu City.

c. *Structure*

The structure formed in realizing sustainable development based on tourism is the Inside Government actor, which consists of Primary Actors (Mayor of Batu; Batu City Bappelitbangda, Department of Tourim of Batu City), Secondary Actors (Department of Public Works and Urban Spatial Planning; Department of Regional Finance; Departement of Communication and Information; Department of Cooperatives, Micro Enterprises and Trade; Department of Investment Service One Stop Services and Manpower; Department of Transportation; Department of Environment)

And outside government actors, consisting of: Regional Tourism Promotion Board (BPPD); Investor / Private (Community Organization); Community (Tourism Village, Pokdarwis); Mass media; Academics (Brawijaya University; Tribhuwana Tunggadewi University); Local Environmental NGO.

d. *Institutionalization*

The institutionalization effort undertaken by the Batu City Government in developing tourism in Batu City is by forming an expert team and a support team in encouraging tourism based sustainable development.

e. *Rules of Conduct*

The rules of action or guidelines used in implementing tourism basd sustainable developments are the 2014-2029 Regional Tourism Development Master Plan (RIPPDA), where Law Number 10 of 2009 concerning Tourism is the legal basis used to compile this RIPPDA.

f. *Power Relation*

The power relations process is defined as the distribution of resources (resources) and needs (needs) among actors and between organizational structures. In realizing the tourism based on sustainable development, the disposition or attitude of the implementers is sufficient to support and carry out their duties properly. Communication and coordination between actors has also been well established.

g. *Actor Strategies*

The actor's strategy in developing tourism based on sustainable development in Batu City is cooperation between institutions and increasing community participation.

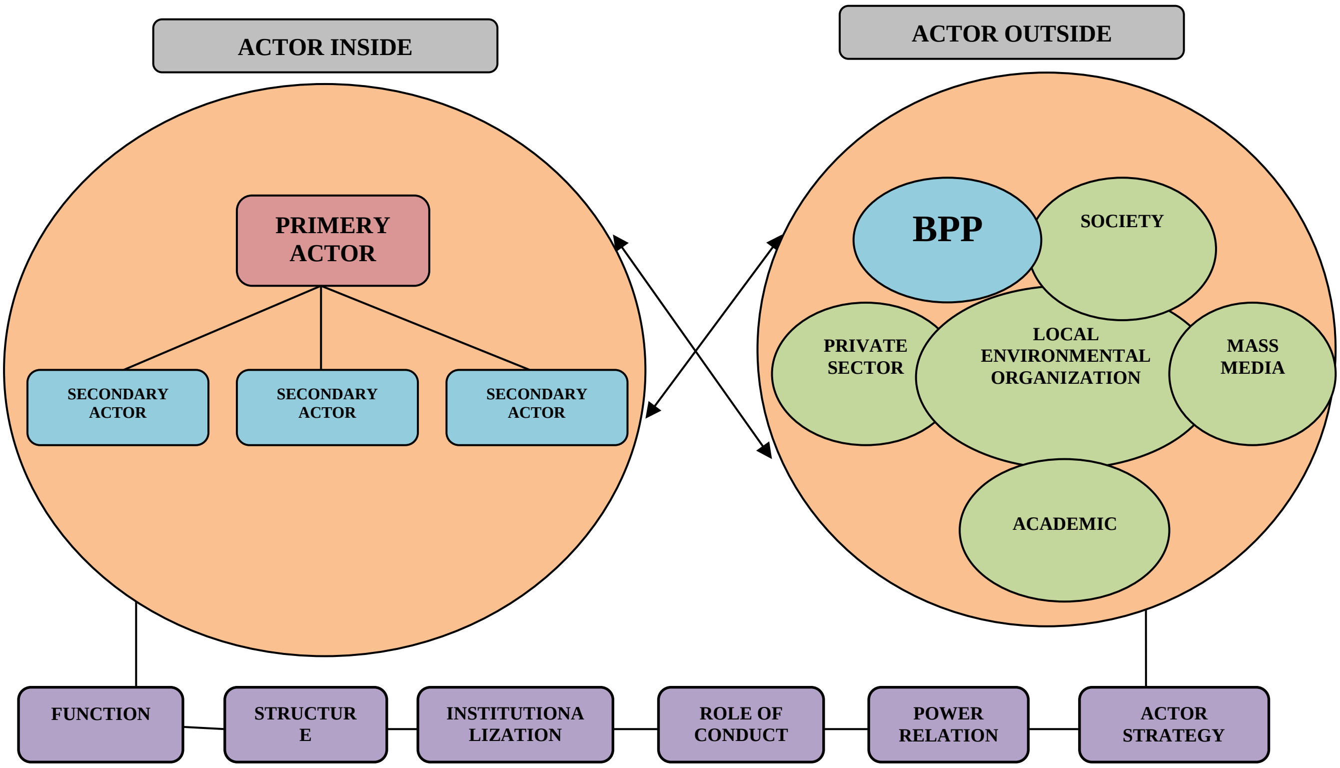

Figure 1. Model of Tourism Management based on Sustainable Development

Source: Own compilation

CONCLUSION

The problem of environmental degradation shows that the actor network in the implementation of tourism development based on sustainable development is not optimal yet in Batu City. The actor network in the implementation of tourism development based on sustainable development in Batu City consists of inside and outside government actor. Inside government actor consist of primary actor which are Batu City Mayors; Department of Development Planning, Research, and Regional Development (Bappelitbangda) Batu City; and Department of Tourism Batu City;and the secondary actor which consist of Department of Public Works and City Spatial Planning; Department of Regional Financial; Department of Communication and Informatics; Department of Cooperatives, Micro business and Trade; Department of One Stop Integrated Investment and Labor; Department of Transportation; Department Environmental Services. While, outside government actors consist of BPPD, investors/ private sector; community; mass media; academics; and local environmental NGOs. The recommendation is strengthening the role Department of Environmental Service in tourism development policies in Batu City. Batu City Government needs to establish a forum for "Community Conscious Environment" as a controlling agent. Batu City Government also needs to expand cooperation with academics, especially in environmental assessment cooperation.

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МЕРЕЖА СУБ'ЄКТІВ-УЧАСНИКІВ В УПРАВЛІННІ ТУРИЗМОМ НА ОСНОВІ СТАЛОГО РОЗВИТКУ (ТЕМАТИЧНЕ ДОСЛІДЖЕННЯ РОЗВИТКУ ТУРИЗМУ В МІСТІ БАТУ, ІНДОНЕЗІЯ)

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Місто Бату відоме як одне з провідних туристичних міст Індонезії через його надзвичайну природну красу. Метою даного дослідження є аналіз мережі учасників в

Lestari, A. W., Suwitri, S., Larasati, E. and Warsono, H. (2020), "Actor network in tourism management based on sustainable development (Case study of tourism development in Batu City, Indonesia)", *Management and entrepreneurship: trends of development*, Volume 3, Issue 13, pp. 8-15, available at: https://doi.org/10.26661/2522-1566/2020-3/13-01

управлінні туризмом на основі сталого розвитку в місті Бату. У цьому дослідженні використовувався метод описового дослідження з якісним підходом. В результаті рекомендується посилити роль Департаменту охорони навколишнього середовища в політиці розвитку туризму в місті Бату. Уряду міста Бату необхідно створити форум «Громадське свідоме середовище» в якості контролюючого агента. Уряду міста Бату також необхідно розширити співпрацю з науковцями, особливо в області екологічної оцінки.

Ключові слова: мережа учасників, туристичний менеджмент, стійкий розвиток

СЕТЬ СУБЪЕКТОВ-УЧАСТНИКОВ В УПРАВЛЕНИИ ТУРИЗМОМ НА ОСНОВЕ УСТОЙЧИВОГО РАЗВИТИЯ (ТЕМАТИЧЕСКОЕ ИССЛЕДОВАНИЕ РАЗВИТИЯ ТУРИЗМА В ГОРОДЕ БАТУ, ИНДОНЕЗИЯ)

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Город Бату известен как один из ведущих туристических городов Индонезии из-за его необычайной природной красоты. Целью данного исследования является анализ сети участников в управлении туризмом на основе устойчивого развития в городе Бату. В этом исследовании использовался метод описательного исследования с качественным подходом. В результате рекомендуется усилить роль Департамента охраны окружающей среды в политике развития туризма в городе Бату. Правительству города Бату необходимо создать форум «Общественная сознательная среда» в качестве контролирующего агента. Правительству города Бату также необходимо расширить сотрудничество с учеными, особенно в области экологической оценки.

Ключевые слова: сеть участников, туристический менеджмент, устойчивое развитие

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THE ROLE OF ACCOUNTING STUDIES IN STUDENT LIFESTYLE AND FINANCIAL BEHAVIOR

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Abstract. This study aims to determine and understand the role of Accounting Studies in student lifestyle and financial behavior of accounting students, which will have an impact on their future accounting profession. Data collection is through interviews with 10 accounting students, academics and practitioners which obtained several results. The results of this study indicated that Accounting Studies plays a role in the lifestyle and financial thinking of accounting students, and will later be able to have an impact on the performance and daily life of the accounting profession in the future. Based on this analysis, overall it can be concluded that besides accounting studies, there is another factor to support the accountant mindset that is work environment, Mindset, financial behavior and accounting student life style obtained by accounting studies and it able to support future accounting profession.

Keywords: accounting studies, lifestyle, financial behavior, accounting students, accountant profession.
JEL Classification: M41, M410, G41.

INTRODUCTION

The development of technology and information made a change on people life style. This phenomenon once described inside the movie of "Confession of Shopaholic" in 1990 which quite reflecting the consumptive lifestyle of millennial (Iwan, 2018). That millennial phenomenon happen in Indonesia which reflected inside PDB 2018 that increased around 5% more than PDB 2017 (Adharsyah, 2019). Asian Development Bank (ADB) stated that most of contributed 2020 economic development in Indonesia will be related to consumption (Situmorang, 2019). This means that consumption is online shopping that is often implemented by young generations. Strong consumption will be able to continue economic growth for 2019 and 2020. In addition, a survey from Bank Indonesia in the last September 2019 showed that average public consumption increased from 68.6% to 68.8%, followed by a decrease in the payment/debt ratio public (Agustiyanti, 2019).

LITERATURE REVIEW

A good education style needs to be implanted on every individual, especially for Accounting Studies. some of previous studies has been done in order to observe the role of Accounting Studies in daily life and its effect toward lifestyle, financial behavior such as: private financial plan and daily financial plan (Waluyo and Marlina, 2019), economic thought and accounting principle and behavior of daily life. Butler, Church & Spencer (2019) conducted an experimental education that made students gained more critical thinking and better ability to solve the problems within 4 stages, Do, Reflect, Think & Apply in Accounting Studies. Those experimental application has been done inside the topic of Accounting Information System (AIS) and it audit, accounting fee with material allocation fee, financial accounting within the recording material of percentage of completion, government and non-profit accounting (Public Sector Accounting), professional program that related to the value of competition AICPA and IMA, and the topic of tax system. Asonitou and Hassal(2019)stated that the lack of creativity such as time management, task delegation, uncertain matter, and knowledge interdisciplinary implementation and other necessary quality to manage daily problem which include as a complex problem.

PAPER OBJECTIVE

This study aims to understand the deeper meaning of how Accounting Studies has an important role in the financial behavior and lifestyle of accounting students and their future professions. Therefore, this qualitative research is included in the explanatory research category. This research was conducted regarding the role of Accounting Studies in the financial behavior and lifestyle of accounting students and their future professions, and there are several questions such as: (1) What is the behavior and lifestyle of current accounting students ?, (2) How is the role of Accounting Studies in support the lifestyle of students? (3) What is the relationship of accounting as a future profession and current lifestyle of students and financial behavior supported by current accounting studies? This research are expected to be able to bring and provide to input for academics in Indonesia which related to the application of accounting studies, so that it can be beneficial to society lifestyles and every personal responsibility.

METHODOLOGY

This research method used descriptive qualitative analysis, the subject are 10 students of university in Surabaya. The informants picked randomly by website pick random from 41 students which obtain the GPA over than 3.5. The data collected by interview and observation related to lifestyle and economical thought during a month. The observation was done in semi-structured way to obtain information related to lifestyle, financial thought and behavior and deep accounting studies of student. The observation will be related to student (as informant) daily life, to analyze and observe student financial behavior, lifestyle and their implementation of accounting studies. Other data are collected on semi-structured academic informants to obtain data related to the role of accounting studies of each informant, for economic behavior, daily life and the needs of their profession as accountants. In this aspect, the informants chosen were accounting lecturers who had taught more than 10 years or accountants who had worked for more than 5 years. There are practitioners as informant, in this aspect the chosen informant is accountant who has been experienced in accounting field. The analysis will be carried out through triangulation of the interviews result among informants with the basic theory related to the topic of this research.

RESULTS AND DISCUSSION

Accounting students have various types of lifestyles, especially those related to decision making and their daily financial rules. All informant students acknowledged that their biggest expenses were secondary expenses, which included expenses for hangouts, skin care, and other shopping needs. There are several motives why students tend to spend their financial saving on secondary needs; however they tend to have a same motive which they spend on something to satisfy themselves within the low price. This consumptive behavior is similar to the result of Indonesia Millennial Report (IMR) 2019 which has the biggest financial spending to entertain them and that spending related to the spending for food.

The chosen informants stated that they did not have specific schedule for shopping, they only did it when they need it. Purchase decision by student has a close relation to the analysis of Thakur (2016) which indicated that customer often seek for information regarding the useful value of products. They tend to consider utilitarian value rather than hedonic value.

In addition, when students were asked about the role of Accounting Studies in their mindset, financial behavior and lifestyle, most students responded that they could feel changes before they obtained Accounting Studies and after they obtained Accounting Studies. There were two students as informants who stated that no changes had taken place in accounting studies, because they tended to feel that they are obtained accounting studies oriented only to company problems, and were unable to meet the problems of their daily lives. Eight other students did get a big change and were able to apply Accounting Studies to their daily lifestyle. Accounting studies are explained in detail in 5 main topics, financial accounting topic, Management accounting, accounting information system, and Audit and tax matter.

On financial accounting topic, only three out of ten informants who are able to applied this topic on their daily life. They applied a recorded concept of their daily life to make a record of their financial spending and the concept of depreciation of shopping, therefore they would not spend any expensive purchase and considering their depreciation matter. The other seven students find that financial accounting topic only oriented for company matter; therefore they hardly apply it for daily life. There are Management accounting topic, eight out of ten students stated that they are able to implement budgeting on their daily life, thus it can help to record their spending and income. Furthermore, they find that they can make better decisions after obtaining this topic. They also have an ability to think within the thought of costs & benefits for their daily lives, such as those matter related to daily needs. Moreover, two informants felt that their topic could only be used for their work in the future, and could not be applied to their daily lives.

There is also the topic of Systems which is able to shape the mindsets of five students to be more systematic for their daily lives. They are able to understand the cycle of accounting that has been taught for certain topic, therefore their will have more opened knowledge for their daily life, furthermore, they are able to organize the spending documents such as receipt to be more organized and easy to find when they need it. The rest five students feel that those organized system will only be useful or their working life, because those kind of accounting cycle only able to be applied for company context.

The topic of auditing, this topic was able to move six students from the tent as informants to be more skeptical and careful in managing their daily lives. Besides, they will be able to track back their daily spending through their saved receipt (documents). The last topic is the taxation topic which is considered to lack a role in the daily life of all informants, because they have not been burdened by tax obligations. In fact, without them knowing it, they actually have applied this topic, the topic of taxation has taught the students how to identify and differentiate various types of taxes for Indonesian citizens. Every student is unaware of how the tax problem works in such a simple process as restaurant tax, value added tax for each item they buy or vehicle tax for those who bring their own transportation.

The implementation of budgeting system on student daily life has been proved that academic education can help student to apply their knowledge for their daily life (Waluyo and Marlina, 2019). Inside the research of Waluyo and Marlina, they found a material which most participated on student private financial is budgeting material.The interview result related to student lifestyle and the applied accounting studies indicated different result based on the analysis of Oktafikasari and Mahmud (2017) which showed that economical literation which means accounting studies include it impact, has significant influence on student consumptive lifestyle. The informant students are able to differentiate between their needs and their desire, moreover they are able to limit their consumptive behavior through budgeting method.

Following the understanding of behavior and role of accounting studies for student, researcher tried to observe the needs of accountant in this era. There is some information from several academic informants, according to the first informant; he stated that not every academic education helps all the accountants' needs. Therefore, people not only need to obtain their current needs but also have to be creative in creating innovations for their future needs. This statement is reflected from an academic perspective as an accountant.

Other opinions have different points from the first informant, the second informant found how the accountant's current needs are related to the technology used. Technology should not be served as supporter but also as enabler. The informant stated another necessary aspect for accountants was their ability to understand and analyze data. This analytic ability is related to their ability to understand the market of statistical and physical conditions such as customer behavior. According to the second informant, people should be able to catch up with the development of technology, because it will affect their company life. This statement related to the analysis of McKinney Jr., Yoos II and Snead (2017) who stated that in this Big Data era, analysis not only requires an ability to analyze but also understand the situation and limitation of it analyzed topic. The statement was approved by a Third informant; he stated that education currently fulfilled the needs of accountants in its standard system. However, those standards should be followed by adequate technology.

Another opinion by third informant stated that as profession, accountant needs people that obtain the combination of strong commitment and capable competences. That combination is needed because commitment and competences will help accountant to build an independent character. It means, every accountant has to own a will to learn, even without any motivation from other people. A company obviously tried to look for a competent accountants with a strong commitment, therefore accountants will be placed for the long term without longer training sessions or others (Sawitri and Fauziyah, 2017). Therefore, if competence and commitment are taught from the student's initial situation, the university will be able to obtain a professional accountant.

The fourth informant stated another opinion of how accountant should have a good ethic and morality. According to him, the current accounting students are having less ethic and morality pressure and it caused their less understanding of consequences on their future job. Ethic and morality is important for younger generation of accountant to widen their further thinking of every consequences and decision.

Other question has given to academic-related to accountants regarding the study of educational accounting, mindset and daily lifestyle. The first informant stated that accounting studies had an important role for him to change his life to be more organized, accurate and build his personality. He stated that accounting should be learned not only for its competencies but also as his personal identity. However, the second informant tends to have different opinions, this second informant agrees that education has a role to shape his mindset but is only related to professional work as an accountant. The biggest influence in his life did not come from academic education but his mentor at work. The mentors drew his attention and encouraged him to build a better professionalism at work. Another opinion came from a third informant who found that the profits from accounting studies were accumulated from year to year which made it almost impossible to distinguish them individually. The third informant concluded that the current education system has a different system from the old system which is not only educated based on the tutorials but also helps maintain a better student mindset. The fourth informant indicated that the accounting studies have an important role to help student in daily lives.

Based on the various answers above, it can be concluded that in addition to academic studies, other aspects that affect the performance of accountants are mindset and lifestyle and work environment. Based on some opinions, the environment influences the daily life of accountants, this is related to the analysis of Sutrisna, Kurniawan and Dewi (2017) who found that the education level was closely related to the accountants performance in their daily lives.

The role of accounting studies for student daily life is expected to complete accounting as profession on student future roles. Millennial has been gifted with a good ability of technology and it should be followed by a good academic ability (Ladhari, Gonthier and Lajante, 2019). The requirements of accountant profession should be easily overcome because accounting student in this era should have fast response toward technology. Remember that the daily activities of millennial generation who often utilize technology in their social interactions; However, they must have limits on their behavior in using technology. The informants expressed their opinions regarding the academic education as their assets to obtain a better career in the future. Based on the opinion of some informants, even though they are not working as accountant yet, they are sure that their accounting studies could change mindset and support them to obtain their performance as future accountant. For example, an informant declared regarding how their future work would include costs and benefits, based on accounting studies, he should think about how his efforts would be balanced compared to material-non-material benefits. In addition, other informants also stated that they needed to apply a cautious audit attitude to their future work environment.

The change toward structured mindset, financial behavior and better lifestyle expected to support accounting student for their future accountant profession. For example, caution is not only used when someone carries out his job as an auditor, but individuals also need to be skeptical and cautious in a competitive work environment. That skeptical attitude is needed in order to be able to recognize good and supportive colleagues in harsh reality of working world. Besides, integrity principles and independence principles in audit will help to guide accountant profession to be more consistent and gain ethical behave on their daily working life.

There is a thought of costs and benefits, which can also be useful for work life. Accountants should have thoughts about the costs and benefits of doing projects from clients, whether business and work related costs from clients will be related to the material or non-material benefits they will receive. Pietrzak and Wnuk-Pel (2015) found that an important ability which has to be managed by management accountant is their work measurements method. Performance measurement also needs to be done by accountant within self-evaluation, thus, it is able to provide better performance for work environment and work task. In addition, the knowledge of cycles and documents will help accountants to collect and reach the data based on the work they have done before and make it as reference to their next work as their past experience and will help them with future problems (Managerial assessment). Those managerial judgment will be useful for accountant when they want to classify the secondary spending, however it can give another future benefit such as client entertain cost. Student behavior of hangout too often in order to engage as many as possible relation for the future purposes is one of discretionary expense. The spending for hangout nowadays has dominated people life style, however this factor could be useful for the future problem when they begin to obtained the networking strength they have built from early condition. Tax knowledge which currently achieved by student will help student on their future work as accountant to recognize what kind of taxes they need to fulfill later. An accountant has decision making to control their desires is related to their personal character and mindset (Prather-Kinsey, Boyar and Hood, 2018).

Systematic thinking and organized work are expected to help future accountant to work in a better way, more relaxed in non-conducive situation. There are also principles of accountability including accuracy, giving a positive influence on individual performance. Accounting Studies indeed tends to be succeed in building an individual daily life mindset, become more logical and organized, however not everyone able to apply accounting studies in their daily life, whether it as decision making and financial management. By carrying logical and systematic thinking, a person is able to catch more structured and realistic thinking; therefore they can help someone in solving any problems, both for their personal daily life and their working life. This mindset can be obtained through accounting studies within various topics and materials.

CONCLUSION

Student lifestyle and financial behavior are often based on utilitarian value rather than hedonist value. There are other discoveries of this research which indicated that the topic of accounting studies that has significant role on student way of thinking is the topic of audit. Besides, budgeting material on Management accounting also has significant role on accounting student. Accounting studies that implemented in daily life can help change the way students think accounting becomes more organized. Besides accounting studies, there are other factors to support the mindset of accountants, namely the work environment. Mindset, financial behavior and accounting student lifestyle obtained from accounting studies and are able to support the accounting profession in the future.

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РОЛЬ БУХГАЛТЕРСЬКИХ ДОСЛІДЖЕНЬ У СПОСОБІ ЖИТТЯ ТА ФІНАНСОВІЙ ПОВЕДІНЦІ СТУДЕНТІВ

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Стаття має на меті визначити та зрозуміти роль досліджень бухгалтерського обліку у способі життя та фінансовій поведінці студентів-бухгалтерів, що матиме вплив на їх майбутню професію. Збір даних здійснювався за допомогою співбесід з 10 студентами-бухгалтерами, викладачами та практиками, які дали кілька результатів. Результати цього дослідження показали, що бухгалтерські дослідження відіграють важливу роль у способі життя та фінансовому мисленні студентів-бухгалтерів, і згодом зможуть вплинути на результативність та повсякденне життя бухгалтерської професії в майбутньому. На основі цього аналізу в цілому можна зробити висновок, що крім бухгалтерських досліджень, існує ще один фактор, що підтримує мислення бухгалтера – це робоче середовище, ментальність, фінансова поведінка та стиль життя студентів, отриманих в результаті бухгалтерських досліджень, і здатний підтримати майбутню професію бухгалтера. .

Ключові слова: бухгалтерські дослідження, спосіб життя, фінансова поведінка, студенти-бухгалтери, професія бухгалтера

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РОЛЬ БУХГАЛТЕРСКИХ ИССЛЕДОВАНИЙ В ОБРАЗЕ ЖИЗНИ И ФИНАНСОВОМ ПОВЕДЕНИИ СТУДЕНТОВ

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Статья имеет целью определить и понять роль исследований бухгалтерского учета в образе жизни и финансовом поведении студентов-бухгалтеров, повлияет на их будущую профессию. Сбор данных осуществлялся с помощью собеседований с 10 студентами-бухгалтерами, преподавателями и практиками, дали несколько результатов. Результаты этого исследования показали, что бухгалтерские исследования играют важную роль в образе жизни и финансовом мышлении студентов-бухгалтеров, и впоследствии смогут повлиять на результативность и повседневную жизнь бухгалтерской профессии в будущем. На основе этого анализа в целом можно сделать вывод, что кроме бухгалтерских исследований, существует еще один фактор, поддерживающий мышления бухгалтера - это рабочая среда, ментальность, финансовое поведение и стиль жизни студентов, полученных в результате бухгалтерских исследований и способен поддержать будущую профессию бухгалтера.

Ключевые слова: бухгалтерское дело, образ жизни, финансовое поведение, студенты-бухгалтеры, профессия бухгалтера.

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CAPTURING CADETS' SELF-EFFICACY TO PROMOTE SAFE FUTURE OF SEAFARER

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Abstract. Human error that causes accidents is one of the most significant concerns of maritime sectors. In fact, most accidents happen mainly due to human error, therefore good decision making is needed. In facing problem, one of the important skills is self-efficacy. The purpose of the article is to explore ways to improve self-efficacy in order to ensure a safe future for seafarers. Cadets should have great self-efficacy in order to make future seafaring safely (even in unexpected condition). This study reports the cadets' self-efficacy at Collision Prevention regulations on Sea and Guard Service course. The data was taken quantitatively. 142 cadets of the deck department were asked to respond Generalized Self Efficacy questionnaire (GSE). This investigation points out that cadets' self-efficacy is greater than the international average of GSE. However, cadets need to develop creative thinking skill in dealing with unexpected condition or someone who opposes in gaining their goal. These findings suggest that self-efficacy should be integrated into classroom learning. For the next research instructional design can be developed to improve self-efficacy skill effectively and efficiently.

Keywords: self-efficacy, cadets, safe seafaring
JEL Classification: J20, J28

INTRODUCTION

Human error that causes accidents is one of the most significant concerns of maritime sectors. In fact, most accidents happen mainly due to human error, therefore good decision making are needed. In facing problem, one of the important skills is self-efficacy. Decision-making self-efficacy would significantly influence decisions with regard to speed and accuracy after controlling for past performances. Self-efficacy was a significant constant predictor of decision-making speed and self-efficacy was beyond the influence of past performance (Hepler and Feltz, 2012). Cadets should have great self-efficacy in order to make future seafaring safely (even in unexpected condition). This study reports the cars' self-efficacy at Collision Prevention Regulations on Sea and Guard Service course. Officers on watch must first be able to perceive the condition of all the vessels around them, the relationship of their vessel to any hazards, their vessel's operational condition, and the comprehension of those perceptions and executions of actions to avoid the hazard or collision.

LITERATURE REVIEW

a. Self-Efficacy and Decision Making

Inadequate communication, poor judgment and decision making, inefficient task management, and absence of leadership have all been identified as causal factors in air transport accidents (Helmreich, Merritt, and Wilhelm, 1999). Problem solving and decision making are treated together because in the cockpit decision making frequently is embedded in a broader process of problem solving. Before a decision can be made, the crew must first recognize that a problem exists, determine its nature and define the desired outcome.

Current theories with both heuristic and naturalistic decision making as well as intuition all depend on experienced decision makers (Azuma, Daily, and Furmanski, 2006; Dane, Rockmann, and Pratt, 2012; Hall, 2010; G. Klein, 2008; G. A. Klein, Calderwood, and MacGregor, 1989; M. Klein, 1998; Randel, Pugh, and Reed, 1996). According to Bandura, self-efficacy is the key to personal change and resource development. Efficacy has an impact on cognitive, affective, motivational, and decision-making processes. Self-efficacy determines whether an individual will think optimistically or pessimistically in self-enhancing or debilitating ways (Bandura, 2006)

Feltz and Hepler (Hepler and Feltz, 2012) examined the relationship between self-efficacy and decision-making speed and accuracy on a simulated sport task. Their study was based on the previous research that supported the link between self-efficacy and physical performance in sports. They predicted that decision-making self-efficacy would significantly influence decisions with regard to speed and accuracy after controlling for past performances. Their findings concluded that self-efficacy was a significant constant predictor of decision-making speed and that self-efficacy was beyond the influence of past performance (Hepler and Feltz, 2012).

In other words, it takes longer for participants with low self-efficacy to make their decisions than feel confident in their decision-making capabilities (Hepler and Feltz, 2012). Lin (2006) researched the decision-making process of senior officers when maneuvering the ship and whether or not they obeyed the rules of the regulations, and what the reasons for navigational faults were. He wanted to know why a ship officer's behavior contravenes the regulations, resulting in a collision. The maritime goal is to stay out of the way of an approaching ship as far as possible. Therefore, if there are any failures by human actions or ship's equipment, the possibility of a collision increases significantly due to late avoiding action (Bin, 2006).

b. Collision Prevention Regulations on Sea and Guard Service

New junior officers should have been taught situation awareness in their watch keeping classes. However, situation awareness is a process that, according to Grech et al. (2008), involves a feedback loop with a sequence of perception, comprehension, and execution that drives the feedback loop. Officers on watch must first be able to perceive the condition of all the vessels around them, the relationship of their vessel to any hazards, their vessel's operational condition, and the comprehension of those perceptions and executions of actions to avoid the hazard or collision. This process is an ongoing cycle of reassessing the situation and the environment. New officers may not have the experience to recognize and react to a developing situation in a timely manner.

Recognizing shortcomings in human behavior and applying them to new or revised educational techniques may assist in reducing the high incidence of marine casualties (Emad and Roth, 2008; Goulielmos, Lathouraki, and Giziakis, 2012; Jordanoaia, 2010; Wang and Zhang, 2000).

c. Self-efficacy and seafarer

Organizational culture and self-efficacy were identified as factors affecting the quality of work life, while organizational support was found to have an indirect effect through self- efficacy and perceived fatigue. The final model accounts for 63.1% of the variance in seafarers' quality of life. As such, this study shows that self-efficacy is important for the quality of life of seafarers, having both direct and indirect effects. Moreover, organizational support may prove to be the primary intervention point for relieving received fatigue and enhancing self-efficacy, thus improving the quality of work life (Kim, J.-H. and Jang, S.-N., 2018).

Meanwhile, the diverse and rapid changes to the natural environment while at sea make it difficult to maintain physical homeostasis (Jezewska, Grubman Nowak, and Mory's, n.d.). Seafarers thus endure a highly stressful work environment and a significant degree of fatigue relative to other areas of employment. The accumulated stress and fatigue have a direct negative effect on seafarers' health that may threaten both their own safety and that of their colleagues, and lead to operational accidents.

Considering the unique nature of maritime occupations, in which seafarers are required to operate efficiently in the ship's socially-isolated environment and successfully perform tasks to increase subjective satisfaction, it can be argued that maintaining self-efficacy is essential. Increasing internal job satisfaction and positive self-management by raising seafarers' self-efficacy will enable long-term efficiency in organizing and managing the maritime industry.

Second, seafarers' self-efficacy, which corresponds to the behaviors of the maritime industry's management systems, was found to have a negative impact on perceived fatigue, indicative of the health of seafarers, but found to have a positive effect on their quality of work life. The negative effect on perceived fatigue implies that higher self- efficacy in seafarers leads to lower perceived fatigue and higher job enjoyment. It seems likely that maritime enterprises are in need of support and planning to improve the self-efficacy of their employees.

Maritime industry executives need to strengthen appropriate organizational support by increasing encouragement and compensation in the organizational dimension to elevate the self-efficacy of seafarers, as well as through cementing and enhancing the organizational support perceived by seafarers. Further research is needed to construct a viable plan for positively reinforcing the management systems in terms of the developmental, rational, hierarchical, and group categories — that is, the sub-elements of the seafarers' organizational culture.

d. GSE and Self Efficacy

The GSE score reflected whether or not an individual had good self-efficacy. Self-efficacy refers to a person's belief that s/he is capable of successfully completing a task in a designed environment (Bandura, 1986). Bandura (1982) noted that perceived self-efficacy asks individuals to judge whether or not they are capable of performing specific tasks rather than if they actually perform the task. Thus, self-efficacy refers to capability judgments, not expected outcomes. Mastery experience, vicarious experience, social and communicative persuasion, and physiological arousal are sources self-efficacy.

The previous research has pointed out that students with high self-efficacy work harder, pursue more challenging goals, and are more persistent when they encounter difficulties (Pajares, 2003). Students with high self-efficacy can better monitor and self-regulate their efforts and more effectively use their cognitive strategies for time management and learning as compared to students with lower self-efficacy, and this adds to higher academic performance (Chemers, Hu, and Garcia, 2001; Komarraju and Nadler, 2013). Barry and Finney (2009) asserted that individuals with lower levels of self-efficacy experience more stress and anxiety, and lower motivation compared to individuals with higher self-efficacy. Similarly, having conducted a longitudinal study, Wei, Russell and Zakalik (Wei, Russell, and Zakalik, 2005) found that the social self-efficacy of university students is a mediator between feelings of loneliness and subsequent depression.

PAPER OBJECTIVE

The purpose of the article is to explore ways to improve self-efficacy in order to ensure a safe future for seafarers and to report the cadets' self-efficacy at Collision Prevention Regulations on Sea and Guard Service course.

METHODOLOGY

This study reports the cadets' self-efficacy at Collision Prevention Regulations on Sea and Guard Service course. The data was taken quantitatively. Table 1 describes the map of respondents which are from Mandiri, Formation, and Regular class of Diploma-3 Deck Department in Surabaya Merchant Marine Polytechnic.

Table 1

Respondents of the research

No	Program	Year	Term	Class	Qty	Total
1.	D3 Mandiri	V – 2017	lV	DECK – A	2	**67 Cadets**
2.	D3 Mandiri	V – 2017	lV	DECK – B	23	
3.	D3 Mandiri	V – 2017	lV	DECK – C	23	
4.	D3 Formation	lXA – 2018	Ill	DECK – A	26	**26 Cadets**
5.	D3 Regular	V – 2017	lV	DECK – A	25	**49 Cadets**
6.	D3 Regular	V – 2017	lV	DECK – A	24	
	Total of all respondents					**142 Cadets**

Source: Own compilation

142 cadets who are taking courses of Collision Prevention Regulations on Sea and Guard Service were asked to respond Generalized Self Efficacy questionnaire (GSE). There are 10 questions in GSE that are correlated to emotion, optimism, and work satisfaction. The total score is calculated by finding the sum of the all items. For the GSE, the total score ranges between 10 and 40, with a high score indicating more self-efficacy. Table 2 shows the GSE questions which are adopted from Schwarzer, R., and Jerusalem, M. (1995).

Table 2

Generalized elf Efficacy questionnaire (GSE)

No	Statement	Not at all true	Hardly true	Moderately true	Exactly true
1	I can always manage to solve difficult problems if I try hard enough	☐	☐	☐	☐
2	If someone opposes me, I can find the means and ways to get what I want.	☐	☐	☐	☐
3	It is easy for me to stick to my aims and accomplish my goals.	☐	☐	☐	☐
4	I am confident that I could deal efficiently with unexpected events.	☐	☐	☐	☐
5	Thanks to my resourcefulness, I know how to handle unforeseen situations.	☐	☐	☐	☐
6	I can solve most problems if I invest the necessary effort	☐	☐	☐	☐
7	I can remain calm when facing difficulties because I can rely on my coping abilities.	☐	☐	☐	☐
8	When I am confronted with a problem, I can usually find several solutions.	☐	☐	☐	☐
9	lf 1 am in trouble, I can usually think of a solution	☐	☐	☐	☐
10	I can usually handle whatever comes my way.	☐	☐	☐	☐

Source: Own compilation

RESULTS AND DISCUSSION

From table 3 there can be seen every average of GSE scale for each class and each question. Horizontally, it can be read the average GSE scale for each class: II Deck A FORM (31.33), II Deck B FORM (31.75), II Deck C FORM (32.17), IV Deck A MANDIRI (30.67), IV Deck B MANDlRI (33.65), IV Deck C MANDIRI (32.43), IV Deck A REG (31.76), IV Deck B REG (30.46). The average for all class is 31.78. Vertically, it can be read GSE scale for each question: average question 1 (3.34), average question 2 (3.14), average question 3 (3.17), average question 4 (3.01), average question5 (3.35), average question 6 (3.4), average question 7 (3.13), average question 8 (3.19), average question 9 (3.12), average question10 (2.93).

Purba, D., Hasugian, S., Harini, N. V. and Zuhri, Z. (2020), "Capturing cadets' self-efficacy to promote safe future of seafarer", *Management and entrepreneurship: trends of development*, Volume 3, Issue 13, pp. 24-34, available at: https://doi.org/10.26661/2522-1566/2020-3/13-03

Table 3

Average GSE scale of cadets

CLASS	Q1	AV Q2	AV Q3	AV Q4	AV QS	AV Q6	AV Q7	AV Q8	AV Q9	AV Q10	AVof Class
11 Deck—A FORM	3.37	3.08	3	2.88	3.38	3.38	2.96	3.13	3.08	3.08	31.33
11 Deck—B FORM	3.46	2.92	3.17	3.17	3.42	3. 58	3.04	3.13	3.21	2.67	31.75
11 Deck—C FORM	3. 54	3.08	3.17	3.04	3. 5	3.46	3.17	3.29	3.17	2.75	32.17
lVDeck—A MAND1R1	3.29	3.19	3.14	2.81	3.1	3.29	3	3.19	2.86	2.81	30.67
lVDeck—B MAND1R1	3.35	3.30	3.26	3.04	3.61	3. 52	3.43	3.30	3.48	3.35	33.65
lVDeck—C MAND1R1	3.30	3.22	3.30	3.17	3.39	3.30	3.35	3.17	3.04	3.17	32.43
lV Deck—A REG	3.32	3.24	3.2	3.12	3.2	3.44	3.12	3.2	3	2.92	31.76
lV Deck—B REG	3.08	3.08	3.13	2.88	3.21	3.21	3	3.08	3.08	2.71	30.46
AVERAGE	**3.34**	**3.14**	**3.17**	**3.01**	**3.35**	**3.4**	**3.13**	**3.19**	**3.12**	**2.93**	**31.78**

Source: Own compilation

Figure 1 tells the comparison of all average GSE scale for each class. The highest score from IV Deck-B MANDIRI and the lowest is IV Deck-B REG. It means that most of the cadets from IV Deck-B MANDIRI have better self-efficacy than cadets from IV Deck-B REG. All the class has greater than 30 point and has average 31.78 GSE scale.

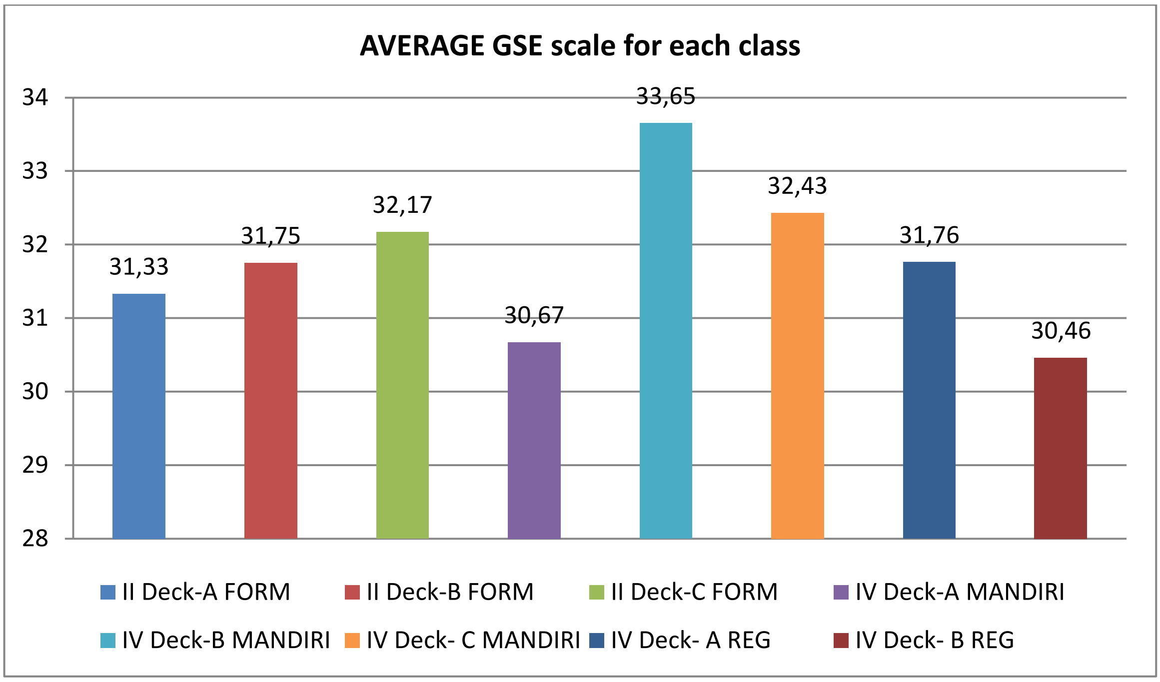

Figure 1. Average GSE scale for each class

Source: Own compilation

The implementation of GSE by Scholz et al., (2002) with nearly 20,000 people in 25 countries found that the international average was 29.55 points (on a scale from 0 to 40). It is curious that the Japanese scored lowest and the Costa-Ricans highest. Here are (in table 4) some averages from the paper by Scholz et al., (2002):

Table 4

Average GSE

Country	Average GSE
Japan	20.22
Hong Kong	23.05
International average	**29.55**
France	32.19
Denmark	32.87
Cost Rica	33.19

Source: Own compilation

Cadets have 31.78 average GSE scale and international average was 29.55, so it can be inferred that cadets' self-efficacy is better than international average. However, from Figure 2 it can be seen that some aspects still need to be improved like in question 10 (with score 2.93) and question 4 (with score 3.01). Questions 10 and 4 ask about "I can usually handle whatever comes my way" and "I am confident that I could deal efficiently with unexpected events". Both of them deal with how someone is firm on his choice while facing all obstacles that confront. Cadets should improve it. The lecturer can help cadets by integrating self-efficacy skill in the classroom.

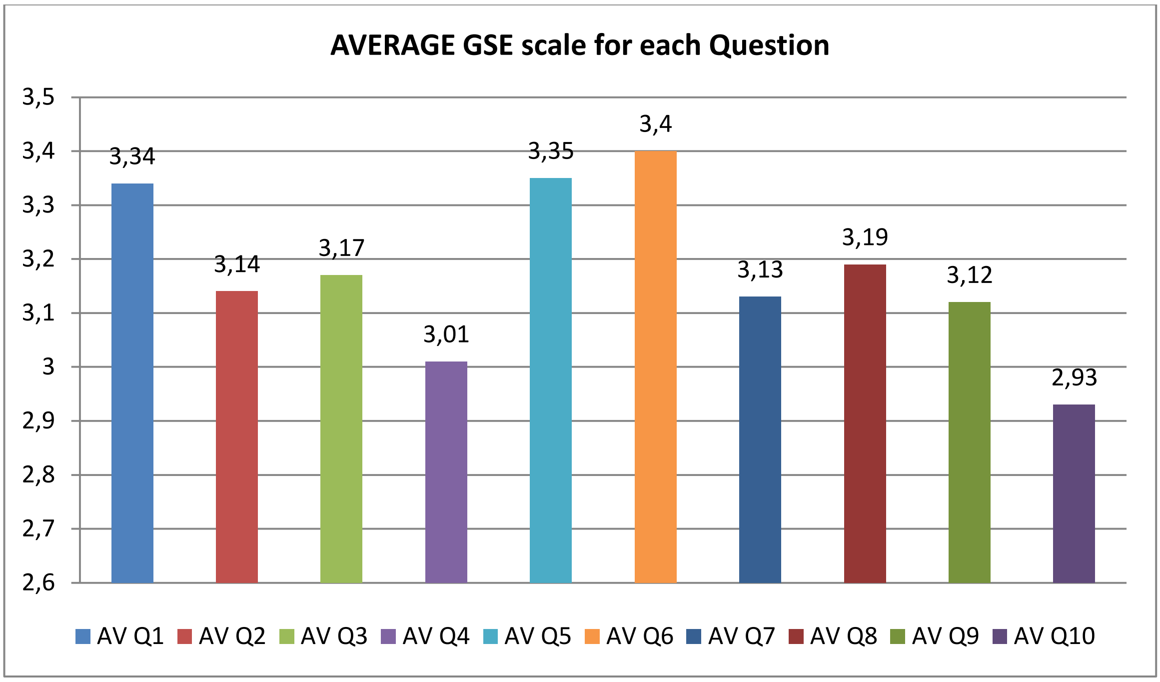

Figure 2. Average GSE scale for each question

Source: Own compilation

CONCLUSION

The aim of this study was to report the cadets' self-efficacy at Collision Prevention Regulations on Sea and Guard Service course. Based on the findings and discussion, cadets' self-efficacy is greater than international average of GSE. However, cadets need to develop creative thinking skill in dealing with unexpected condition or someone who opposes in gaining their goal. These findings suggest that self-efficacy should integrate into classroom learning. For the next research there can be developed instructional design to improve self-efficacy skill effectively and efficiently.

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ПІДВИЩЕННЯ САМОЕФЕКТИВНОСТІ КУРСАНТІВ ДЛЯ ЗАБЕЗПЕЧЕННЯ БЕЗПЕЧНОГО МАЙБУТНЬОГО МОРЯКА

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Людська помилка, яка спричиняє аварії, є однією з найважливіших проблем морських секторів. Насправді більшість нещасних випадків трапляються в основному через людські помилки, тому необхідне прийняття правильних рішень. У вирішенні проблеми однією з важливих навичок є самоефективність. Метою статті є дослідити способи підвищення самоефективності з метою забезпечення безпечного майбутнього моряків. Курсанти повинні володіти високим ступенем самоефективності, щоб забезпечити безпеку майбутнього мореплавства (навіть у надзвичайному стані). У цьому дослідженні повідомляється про ефективність курсантів щодо правил запобігання зіткненням на курсах морської та охоронної служби. Дані були взяті кількісно. 142 курсантам палубного відділу було запропоновано відповісти на Загальний опитувальник самоефективності (GSE). Дане дослідження вказує на те, що самоефективність курсантів перевищує середній рівень середнього міжнародного рівня GSE. Однак курсанти повинні розвивати навички креативного мислення в умовах надзвичайних обставин або на протидію тим, хто виступає проти досягнення мети. Ці висновки свідчать про те, що самоефективність повинна бути інтегрована у навчання в класі. Для наступного дослідження може бути розроблений навчальний дизайн для ефективного та ефективного вдосконалення навичок самоефективності.

Ключові слова: самоефективність, курсанти, безпечне мореплавання

ПОВЫШЕНИЕ САМОЭФФЕКТИВНОСТИ КУРСАНТОВ ДЛЯ ОБЕСПЕЧЕНИЯ БЕЗОПАСНОГО БУДУЩЕГО МОРЯКА

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Человеческая ошибка, которая приводит к аварии, является одной из важнейших проблем морских секторов. На самом деле большинство несчастных случаев происходят в основном из-за человеческие ошибки, поэтому необходимо принятие правильных решений. В решении проблемы одной из важных навыков является самоэффективность. Целью статьи является исследовать способы повышения самоэффективности с целью обеспечения безопасного будущего моряков.

Курсанты должны обладать высокой степенью самоэффективности, чтобы обеспечить безопасность будущего мореплавания (даже в чрезвычайном положении). В этом исследовании сообщается об эффективности курсантов о правилах предотвращения столкновений на курсах морской и охранной службы. Данные были взяты количественно. 142 курсантам палубного отдела было предложено ответить на Общий опросник самоэффективности (GSE). Данное исследование указывает на то, что самоэффективность курсантов превышает средний уровень среднего международного уровня GSE. Однако курсанты должны развивать навыки креативного мышления в условиях чрезвычайных обстоятельств или на противодействие тем, кто выступает против достижения цели. Эти выводы свидетельствуют о том, что самоэффективность должна быть интегрирована в обучение в классе. Для последующего исследования может быть разработан учебный дизайн для эффективного и эффективного совершенствования навыков самоэффективности.

Ключевые слова: самоэффективность, курсанты, безопасное мореплавание.

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INTEGRATION MANAGEMENT SYSTEM DESIGN

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Abstract. Industrial Sector of Oil and Gas is a strategic point for Indonesia Economical Condition. The purpose of the paper is to design integration model system of Sistem SNI ISO 27001:2013, SNI ISO 37001:2016, SNI ISO 9001:2015, SNI ISO 20400:2017, and ISO 50001:2018 within PAS 99:2012 on Special Task Force for oil and Gas business activities and to identify its dominant factor. This paper presents quantitative-qualitative research with descriptive approach and the analysis of SEM LISREL 8.8. It was started with making a background of study and formulating research problem along with the purpose of analysis and then spreading questionnaire to respondents. The clause of management system is identified and the characteristic features of each management system are descriptively explained in the paper. The result of this analysis determined the structure of SNI ISO 27001:2013 and SNI ISO 37001:2016 as the main standard because Special Task Force of Oil and Gas has been applied that standard. Based on the result, it can be concluded that the significant level of questionnaire results is PAS 99: 2012 from the Integration Management system is obtaining the highest SL value in clause 7 at 0.99. According to PAS 99: 2012, clause 7 is a factor that supports the Integration Management System.

Keywords: SEM LISREL, Integration Management System, Industrial Sector.
JEL Classification: P41, P00.

INTRODUCTION

The fourth industrial revolution caused a big change on some sector which is related to information technology and communication. Industrial 4.0 is solution to overcome a dynamic global situation which has the quality of VUCA (volatile, uncertain, complex and ambiguous) (Tijiani, 2014). To accelerates the implementation of industrial 4.0. Indonesian government make new policy of “Making Indonesia 4.0” which bring the future industrial development within every important aspect such as industrial government, entrepreneur, technological related companies and others in order to make Indonesia able to enter global range competition (Boelsma, 2013). Industrial sector of oil and gas is the most strategic sector for Indonesian economic condition. Therefore, it will be important to support and strengthen the position of oil and gas industrial sector to compete on international range. Based on the supply condition of goods and services, the upstream oil and gas sector has been obtain around US$8 million in 2019 which include every important parties on national and international range (Lestari, 2015). It needs a good strategy to manage oil and gas resource because it included as non-renewable natural resources in Indonesia.

Thus, it needs a strategy and organization management to obtain sustainability in oil and gas sector for long-term period and avoid an excessive exploitation

LITERATURE REVIEW

Organizational management system of oil and gas sector has to be able to apply the current system of professional management practice (Irhoma, 2017). Efficient and effective practice within the basic rule of Good Corporate Governance (GCG) in order to make a good quality development of oil and gas industrial sector. As the effort to deal with uncertainty in this sector such as fluctuation, new trend and field condition, it needs an improvement on management strategic role of goods and services supply that can create multiplier effect in economic, social and environment aspects. Integrated design of model system which involves management system that exist in information security management systems and anti-bribery systems along with sustainability management quality systems, and system management energy expected to gain more strength and improve the effectiveness of supervision in upstream oil and gas sector which is faster, prudent and adjust international best practice (Pudyantoro, 2012). Thus, it will not only improve the competitiveness of oil and gas sector but also can make this industrial sector can maintain their position and anticipate any uncertainty. The elements taken in related literature from the past ten years are classified into six pillars including: a company's sustainability strategy; corporate governance; management of Human Resources; knowledge and innovation management; independent measurement, disclosure and guarantee; and integrated management and management systems (Nunhes, Bernardo and José de Oliveira, 2020). The trend in energy management places the focus on reducing overall electricity costs without limiting peer consumption by determining to cut power consumption during peak hours (Pawar and Vittal K, 2019). Knowing the needs and objectives of stakeholders will carry out a far more accurate review of the conditions in which the company currently operates and will operate in the future (Kania & Spilka, 2016). An integrated management system is introduced, namely when the company wants to meet the conformity of various norms with the aim of reducing the number of documents, the time needed for assessment and costs in system construction and maintenance (Jurčević, 2019).

Based on the explanation above, in the effort on adjust with the condition of VUCA (volatile, uncertain, complex and ambiguous) in industrial revolution of 4.0 and it support to obtain “Making Indonesia 4.0” through infrastructural development of national digital and accommodate the sustainability standard, thus, there are a lot of problems which need to be resolved in oil and gas industrial sector (Donwa, Mgbame and Julius, 2015). Oil and gas industrial has to be adjusted and bring as much as possible advantages for citizen prosperity and it is related to regulation in 1945 constitution. Country income within the sector of oil and gas has to be used based on its function to improve citizen prosperity whether it for current era or for the future generation. Therefore, it needs the change on paradigm of making an effort to improve oil and gas sector should be started with improving the quality of organizational work become efficient and effective on maintain their sector and overcome all the problem occurred regarding business progress. Some studies argue that it's the most an important difficulty is the lack of specialized external consultants (Abad, Cabrera and Medina, 2016).

METHODOLOGY

Analysis based on nonparametric tests to detect differences in the distribution of perceived difficulties across groups of firms grouped according to strategic choices and business size (Abad et al., 2016). This analysis has a purpose to design integration model system of Sistem SNI ISO

27001:2013, SNI ISO 37001:2016, SNI ISO 9001:2015, SNI ISO 20400:2017, and ISO 50001:2018 within PAS 99:2012 on Special Task Force for oil and Gas business activities and identified it dominant factor.

Flow diagram

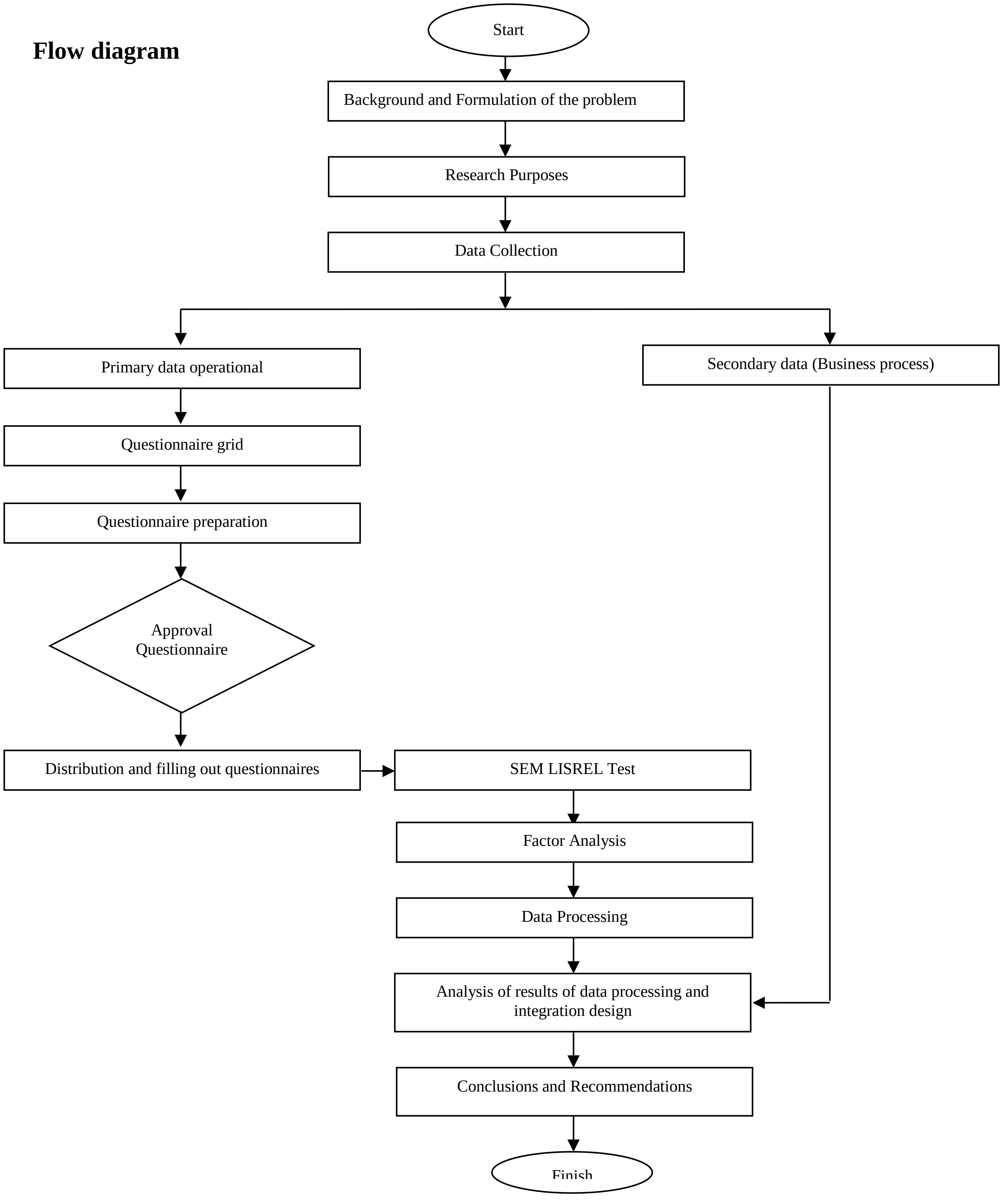

Figure 1. Analysis Flow Diagram

Source: Own compilation

1. Data Collection

The respondents of the research conducted are the decision makers on SKK Migas with a total of 311 employees with positions from manager level to management level. A manager is someone who collaborates with others by organizing their activities together to realize the company's goals. But if viewed from the side of the management level or management level which can be divided into three levels of management according to their functions and duties, namely: 1. Top management (top level management); 2. Middle Level of Management. 3. First level management (low Level Management) (Akuntansi and Manajemen, 2015). This sampling consideration is carried out because currently there is no implementation of SNI ISO 20400: 2017, so it takes the perspective of decision makers on the plan to design a sustainable procurement system of ISO 20400: 2017 in SKK Migas. In this section 217 samples were taken determined by the KREJCIE and MORGAN formulas where the sampling method was determined using stratified sampling (P.D, 2014)

2. Data Processing

In this analysis, the data processed by SEM LISREL 8.8 using clauses data which is the result of simplification on some statements included through the program of LISREL. This clauses data used is the result from simplification of *second-order* to *first-order* Analysis factor of the taken data. The clauses in this model are actually rearranged by indicators, but due to model problems that are too complex, the indicators are merged into just one clause.

RESULT AND DISCUSSION

The result of SEM analysis using clause data is the result of simplification on some statements of LISREL program. It can be said that this data processed result which is better because the value of Goodness-of-Fit model has RMSEA (Root Mean Square Error of Approximation) under 0.08. The problem of missing data has been overcome by the imputation method, whereas for normality problems it is possible that the assumption of normality cannot be fulfilled because the data used has an ordinal scale (so that the assumption of normality can be met with minimal data having interval scale). To overcome this problem of normality, the Central Limit Theorem is used, a theory which states that data of any scale will have a distribution similar to the normal distribution when the amount of data increases. The data used in this study amounted to about 270, so it can be said to be very large and the Central Limit Theorem can be applied

Overall Summary of Missing Values

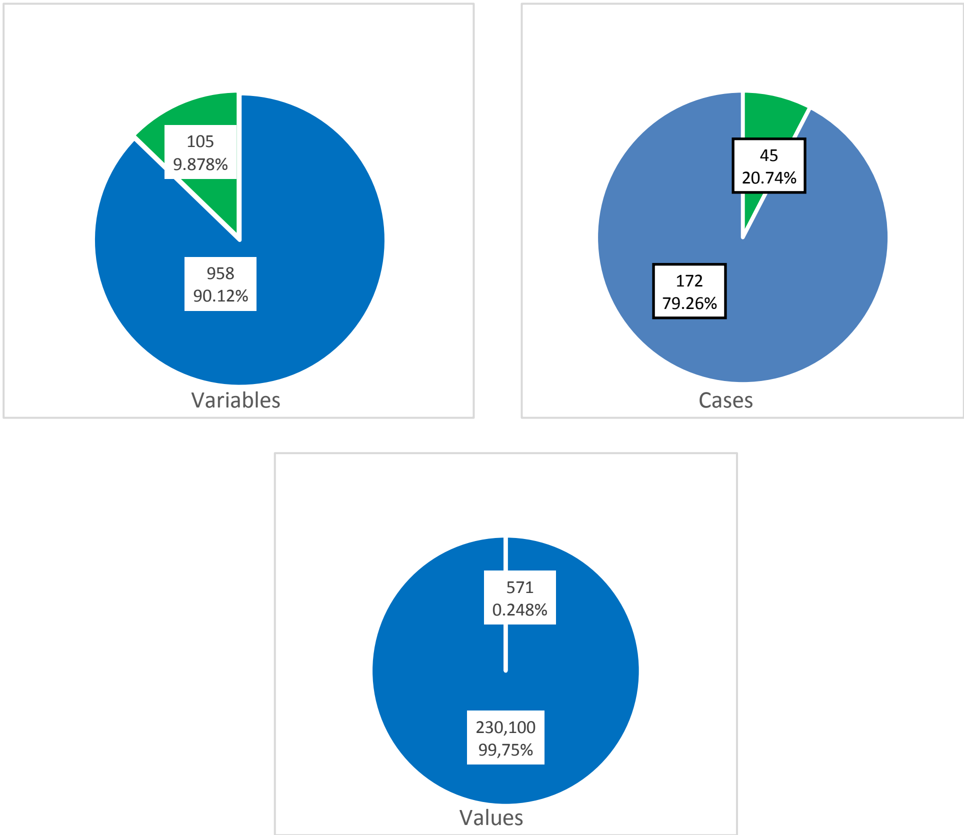

Figure 2.Missing Data Condition

Source: Own compilation

It can be seen that from 172 respondents at least 45 respondents has a missing data, while overall, there are 571 empty data points. Data handling was done by imputation method (alternate the median value). Every missing point will be filled with median of each variable. This process was done by Hmisc package on R program. *Standardized Loading* value obtained from the relation value of clauses variable and latent variable. Generally, this value obtained around -1 to 1, negative value identified negative relation and positive value identified positive relation. A value close to absolute 1 indicates the strength of relation got higher because if there are clauses variable with the small standardize loading value inside the model, it affected the result of reliability and validity test, and it will affect the number of Composite Reliability and Average Variance Extracted value, and the observation will obtain a bad conclusion. Besides, Standardized Loading value, there are another aspect which needs to be noticed is t-test value, because this value will be decided if clauses variable significant has statistical related or not. What it means by significant here, clauses variable has systematic variable with latent variable. Clauses variable with the high standardized loading value is not always significant; therefore, t-test value has to be observed at the first place before concluding Standardized Loading Value of Clauses Variable.

Symbol (*) inside Significant value indicated significant *Standardized Loading* value on error level of 5%, and the value of t-test is higher than 1.96.

Table 1 Standardized Loading (SL)

Integration Management System PAS 99:2012

Clauses	SL	T-test	Significant
PAS.4	1.00	22.56	
PAS.5	0.85	97.20	*
PAS.6	0.99	32.62	*
PAS.7	0.92	31.29	*
PAS.8	0.77	17.68	*
PAS.9	0.91	31.29	*
PAS.10	0.90	29.52	*

Source: Own compilation

Validity test was done to test indicator variable and its ability to measure latent variable in a good way. The value used in this test is the value of Average Variance Extracted (AVE). AVE value has number around 0 to 1, a value close to 1 indicated the higher validity level. Based on the standard, a good AVE value is higher than 0.5 (> 0.5). If validity level is low, it indicated that not all of indicator variable of latent variable have different latent variable, thus it need further observation to look over that occurred different variable (such as using factor analysis). Reliability test was done to test reliability level of indicator variable. Reliability level is consistent measurement of questionnaire content / indicator to measure latent variable. And what it means by consistency here means distributed questionnaire and it question that being asked to respondent will obtain the same answer even it being asked several times to the same person. The value used as the content of reliability test is Composite Reliability (CR). CR value has number around 0 to 1, closer the value to 1, it means better reliability level. Based on it literary standard, a good value CR is higher than 0.7 (> 0.7).

The result of integration factor analysis PAS 99:2012 based on data processing using SPSS 24, explained as the table below:

Table 2

Analysis Factor SPSS 24

Factor Analysis		
SNI ISO Standard / SPSS 24 Result	Factor	Statement
PAS 99:2012	2	93

Source: Own compilation

The result of factor analysis based on the table of rotate component matrix, researcher using the highest value 0.5 and deleted some variable because it did not meet the standard. To obtain the result of factor analysis, it was done by SPSS 24 which is PAS 99:2012 that obtain 2 factors within 93 questions.

Discussion

The dominant factor and the design of the Integration Management system, namely from 311 respondents and 271 respondents who returned the questionnaire. This amount include as enough according to minimum amount of respondents is 120 people. This integration management system design based on SEM used the clauses data which is obtained by the result on simplified the statements from LISREL 8.8 programs. The result will be explained as below. The elements taken in related literature from the past ten years are classified into six pillars including: a company's sustainability strategy; corporate governance; management of Human Resources; knowledge and innovation management; independent measurement, disclosure and guarantee; and integrated management and management systems.

It is known that those analysis results considered as good enough because the value of Goodness-of-Fit model RMSEA (Root Mean Square Error of Approximation) is under 0.08. This integration management system design based on SEM used the clauses data which is obtained by the result on simplified the statements from LISREL 8.8 program. It is known that those analysis results considered as good enough because the value of validity on management system quality obtained the AVE value of 0,84 and considered as valid, reliability test result obtained the value of 0,97 which considered as reliable. Furthermore, the result of suitable Model can be seen as written on the table below:

Table 3

Suitable Integration Management System test

Indicator	Criteria Value	Threshold	Conclusion
Chi-Square (p-value)	0.00	> 0.05	Unsuitable
RMSEA	0.09	< 0.08	Unsuitable
SRMR	0.04	< 0.05	Suitable
NFI	0.88	> 0.90	Unsuitable
CFI	0.91	> 0.90	Suitable

Source: Own compilation

Explanation:
Chi-Sq : Chi-Square Test
RMSEA : Root Mean Square Error of Approximation
NFI : Normed Fit Index
CFI : Comparative Fit Index
SRMR : Standardized Root Mean Square Residual

Based on the table, RMSEA value and NFI value are close to the standard it can be said that those values considered as Marginal Fit. Actually, overall observation can be said as fit, besides the standardized loading, it only need to pay attention on the value of t-test, because this value will determine whether indicator variable significantly statistic or not. Significant means indicator variable has systematic relation with latent variable. Indicator variable within the high standardized loading value is not always significant, therefore t-test need to be observed first before obtain a significant standardized loading of indictor variable. Symbol (*) in significant column indicated that Standardized Loading value has an error level of 5%, and it t-test more than 1.96

Table 4

Standardized Loading (SL) of Integration Management System PAS 99:2012

Clauses	SL	T-test	Significant
PAS4	0.86		
PAS 5	0.90	19.20	*
PAS 6	0.96	22.21	*
PAS 7	0.99	23.82	*
PAS 8	0.84	16.52	*
PAS 9	0.93	20.40	*
PAS 10	0.92	19.92	*

Source: Own compilation

It can be seen on the column of clause 7 that obtain the highest significant value of 0,99 where based on PAS 99:2012, clause 7 is a supporting process of Integration Management system (Mustika Lilis; Kusumaningrum, Harsi Dewantari, 2016). The next analysis factor can be seen based on *rotate component matrix* table. Researcher used the highest value 0,5 and removed several variables because it does not meet the required value. Variables included can be seen inside the table below:

Table 5

Integration Analysis Factor PAS 99:2012

Factor 1	**I30**	**I33**	**I44**	**I41**	**I29**	**I36**	**I114**	**I118**	**I90**	**I79**
	I125	I124	I54	I62	I119	I81	I53	I42	I127	I45
	I25	I56	I19	I122	I116	I82	I135	I26	I132	I43
	I40	I108	I133	I134	I93	I120	I31	I63	I80	I38
	I111	I16	I35	I57	I37	I61	I105	I104	I48	I11
	I131	I69	I130	I84	I85	I15	I97	I115	I28	I87
	I65	I106	I22	I103	I110	I64	I109	I83	I95	I20
	I58	I27	I23	I21	I102	I18	I74	I99	I60	I59
	I49	I14	I91	I100	I32					
Factor 2	I05	I07	I06	I04	I02	I01	I47	I03		

Source: Own compilation

Based on that integration factor analysis it can be seen that from the early statements of 135 obtained 2 factors which contain of 93 statements. During the process of Integration Management System design within the approach of PAS 99:2012, to make it easier, understand and compare the relation among variables in analysis Structural Equation Model (SEM) with LISREL, it used the analysis of matrix data. This analysis is one of seven quality tools. Here is the result of matrix data analysis:

Table 6

Analysis Data Matrix

Clause \ ISO		SNI ISO 27001:2013						
		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
SNI ISO 50001:2018	Clause 4 Organizational Context	O						
	Clause 5 Leadership		O					
	Clause 6 Planning			O				
	Clause 7 Support				O			
	Clause 8 Operation					O		
	Clause 9 Performance						O	
	Clause 10 Improvement							O
SNI ISO 20400:2017	Clause 4 Understand the basics	▲					O	O
	Clause 5 Integrating sustainability into procurement operations policies and strategies		O			O		
	Clause 6 Regulates the procurement function facing sustainability			▲				
	Clause 7 Integrating sustainability into the procurement process				O			
PAS 99:2012	Clause 4 Organizational Context	O						
	Clause 5 Leadership		O					
	Clause 6 Planning			O				
	Clause 7 Support				O			
	Clause 8 Operation					O		
	Clause 9 Performance Evaluation						O	
	Clause 10 Improvement							O

Table 6 continuation on the next page

Table 6 continuation

ISO / Clause		SNI ISO 37001:2016						
		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
SNI ISO 50001:2018	Clause 4 Organizational Context	**O**						
	Clause 5 Leadership		**O**					
	Clause 6 Planning			**O**				
	Clause 7 Support				**O**			
	Clause 8 Operation					**O**		
	Clause 9 Performance						**O**	
	Clause 10 Improvement							**O**
SNI ISO 20400:2017	Clause 4 Understand the basics	▲					**O**	**O**
	Clause 5 Integrating sustainability into procurement operations policies and strategies		**O**			**O**		
	Clause 6 Regulates the procurement function facing sustainability			▲				
	Clause 7 Integrating sustainability into the procurement process				**O**			
PAS 99:2012	Clause 4 Organizational Context	**O**						
	Clause 5 Leadership		**O**					
	Clause 6 Planning			**O**				
	Clause 7 Support				**O**			
	Clause 8 Operation					**O**		
	Clause 9 Performance Evaluation						**O**	
	Clause 10 Improvement							**O**

Table 6 continuation on the next page

Table 6 continuation

ISO / Clause		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
		SNI ISO 90001:2015						
SNI ISO 50001:2018	Clause 4 Organizational Context	Θ						
	Clause 5 Leadership		Θ					
	Clause 6 Planning			Θ				
	Clause 7 Support				Θ			
	Clause 8 Operation					Θ		
	Clause 9 Performance						Θ	
	Clause 10 Improvement							Θ
SNI ISO 20400:2017	Clause 4 Understand the basics	Θ					Θ	Θ
	Clause 5 Integrating sustainability into procurement operations policies and strategies		Θ			Θ		
	Clause 6 Regulates the procurement function facing sustainability			Θ				
	Clause 7 Integrating sustainability into the procurement process				Θ			
PAS 99:2012	Clause 4 Organizational Context	Θ						
	Clause 5 Leadership		Θ					
	Clause 6 Planning			Θ				
	Clause 7 Support				Θ			
	Clause 8 Operation					Θ		
	Clause 9 Performance Evaluation						Θ	
	Clause 10 Improvement							Θ

Explanation:
ΘStrong Relation
OWeak
▲No Relation

Source: Own compilation

The next process to design the integration management system within PAS 99:2012 based on matrix data analysis is making the checklist table of variable identification based on the existed relationship of matrix data analysis. The checklist table will be described as below:

Table 7

Integration Checklist Identification SNI ISO

Clause	**ISO**	**SNI ISO 27001:2013**						
		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
SNI ISO 50001:2018	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance						√	
	Clause 10 Improvement							√
SNI ISO 20400:2017	Clause 4 Understand the basics						√	√
	Clause 5 Integrating sustainability into procurement operations policies and strategies		√			√		
	Clause 6 Regulates the procurement function facing sustainability							
	Clause 7 Integrating sustainability into the procurement process				√			
PAS 99:2012	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance Evaluation						√	
	Clause 10 Improvement							√

Table 7 continuation on the next page

Table 7 continuation

ISO / Clause		SNI ISO 37001:2016						
		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
SNI ISO 50001:2018	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance						√	
	Clause 10 Improvement							√
SNI ISO 20400:2017	Clause 4 Understand the basics						√	√
	Clause 5 Integrating sustainability into procurement operations policies and strategies		√			√		
	Clause 6 Regulates the procurement function facing sustainability							
	Clause 7 Integrating sustainability into the procurement process				√			
PAS 99:2012	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance Evaluation						√	
	Clause 10 Improvement							√

Table 7 continuation on the next page

Table 7 continuation

Clause \ ISO		SNI ISO 90001:2015						
		Clause 4 Organizational Context	Clause 5 Leadership	Clause 6 Planning	Clause 7 Support	Clause 8 Operation	Clause 9 Performance Evaluation	Clause 10 Improvement
SNI ISO 50001:2018	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance						√	
	Clause 10 Improvement							√
SNI ISO 20400:2017	Clause 4 Understand the basics	√					√	√
	Clause 5 Integrating sustainability into procurement operations policies and strategies		√			√		
	Clause 6 Regulates the procurement function facing sustainability			√				
	Clause 7 Integrating sustainability into the procurement process				√			
PAS 99:2012	Clause 4 Organizational Context	√						
	Clause 5 Leadership		√					
	Clause 6 Planning			√				
	Clause 7 Support				√			
	Clause 8 Operation					√		
	Clause 9 Performance Evaluation						√	
	Clause 10 Improvement							√

Source: Own compilation

The integration result between SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 - ISO 50001:2018 within PAS 99:2012 can be seen inside similarity, difference and integration table based on PAS 99:2012 below:

Table 8

Similarity, difference and integration table based on PAS 99:2012

Clauses	*Similarity*	*Differences*	*Integration*
1	*2*	*3*	*4*
Organizational Context	Management Determined the place of System Implementation	SMKI: Deciding the place of system, SMK,SMAP: Deciding the place considering any risk, SMM, SMPB: Deciding the place in order to maintain it sustainability, SME: deciding the place of SME	Referred to the requirements of SMKI and SMAP, considering the risk and the future target
Leadership	Leadership Management and Commitment of Organization	SMKI: Leadership, Commitment, Policy, Role, Responsibility and organizational rule. SMAP: Leadership Commitment, director council, anti-corruption management, decision maker management. SMM: Leadership, Commitment, Policy, Role, Responsibility, organizational rule and customer oriented. SMPB: Commitment, Accountability, purposes and target, implementation. SME: Leadership, Commitment, SME Policy, Role, Responsibility and organizational rule	Referred to requirements of SMKI and SMAP within the purposes and target make a clear delegation with anti corruption system
Planning	Managing the risk and opportunities to obtain the target of plan	SMKI: Scoring and Handling the risk of Information Safety. SMAP: Risk and Opportunities on Anti-Corruption. SMM: Risk and opportunities of management quality. SMPB: Managing the function of supply based on rule, procedure and system to obtain the target. SME: Handling the risk and opportunities and reviewing the energy	Referred to requirements of SMKI and SMAP within the function of rule, procedure, target and opportunities and formulating the plan to obtain the target

Table 8 continuation on the next page

Table 8 continuation

1	*2*	*3*	*4*
Support	Resource Management which contain of Competences, Responsibility, Communication and Control	SMKI: Resources, Competences, Sympathy, Communication and Control. SMAP: Resources, Competences, working process, sympathy and training process, Communication and Control. SMM: human resources, facility and environment, awareness, communication and control. SMPB: current process, analysis of expense and market trend and Contract Management. SME: resources, competences, awareness and energy control.	Referred to requirements of SMKI and SMAP within the human resources, facility and environment including manage the supplier based on contract, analysis the organization needs and market target
Operation	Operational Plan and Control	SMKI: Scoring and Handling the risk of information safety. SMP: Audit, Financial Control, Investment and Controlling anti-corruption. SMM: Plan the product development and communicate the information to customer. SMPB: Controlling the sustainability. SME: Plan the operational system, design and supply	Referred to requirements of SMKI and SMAP within the product development design and commitment sustainability supply
Evaluation	Internal Audit and Organization Management Review	SMKI: internal audit and management review. SMAP: min management review and looter council. SMM: .Customer Satisfaction based on analysis and evaluation. SMPB: managing the risk, handling the impact and prioritizing the important matter. SME: obedience evaluation of law.	Referred to requirements of SMKI and SMAP within the priority on customer satisfaction
Improvement	Improve the quality and repair an unstability	SMKI: sustainability improvement. SMAP: Correction and Corrective Action. SMM: improvement of general matter. SMPB: the ability of influence and avoid any involvement. SME: Corrective action and sustainability improvement	Referred to requirements of SMKI and SMAP within the influence on management system, avoid any involvement which can caused system error

Source: Own compilation

Based on the comparison and integration, here is the integration model of SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 – ISO 50001:2018 within PAS 99:2012:

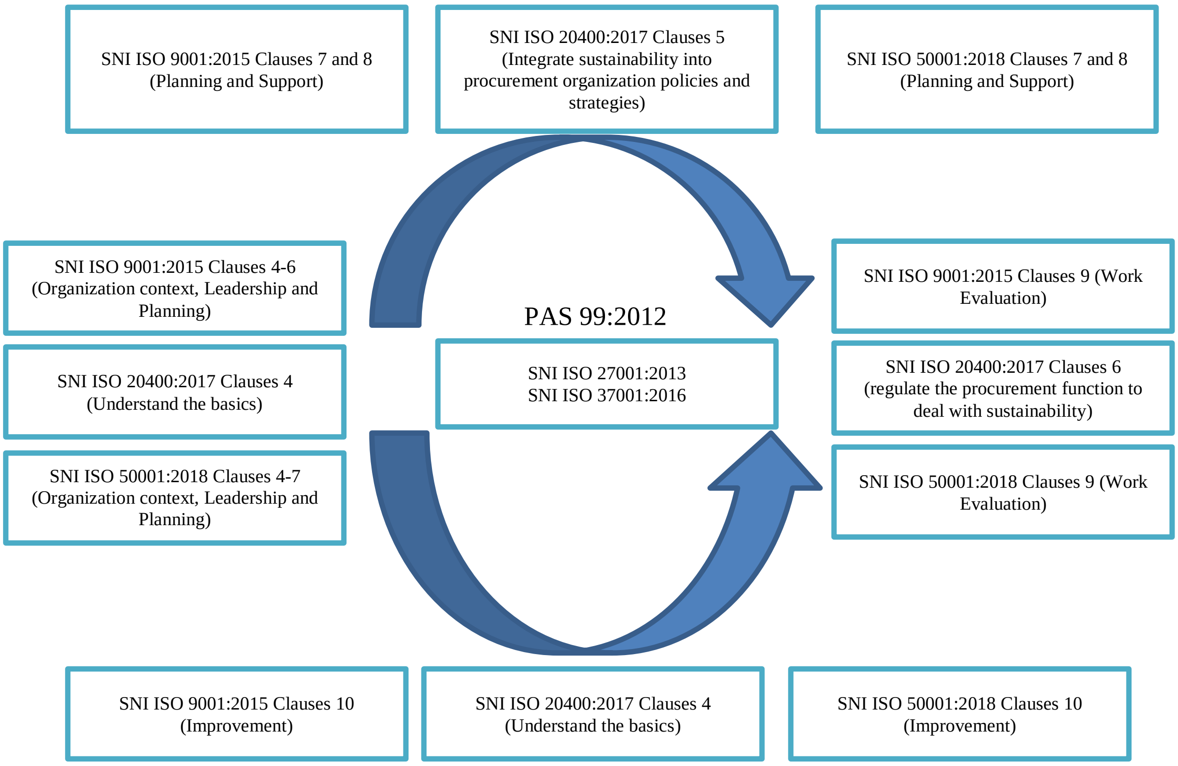

Figure 3. Model SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 - ISO 50001:2018 within PAS 99:2012

Source : (Purnomo, Putri and Amrina, 2017)

The explanation of figure above explained as below:

a. SNI ISO 27001:2013 Clauses 4-6 regarding organizational context of leadership and planning system, SNI ISO 37001:2016 clauses 4-6 regarding organizational context of leadership and planning system, support and PAS 99:2012 clause 4-7 regarding organizational context of leadership and planning system integrated by SNI ISO 9001:2015 clauses 4-6 regarding organizational context of leadership and planning system, SNI ISO 20400:2017 clause 4 regarding the basic understanding and SNI ISO 50001:2018 clause 4-6 regarding organizational context of leadership and planning system

b. SNI ISO 27001:2013 clause 7-8 regarding support and operation, SNI ISO 37001:2016 clause 7-8 regarding support and operation and PAS 99 clause 7-8 regarding support and operation integrated by SNI ISO 9001:2015 clause 7-8 regarding support and operation, SNI ISO 20400:2017 clause 5 regarding the integration of further sustainability of organizational policy and strategy of supply and SNI ISO 50001:2018 clause 7-8 regarding support and operation.

c. SNI ISO 27001:2013 clause 9 regarding work evaluation, SNI ISO 37001:2016 clause 9 regarding work evaluation and PAS 99 clause 9 regarding work evaluation integrated by

SNI ISO 9001:2015 clause 9 regarding work evaluation, SNI ISO 20400:2017 clause 4 regarding organizational context and SNI ISO 50001:2018 clause 9 regarding work evaluation.

d. SNI ISO 27001:2013 clause 10 regarding the improvement, SNI ISO 37001:2016 clause 10 regarding the improvement and PAS 99 clause 10 regarding the improvement integrated by SNI ISO 9001:2015 clause 10 regarding the improvement, SNI ISO 20400:2017 clause 4 regarding organizational context and SNI ISO 50001:2018 clause 10 regarding the improvement.

based on the explanation of that figure, integrated model SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 - ISO 50001:2018 with PAS 99:2012 is more clear and specific figured by the model of Plan Do Check Action (PDCA) Integration SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 - ISO 50001:2018 within PAS 99:2012 as below:

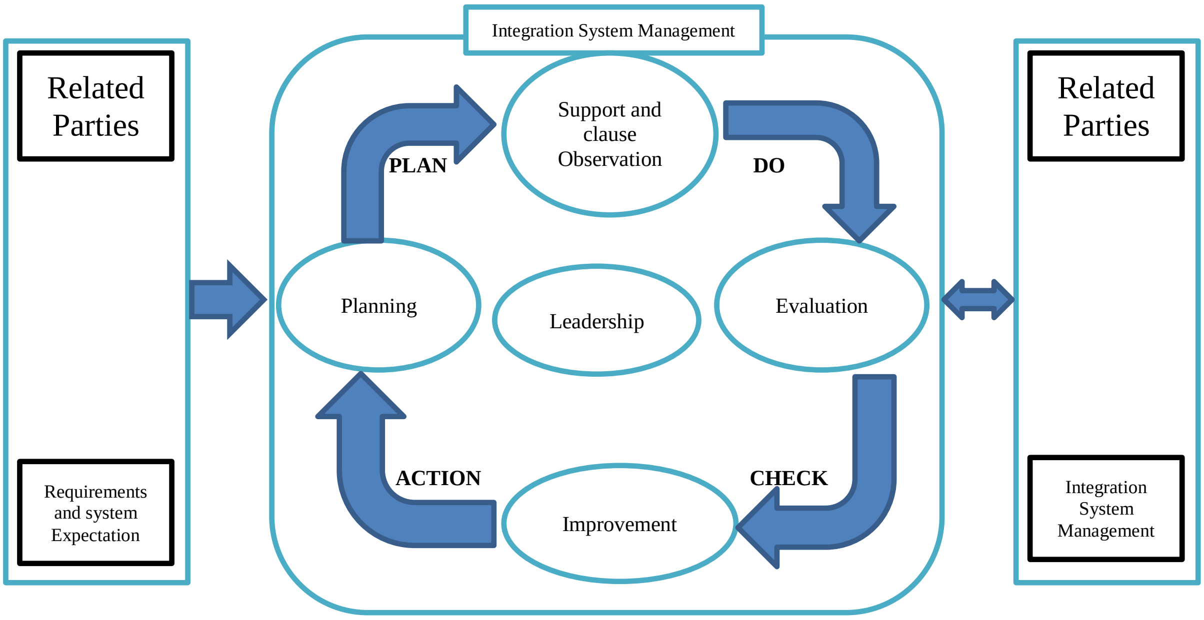

Figure 4. PDCA Model Design

Source: own study

Archetypes containing Special Task Force of Oil and Gas in the preservation of the implementation management system include processes and structures in each branch of the special task force for oil and gas. Based on the international standards integrated in the principles of integrated management systems that form professional, efficient, effective and have good corporate governance (GCG) practices, which in order to support the investment development and effort to make good oil and gas, with success rates that can be measured on standards and codes. *Plan* means designing a plan which refers to management system. This step has a purpose to identify the process, found, and conclude a solution to overcome the current problem. *Do* mean implementing and observing the activities and process that has been planned before. Dominant factor of 7 supporting clauses and factor analysis result which contains of several statements inside that 7 supporting clauses include as a part of *Do* process. *Check* means doing the observation, evaluation and checking the purpose and target of implementation. The technique used for evaluation here is observing and survey to understand the weakness inside process, and then reported the result and making an improvement plan. *Action* means making a real action of the evaluation result within the standardized changes such as considering the place of action, process revision, develop the plan and regularly measure and control of a process. Based on the Integration Design based on PAS 99:2012, suggestion result design concluded as below:

a. Determined the structure of SNI ISO 27001:2013 and SNI ISO 37001:2016 as the main standard because Special Task Force of Oil and Gas has been applied that standard.
b. Identified the comparison and equality criteria between clauses and sub clauses SNI ISO.
c. Increase several clauses/ sub clauses based on the requirements of SNI ISO 9001:2015, SNI ISO 20400:2017 and SNI ISO 50001:2018 within PAS 99:2012 to the main standard in order to complete

By applying integrated design of SNI ISO 27001:2013, SNI ISO 37001:2016, SNI ISO 9001:2015, SNI ISO 20400:2017, SNI ISO 50001:2018 within PAS 99:2012 it expected to improve the competitiveness level of special task force oil and gas to make a better contribution in upstream oil and gas industry in Indonesia.

CONCLUSION

Based on the analysis above, it can be concluded that significant level of questionnaire result PAS 99:2012 Integration Management system obtain the highest SL value in clauses 7 of 0,99 where according to PAS 99:2012, clauses 7 is a supportive factor on Integration Management System. Thus, the dominant factor of Integration Management System within the analysis of SEM LISREL indicated in clauses 7. Integration Model Design of SNI ISO 27001:2013 - SNI ISO 37001:2016 - SNI ISO 9001:2015 - SNI ISO 20400:2017 - ISO 50001:2018 within PAS 99:2012 began with analysing similarity and difference of each clauses SNI ISO, analysing the relation among each SNI ISO using analysis matrix data, divided the clauses into the same strength group then integrated it, made integrated system model, made PDCA model of integrated system and suggested the integration system design based on the clauses of PDCA model.

The research conducted has the significance for the future studies. First, five SNI ISO of Integration Model Design were used in the research: SNI ISO 27001:2013 – SNI ISO 37001:2016 – SNI ISO 9001:2015 – SNI ISO 20400:2017 – ISO 50001:2018 within PAS 99:2012 on Special Task Force for oil and Gas business activities (SKK Migas). Second, the Software used for data analysis is LISREL. Data analysis in this study uses the Structural Equation Model (SEM) and the result of SEM analysis using clause data is the result of simplification on some statements of LISREL program.

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ПРОЕКТУВАННЯ СИСТЕМИ УПРАВЛІННЯ ІНТЕГРАЦІЄЮ

Gendut Suprayitno
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Промисловий сектор нафти та газу є стратегічним пунктом для економічного стану Індонезії. Метою статті є розробка інтегральної модельної системи Sistem SNI ISO 27001: 2013, SNI ISO 37001: 2016, SNI ISO 9001: 2015, SNI ISO 20400: 2017 та ISO 50001: 2018 в рамках PAS 99: 2012 спеціальної робочої групи для нафтогазової підприємницької діяльності та визначити її домінуючий фактор. У цій роботі представлені кількісно-якісні дослідження з описовим підходом та аналіз SEM LISREL 8.8. Дослідження було розпочато з підготовки попереднього вивчення та формулювання проблеми дослідження разом з метою аналізу, а також подальшого розповсюдження анкети серед респондентів. В статті визначено пункт системи управління та описано характеристичні особливості кожної системи управління. Результат аналізу визначив структуру SNI ISO 27001: 2013 та SNI ISO 37001: 2016 як основний стандарт, оскільки Спеціальний Робочий Колектив Нафти та Газу застосував цей стандарт. На підставі результату можна зробити висновок, що значним рівнем результатів анкетування є PAS 99: 2012 із системи управління інтеграцією, що отримує найвище значення SL у пункті 7 на рівні 0,99. Відповідно до PAS 99: 2012, пункт 7 є фактором, який підтримує систему управління інтеграцією.

Ключові слова: SEM LISREL, Система управління інтеграцією, промисловий сектор

РАЗРАБОТКА СИСТЕМЫ УПРАВЛЕНИЯ ИНТЕГРАЦИЕЙ

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Промышленный сектор нефти и газа является стратегическим пунктом для экономического положения Индонезии. Целью статьи является разработка системы интеграционной модели SNI ISO 27001: 2013, SNI ISO 37001: 2016, SNI ISO 9001: 2015, SNI ISO 20400: 2017 и ISO 50001: 2018 в рамках PAS 99: 2012 в специальной рабочей группе для нефтегазового бизнеса и определить его доминирующий фактор. В данной статье представлены количественно-качественные исследования с описательным подходом и анализом SEM LISREL 8.8. Исследование было начато с создания формулировки поставленной задачи с целью анализа, а затем распространения анкеты среди респондентов. В статье представлены характерные особенности каждой системы менеджмента, которые описательно объясняются в документе. Результат этого анализа определил структуру SNI ISO 27001: 2013 и SNI ISO 37001: 2016 в качестве основного стандарта, так как Специальная рабочая группа по нефти и газу применила этот стандарт. Основываясь на результате, можно сделать вывод, что значительный уровень результатов анкетирования – это PAS 99: 2012, когда система управления интеграцией получает наивысшее значение SL в пункте 7 на уровне 0,99. Согласно PAS 99: 2012, пункт 7 является фактором, поддерживающим систему управления интеграцией.

Ключевые слова: SEM LISREL, система управления интеграцией, промышленный сектор

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IMPLEMENTATION OF THE PUBLIC RELATIONS PROGRAM OF THE MINISTRY OF ENERGY AND MINERAL RESOURCES (ESDM) IN PUBLISHING INFORMATION THROUGH INSTAGRAM

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Abstract. The government as a public institution and citizens should have good relationship, where the government must know the citizens, starting from what the citizens need to what the citizens want. This analysis focuses on the publication activities of the Ministry of Energy and Mineral Resources (KESDM) carried out by the Communication Bureau of Public Information Services and Cooperation in publishing the Public Relations program of the Ministry of Energy and Mineral Resources through Instagram media. It describes how the work and its stages have been carried out, whether communication which is executed was successfully or not. The approach used in this study is qualitative with the usage of New Media theory. The results of this study indicate that communication has an important role in disseminating information, especially in the Ministry of Energy and Mineral Resources (KESDM) and the performance of the Communication Bureau of Public Information Services and Cooperation is carried out on a high professional level. The results of this study can be confirmed by followers of Instagram @KESDM who provided feedback or responses to information uploaded via Instagram @KESDM in the form of comments, likes and increased followers and participation in the @KESDM Instagram account. The findings of this study present and discuss the Public Relations Program of the Ministry of Energy and Mineral Resources.

Keywords: New Media, Instagram, implementation.
JEL Classification: D83, D80, H70.

INTRODUCTION

The government as a public institution must know the needs and desires of its citizens. On the other hand, the citizens must also recognize and know what roles the government has and actually plays. In improving the good relationship with citizens, the government must communicate all its aspects to the citizens, starting from the benefits, uses and also the role of the government institution in communicating the messages. The government as an institution must have the attractiveness, equality in needs, hopes and feelings for the citizens which can be invited to learn more information about the government.

The communication has good influence on goals, the government duties and includes maintaining community relations. It needs a means and facilities to connect communication in all directions in an activity that is to be achieved or what has been achieved, including the obstacles faced in its implementation. All of them will be conveyed when communicating with the public.

LITERATURE REVIEW

In this era, we are having the facilities available for usage, namely the Internet. One of the factors from the internet improvements in Indonesia is the increasingly developing technology, and the ease in getting Smartphone that makes it easier for people to use the Internet (Fajrianti and Sastika, 2018).

One example of the ease of use of the Internet is social media, which is a tool that can be used to communicate something broadly not only to certain people but also to anyone, from several segmentations of various demographic groups. Social media exists and changes the paradigm of communication of citizens nowadays. Communication is not limited by distance, time, space and can happen anywhere, anytime (Watie, 2016). Each organization can use social media to build the relationship with public, and provide various information related to organization and services provided by organization to different publics, either directly or indirectly (Prastya, 2011). Social media has various forms and several functions as facility of publication. One of the social media used by citizens to get the means of information with the easiest access through interesting features is the Instagram application.

Indonesia is the country which occupies the 3rd position as the country with the largest Instagram users in the world. Instagram has the role in institutions which play role as the means of communication with the public. According to APJI, the internet users in Indonesia currently reaches 54,68% of the total population in Indonesia. According to the result conducted by *Hootsuite We are Social* in Indonesia, the Instagram User in January 2018 have reached 38%, so it can be concluded that Instagram is the one of media that effectively convey the information (Syafitri and Anisa, 2019).

The Ministry of Energy and Mineral Resources takes the opportunity from the social media especially Instagram as the media which is used to get the communication strategy. Socialization using the social media is being popularly used by various government and private agencies (Margaretha and Sunarya, 2017). The approach taken by the Ministry of Energy and Mineral Resources to the community, especially young people, has received a positive response and a lot of interest from the community, with evidence of the large number of people who follow the Ministry of Energy and Mineral Resources account, which is 286 thousand compared with the Ministry of Agriculture followed by only 108 thousand.

The Ministry of Energy and Mineral Resources is a sector arena that is closer to parents or company leaders and policy makers. But with the use of media Instagram aims to improve the awareness of citizen especially teenagers who will implement the role in carrying out government affairs in the energy sector and mineral resources as well as aspects that are involved to assist the President in implementing public administration.

The approach taken by the Ministry of Energy and Mineral Resources to the citizens especially teenagers, has positive responses and a lot of interest from the society, with evidence of the large number of people who followed the Ministry of Energy and Mineral Resources account as many as 286 K compared with the Ministry of Agriculture with 108K followers.

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Figure 1. Ministry of Agriculture Instagram profile

Source: (Kementerian Pertanian, 2019)

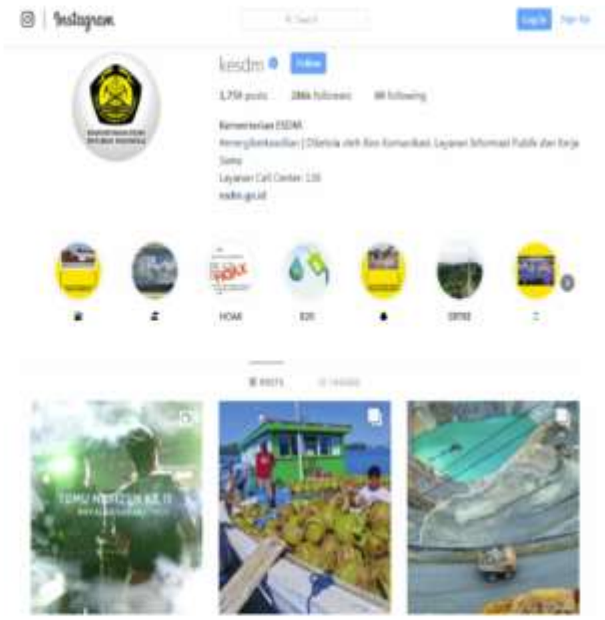

Figure 2. Profile Instagram KESDM

Source: (Kementerian ESDM, 2019)

The active communication Bureau in its approach through Instagram content is balanced by the supporting events conducted by the Ministry of Energy and Mineral Resources to obtain social approach closer to citizens and to become more open for the citizens can interact directly with the government.

However, the data on the number of followers being compared is not the only data to make conclusions. There are many factors which can be related to the communication process implemented by the Ministry of Energy and Mineral Resources. In the communication process, not all of the continuity of communication is well implemented. Thus, it can be ascertained that the communication has the obstacles that arises from various factors.

PAPER OBJECTIVE

Based on the background above the problem of the research can be created: "How to implement the Ministry of Energy and Mineral Resources Public Relations program through Instagram?" Referring to the formulation of existing problems, the purpose of this study is to determine the implementation of the Ministry of Energy and Mineral Resources Public Relations Program in publishing information via Instagram.

METHODOLOGY

In the course of the study the Descriptive Qualitative approach has been used. The Descriptive approach can be defined as the research form that refers to describe the existing phenomena either natural or manmade. The descriptive method was used in the research as the hypotheses and variables were not used. It describes and analyzes the existing events or phenomena and does not treat specifically the objects under study (Sukmadinata, 2006).

While qualitative approach has its explanation which is an approach based on the positivism philosophy, used to examine the natural object condition (as opposed to experiments) where the researcher through data collection by triangulation (combined) and data analysis emphasizes meaning rather than generalization (Sugiyono, 2009).

Literature study in conducting the research was carrying out using the systematic preparation technique to facilitate the steps taken. The first step was to conduct the literature study on books and journals, which explains communication theory. The research has been implemented in relation to new media theory (or New Media) and also uses the 9 steps strategic concepts of Public Relations. The data obtained from literature study was used as the reference for making the question to informants.

The data used in this research is 2 sources namely; primary data and secondary data. The primary data was obtained directly in the field through observation and interviews. Data was collected to observe human behavior, working processes, and natural phenomena (Sugiyono, 2012).

Interview itself is the conversation by both parties, namely the interviewers who ask questions and the interviewees who provide answers to the questions (Moleong, 2016). The researcher chooses the teenagers – especially the student's aged 18-23 years, men and women – followers of Instagram account @KESDM. The sample in this qualitative research is not called respondents but rather sources, participants or informants (Sugiyono, 2012). Interviewee is the party that has role in giving the information that can assist research process. This research took place from 2019 to 2020 by interviewing resource persons and observing the @KESDM Instagram account.

The second data is secondary data obtained indirectly from the field or research object. The secondary data in this research was obtained from the documentation. The documentation is the method to examine data from the documents which already supports the research data. Documentation is the method used to trace historically (Bungin, 2008).

The data analysis used in this research is data analysis model of Miles and Huberman. The data analysis was carried out during the data collection and after that within a certain period (Sugiyono, 2009). There are four activity steps implemented in the data analysis, the first is data collection, data reduction, then the data presentations and the last is verification or drawing conclusion (Endraswara, 2006).

This research is focused on the public relation program of the Ministry of Energy and Mineral Resources which published the information through Instagram - @KESDM account and proposes the followers to know more about what is embraced by Energy and Mineral Resources Sector, including communication that the communicant handles directly by the Bureau of Communication.

The technique used in checking confidence is the triangulation technique of data sources and references from several sources that are directly involved into the research (Endraswara, 2006). Researchers will collect data with data collection techniques that have been determined. This is intended to compare the theories used with the results of interviews conducted by researchers.

Public Information and Cooperation Services, the communication message created and delivered by @KESDM, communication media used through the Instagram account @ ESDM were aimed at target audience (Communicants) of the Ministry of Energy and Mineral Resources and expected communication effects from the audience after posting through Instagram account @ESDM.

The technique used in a trust check is data resource triangulation technique and reference from several resources included directly into the research (Endraswara, 2006).

RESULTS AND DISCUSSION

Basically, internet communication technology has become a necessity for the citizens, especially in accessing open information, that is why the Ministry of Energy and Mineral Resources delivers messages through social media publications on Instagram. The Communication Bureau of the Ministry of Energy and Mineral Resources has a special division in social media content, especially Instagram, in publishing. Acting as a communication facilitator carried out by the Ministry of Energy and Mineral Resources, the communication bureau of the Ministry has the authority to provide advice and make decisions on all forms of responsible dissemination of information.

In the concept of Nine steps to Strategic Public Relations by Ronald D. Smith, the author explains the steps as follows:

Phase one: Formative Research.

Formative Research is aimed at conducting the research as the first step that must be taken so that errors do not occur in the implementation of the programs being carried out. With this matter, Ministry of Energy and Mineral Resources chooses the social media Instagram to implement for publication because Indonesia has many active users and has become the number 3rd largest country in the world in this case. In addition to survey data that shows that Indonesia is the 3rd largest Instagram user country in the world, survey data on Indonesian internet users based on which types of content are accessed by the public can be used as a benchmark for this research to see the relationship between internet content and people's needs.

Figure 3. Indonesian Internet User Behavior Data based on Internet content accessed

Source: Asosiasi Penyelenggara Jasa Internet Indonesia (2016)

It was found from a survey conducted by APJII (regarding the types of content accessed by internet users in Indonesia) that there were six of the most frequently accessed content, namely social media ranked first with 129.2 million users, then entertainment content, which was 128.4 million. News with 127.9 million accesses, education as much as 124.4 million, commercial content as much as 93.1% namely 123.5 million, followed by public services as much as 121.5 million.

The survey and data collection conducted by APJII found the sixth content often accessed which is social media in the first ranks with 129,2 million users, then entertainment content as much as 128,4 million, news content with 127,9 million access, education as much as 124,4 million, commercial content as much as 93,1% which is 123,5 million, then public service with 121, 5 million. If associated with the research result in the form of interviews conducted by researchers with Communication Bureau of the Ministry of Energy and Mineral Resources, data and surveys from APJII are sufficient to answer the reasons for the Ministry to choose social media, especially Instagram for publication. In addition to internet users leaning towards social media access, internet access users have an interest in public services. Researchers see that the publication of Instagram by @kesdm greatly helps the government in improving public services through social media Instagram as a platform that can establish interactions between the government and the public.

Step 1: Analysing the Situation.

This process is an important process as the initial step is analyzing the situation is the important things that cannot be overlooked. Ministry of Energy and Mineral Resources analyzes the situation where the teenagers need good education and are directed to find the valid information from the source, so that is the reasons why the Ministry of Energy and Mineral Resources concentrates its publications through Instagram social media. This can be proven from the data on Instagram users which are dominated by young people, according to data from napoleoncat.com, there are 61,610,000 Instagram users in Indonesia. 37.3% of users aged 18-24 years. Then the second position is followed by the age of 25-34 years with a percentage of 33.9%.

Step 2: Analysing the Organisation.

The steps taken to involve an analysis of the internal and external environment of organisation (public perceptions such as competitors, supporters and opponents). The Ministry of Energy and Mineral Resources has a public perception that it is a Ministry that is far from being attracted by young people because the sectors and units of authority are directed towards old age, which have their own understanding of the stakeholders. However, in conducting an analysis of organisations regarding public views, the Ministry of Energy and Mineral Resources can decide what kind of approach must be taken to simplify it for teenagers to attract them. (Kementerian ESDM, 2019).

Step 3: Analysing the Publics.

This step is a decisive step in which the public as the main target must be precise. In the public analysis, the Ministry of Energy and Mineral Resources determines its public, namely young people who are expected to have more knowledge of government, especially in the energy and mineral resources sector. In the process of analysing the publics the Communication Bureau of the Ministry used trends that are currently needed by publics. The use of social media Instagram by the Ministry of Energy and Mineral Resources is carried out as a medium or it can be said as a means that is considered appropriate to get closer to young people as followers, namely communicants through Instagram social media because Indonesian Instagram users are the third largest in the world (Kementerian ESDM, 2019).

Phase Two: Strategy.

Step 4: Establishing Goals and Objectives.

The fourth step focuses on planning and setting appropriate goals and objectives. In determining its objectives, each agency must have clear knowledge based on the analysis that has been carried out. The Communication Bureau of the Ministry of Energy and Mineral Resources has a goal of planning publications via Instagram to get closer to citizens, especially young people, due to the long perception of the public regarding the Ministry that is far from young people.

Antony Mayfield, (2008) stated that social media can be understood as a group of new kinds of online media (Simarmata, 2014).

Participation: social media encourages the contributions and feedback from everyone who interested. It blurs the line between the media and the audience.

Openness: most social media services are open to feedback and participation. They encourage voting, comments and sharing the information. There are rarely any barriers in accessing and making use of content – password protecting content is frowned on.

Conversation: where the traditional media is about "broadcast" (content transmitted or distributed to the audience) social media is better seen as two-way conversation.

Community: social media allows communities to form the information quickly and communicate effectively. Communities share the common interests, such as a love of photography, a political issue or a favourite TV show.

Connectedness: Most kinds of social media thrive from their connectedness, making use of links to the other sites, resources and people.

Anthony Mayfield explanation related to the characteristic from social media that consist of participation, openness, conversation, and the community. The characteristic of the social media are the basis for goals decision in publishing implemented by the Ministry of ESDM throug Instagram and require two-way communication as the elements that are stated to set goals by carrying out information disclosure, providing space for the public to interact and then there is a community such as content – Attractive Instagram content with humanist photos that give a distinct impression in the public view. Two-way communication which emphasizes the characteristics of social media itself is the key where two-way communication forms the interaction between account users with one another. A content or post that is interesting to see must be balanced with interaction so that the clarity of information can be captured properly by the public.

Step 5: Formulating Action and Response Strategies.

Formulating the actions is strategy planning that must be used before implementing the publication. This is conducted to minimize the segmentation errors in distributing the information. The formulation carried out by using Instagram as a platform does not escape the role of new media with its characteristics, namely openness and freedom.

Table 1

The characteristic differences of conventional media and new media (Sparks, 2010); Pavlik (1996) in Simarmata (2014)

Characteristic	Conventional Media	New Media
Content	There are limitations, sensors, restrictions or the presence of elements of locality	Unlimited in the distribution of information, transparency, non-payment and speed of publication
Orientation function	Elite orientation, ignoring the universality of publication	Universal access, various groups
Institution	Centralized distribution of messages is controlled by the owner, and requires large capital	More flexible, the user is the owner
Public Access	Low and one way	Multi-directional and broad, interactive and aspects of freedom

Source: Own Study

In designing or choosing a strategy for the actions taken, the characteristics of the new media are limited access, flexibility and interaction. The formulation of actions carried out by the Ministry of Energy and Mineral Resources each week prior to publication, the design is compiled and given to the head of the series approval or plan can be published or not. The characteristics of new media which have the characteristics of freedom, namely flexible and universal themselves, sometimes creates new problems, the ease of access which can be misunderstood by each individual. Indeed, the development of new media itself is a good thing developed from conventional media. However, in the development of new media due to universal access, the users themselves cannot control the extent to which published content can be interpreted and accepted. When the characteristics of conventional media which are one-way and controlled can only be cycled in the delivery of information and understanding, the existence of new media develops this cycle which allows the public to have opinion and to express it because the community has a forum. A content presented by @kesdm after being approved by the leadership is certainly expected to have a positive response.

However, positivity is not an absolute when discussing sensitive issues. The Ministry of Energy and Mineral Resources is a government sector that handles and issues policies regarding energy generated from the earth. In this sector there are a lot of environmental and energy issues that can be depleted which reap the pros and cons of the community and environmental empowerment institutions both at home and abroad. With strategic steps in the delivery of communication through social media as the realm of new media, even though the fact that there are many challenges due to existing developments, the citizens expect the government to be responsive to existing technological advances as well as the government using social media expects for good communication with the community. As a result, two-way communication is established as a form of improving the performance of the government.

Step 6: Designing the effective communication.

The sixth step is the result of a decision on what kind of message will be conveyed after carrying out a series of strategies in planning the series, not only getting approval. It can be ascertained that everything in the design will have something to improve. This design is carried out in order to realize the purpose of communication or publication by the Communication Bureau to act effectively. After carrying out a series of analyzes, the strategy stage is the planning stage where things will be conducted in implementing a program. The plans that are made based on the results of the analysis so that there are no mistakes in planning.

The interview results obtained by the Bureau of Communication of Ministry of ESDM show that the approach implemented to give such information as all the forms of policies carried out by government or issues that are discussed then are packaged in such a way so that the content is based on the existing timeline. For example, in a week 12 graphic posts or info graphics are posted and packaged so that they can attract the attention of young people (such as: the current trend, namely humanist photos that provide an overview of workers in various sectors of energy and mineral resources, quizzes done on certain days as well as posting of knowledge sources and many more that present publications as a mean of interaction).

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Figure 4. @kesdm puzzles

Source: @KESDM

Figure 5. Videos @kesdm

Source: @KESDM

It can be seen from the Instagram content @kesdm, that Figure 4 gives the interesting and interactive content as a quiz published to follow the follower; then the Figure 5 is the creative video that combine packed cartoon animation with information from KESDM. This strategy is carried out so that the aims and objectives targeted in the initial research attract the attention of young people with the publication of things that are familiar in everyday life so that even though the information conveyed is not light talk, it can be digested and also run well so that it gets good feedback too.

Step 7: Selecting communication tactics.

In choosing the communication tactics or the way to deliver the message the right media must be chosen. The Ministry of Energy and Mineral Resources has chosen activity in social media publications on Instagram because it has conducted research based on data that the use of Instagram is the right way to approach young people. The tactics used in communication are arranging issues that are currently being discussed and packaged in such a way so that the message is accepted and can be remembered by the community, especially young people (Kementerian ESDM, 2019).

According to Nasrullah, social media are the form of internet medium that users can interpret itself to interact, cooperate, and share, communicate with other users, that created social bond visually (Nasrullah, 2015). In practice, sometimes in social media, forms such as cooperation and social ties are not carried out so many users post according to what they think and cause debates that often conflict between users. Especially in the attention to public policies carried out by the central government. Society is divided into pro-government and contra with the government. Every post made by a government account certainly reaps a lot of responses. Even though the data has many positive responses, it cannot be denied that there were also many negative responses regarding certain issues presented. In social media, because it prioritizes the aspect of freedom, it creates a lot of opinion-based forums that create public perceptions. This is a challenge for the central government in overcoming unwanted public perceptions.

The goal of the Ministry of Energy and Mineral Resources in the approach through Instagram can be said to be a self-representation form as the central government to get public attention which is expected to a virtual bond form which can be seen from the various responses from Instagram followers. In the concentration of Instagram publications, the responses of the community, especially young people as the main target, classified as positive responses from Instagram users, the Kesdm Instagram account looks interactive with its followers, the message given by the Ministry of Energy and Mineral Resources gets (effect), namely reception of messages well by Instagram followers. This can be seen through positive responses on the Instagram @kesdm comment column.

Step 8: Implementing Strategic Plans.

The Communication Bureau of the Ministry of Energy and Mineral Resources in carrying out its duties publishes the results of the draft information that has been compiled previously as a means of interaction between the Ministry of Energy and Mineral Resources to the public, namely the Instagram followers.

Figure 6. KESDM policy *Figure 7. KESDM Policy Commentary*

Source: @KESDM *Source: @KESDM*

One of the KESDM's Instagram feeds is an example of implementing a strategy that has been planned in the case of handling the Covid-19 virus. The central government from all its sectors has flocked to issue policies that have urgency for the public interest. The ESDM Ministry issued a policy of free electricity and 50% discount for 3 months. This is a symbol of the seriousness of the central government to help people with economic difficulties in this period of the Covid-19 pandemic crisis. The responses at the time of publication by @kesdm were varied and it seems that the public has quite of attention to this. It can be seen that the comments received by the public health centre have various responses from the public who have questions about the policy. However, in the implementation of the strategy carried out, of course it cannot be seen as a whole that the interactions carried out by @kesdm itself are always in good condition. From various kinds of content on Instagram @kesdm, there are many issues that are very much considered by the public, especially the policy of providing free electricity and a 50% discount for 3 months. This post received thousands of comments from the public in the form of questions about the policy.

The public has flocked to ask about the clarity of the policies made by those who question the mechanism of the policy. From the various responses from the public, Instagram should be a forum for interaction between the government and the public, namely the delivery of @kesdm Instagram account. This post is a form of information from government policy and Instagram as a container or means of delivering information. The comment column is intended as a means of interaction between the government and the community. However, from the thousands of comments made by the community, @kesdm Instagram account has minimal interaction in the form of replying to community comments so that the public is made to wonder the policy being informed is working effectively. In implementing a program, of course not everything goes well and gets good responses. Each individual has their own thoughts; especially in this case, the community expects all forms of good performance from the government, so the public has special attention to programs carried out especially during the Covid-19 pandemic crisis.

Phase three: Evaluative research.

From all the step that applied by Ministry of Energy and Mineral Resources, getting the appreciation or good response, it came to conclusion that the messages are delivered through Instagram effectively due to the increased number of followers from October 2018. Not only that, according to data held by the Communication Bureau of the Ministry of Energy and Mineral Resources, followers gave responses or reactions such as likes per post averaging 1,200 and the highest, touching 67,431 likes, then an average of 65 comments, not only that give but there are also followers who do not want to know the cause or background of what happened, only want to know what they really want and then find it difficult to discuss something technical through social media (Effect).

Step 9: Evaluating the strategic plan.

There are the last elements in implementing the program which are the right reference to implement further in the next programs. The advantages and disadvantages in implementation and the feedback obtained can be used as an evaluation and a measure of the success of a program carried out or publication through Instagram. The feedback received by the Ministry of Energy and Mineral Resources is not only in the form of understanding, feedback received on Instagram social media can also be in the form of likes for increasing Instagram followers and the comments given.

Figure 7. Freeport is officially owner of Indonesia

Source: @KESDM

Figure 8. Freeport Post Comments

Source: @KESDM

Moreover, according to the Communication Bureau of the Ministry of Energy and Mineral Resources many positive responses were accepted. Although there are some negative responses from the citizens who do not want to know the facts and remain unconvinced about the sensitive problems, namely issues that have just been discussed in the Freeport case. In the Freeport case many citizens doubted the actions of the government. The citizen wonders whether what is said to be officially belonging to Indonesia is an advantage for the state, especially since there are so many issues circulating about Freeport in the community. Among the doubting citizens there is also positive response with these issues. It can be seen the publication content are the content that is raised from hot issues but packaged with contemporary content, the information conveyed can be easily digested by the public. Positive response is showed in the comments column although there are some negative responses that cannot be caught. Evaluation that is implemented in this phase is the citizen response form such as how many were seen to like and provide comments or opinions.

CONCLUSION

The findings of this study are concentrated mostly on the results of publication of Public Relations Program of the Ministry of Energy and Mineral Resources in Instagram, which aroused interest among followers. The distribution of information in accordance with the portion that the feedback received through Instagram social media is in the likes form and then increases in followers and comments given in every KESDM Instagram post. The feedback received by the Ministry of Energy and Mineral Resources has more positive responses from the public.

The method of packaging for content creation that was raised by the Ministry of Energy and Mineral Resources on Instagram is hot issue – content that is packaged in a contemporary manner. It is easily digested and understood by the younger generation. By using Instagram social media, more people know information about KESDM, the number of people interested in knowing information more about KESDM can be seen from the number of followers that continues to increase from the previous year to the present. With the new media, Instagram attracts not only the older generation or businessmen who are interested in KESDM info, but now it makes the younger generation users know more about KESDM.

Results of the research can be suggested to the Communication Bureau of the Ministry of Energy and Mineral Resources as a guideline in the case if the public does not want to know the facts and remain unconvinced about the sensitive issues that have just been hotly discussed. In the case of Freeport, the Ministry of Energy and Mineral Resources added a post that showed photo evidence or words came directly from a trusted source, of course by adding a detailed caption explanation so that followers or those who read the post did not misunderstand.

The next suggestion is if there are followers who don't want to know the cause or background happened, just want to know what they really want to anticipate this. The Ministry of Energy and Mineral Resources must make a follow-up post or other post is separate in the form of a photo also followed by a mutually caption. Support and explain more about the causes or background of the issues raised.

Another suggestion for the Ministry of Energy and Mineral Resources can be made in the case of difficulties in discussing technical issues through social media, it is suggested to post a storytelling video or have a storyline to communicate with each other while conveying the desired message, in the way that followers can see the video and imagine what the intent is conveyed by KESDM.

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ВПРОВАДЖЕННЯ ПРОГРАМИ ЗВ'ЯЗКІВ З ГРОМАДСЬКІСТЮ МІНІСТЕРСТВА ЕНЕРГЕТИКИ ТА МІНЕРАЛЬНИХ РЕСУРСІВ (ESDM) ПРИ ПУБЛІКАЦІЇ ІНФОРМАЦІЇ ЗА ДОПОМОГОЮ INSTAGRAM

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Уряд як громадська інституція і громадяни повинні мати хороші взаємини, в яких уряд повинен знати громадян, починаючи з того, що їм потрібно, і закінчуючи тим, чого вони хочуть. У цьому аналізі основна увага приділяється практиці публікації діяльності Міністерства енергетики та мінеральних ресурсів (KESDM), що здійснюється Комунікаційним бюро служб громадської інформації і співпраці з публікації програми зі зв'язків з громадськістю Міністерства енергетики та мінеральних ресурсів через засоби масової інформації Instagram. У ньому описується, як виконувалася робота і її етапи, було успішно виконано спілкування чи ні. Підхід, використаний в цьому дослідженні, є якісним з використанням теорії New Media. Результати цього дослідження показують, що комунікація відіграє важливу роль в поширенні інформації, особливо в Міністерстві енергетики та мінеральних ресурсів (KESDM), а робота Комунікаційного бюро громадських інформаційних служб і співробітництва здійснюється на високому професійному рівні. Результати цього дослідження можуть бути підтверджені підписниками Instagram @KESDM, які надали відгуки або відповіді на інформацію, завантажену через Instagram @KESDM, у вигляді коментарів, лайків, збільшення числа підписників і участі в обліковому записі Instagram @KESDM. Результати цього дослідження представляють і обговорюють Програму зі зв'язків з громадськістю Міністерства енергетики та мінеральних ресурсів.

Ключові слова: New Media, Instagram, реалізація.

Ferlita, A., Sefanya, R. U. and Winowatan, D. A. N. (2020), "Implementation of the Public Relations Program of the Ministry of Energy and Mineral Resources (ESDM) in publishing information through Instagram", *Management and entrepreneurship: trends of development*, Volume 3, Issue 13, pp. 57-71, available at: https://doi.org/10.26661/2522-1566/2020-3/13-05

РЕАЛИЗАЦИЯ ПРОГРАММЫ ПО СВЯЗЯМ С ОБЩЕСТВЕННОСТЬЮ МИНИСТЕРСТВА ЭНЕРГЕТИКИ И МИНЕРАЛЬНЫХ РЕСУРСОВ (ESDM) ПРИ ПУБЛИКАЦИИ ИНФОРМАЦИИ ЧЕРЕЗ INSTAGRAM

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Правительство как общественное учреждение и граждане должны иметь хорошие взаимоотношения, в которых правительство должно знать граждан, начиная с того, что им нужно, и заканчивая тем, чего они хотят. В этом анализе основное внимание уделяется публикационной деятельности Министерства энергетики и минеральных ресурсов (KESDM), осуществляемой Коммуникационным бюро служб общественной информации и сотрудничества по публикации программы по связям с общественностью Министерства энергетики и минеральных ресурсов через средства массовой информации Instagram. В нем описывается, как выполнялась работа и ее этапы, было ли успешно выполнено общение или нет. Подход, использованный в этом исследовании, является качественным с использованием теории New Media. Результаты этого исследования показывают, что коммуникация играет важную роль в распространении информации, особенно в Министерстве энергетики и минеральных ресурсов (KESDM), а работа Коммуникационного бюро общественных информационных служб и сотрудничества осуществляется на высоком профессиональном уровне. Результаты этого исследования могут быть подтверждены подписчиками Instagram @KESDM, которые предоставили отзывы или ответы на информацию, загруженную через Instagram @KESDM, в виде комментариев, лайков, увеличения числа подписчиков и участия в учетной записи Instagram @KESDM. Результаты этого исследования представляют и обсуждают Программу по связям с общественностью Министерства энергетики и минеральных ресурсов.

Ключевые слова: New Media, Instagram, реализация.

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PRESENT STATE AND PROSPECTS OF AGRICULTURAL DEVELOPMENT OF UKRAINE

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Abstract. The article analyses the current state, major product groups and foreign markets of Ukrainian agricultural products. In addition, the potential for development of Ukraine's agro-industrial complex are outlined. The aim of the article is to assess the current state of affairs, to determine the existing and hidden potential, the main trends and obstacles to the disclosure of the export potential of agricultural products in Ukraine. As a result, the main measures to eliminate obstacles to unleash the export potential of the Ukrainian agro-industrial complex are proposed. The findings of the study also prove that the agrarian sector remains an important part of the Ukrainian economy, providing a significant share of foreign exchange earnings. The main driver of growth in agricultural production in Ukraine remains an increase in crop yields due to precision farming, new hybrids, etc. It is stated that the opening of new markets and niches will allow Ukrainian agricultural exporters to consolidate their positions in the international arena.

Keywords: agricultural market, export potential, agro-industrial complex, grain, cereals, export destinations, development barriers, agricultural producers.
JEL Classification: Q11, Q18.

INTRODUCTION

In the global agro-industrial market, grain has long been an important strategic commodity that supports food security and is a stable source of income for agricultural producers around the world. Recently, there has been a significant increase in grain trade, primarily due to market laws of supply and demand. Along with the increase in grain consumption, opportunities are being created for the development of the world market for agro-industrial products and prospects for setting new records for grain exports. Grain is one of the largest commodity positions in the international market, which is traded by many countries around the world, including Ukrainian agricultural producers. Given that the agro-industrial complex is one of the main budget-forming sectors of the national economy of Ukraine, agribusiness opens up prospects for leadership for our country in the world market. Therefore, an important issue is the study of current trends and the elimination of obstacles to the development of the agricultural sector to reveal the export potential of Ukrainian agricultural products.

Shyshkin, V. and Onyshchenko, O. (2020), "Present state and prospects of agricultural development of Ukraine", *Management and entrepreneurship: trends of development*, Volume 3, Issue 13, pp. 72-86, available at: https://doi.org/10.26661/2522-1566/2020-3/13-06

LITERATURE REVIEW

Theoretical issues on the improvement of the management system in the agro-industrial sector were dealt with by such domestic and foreign scientists as: N.K. Dyachenko, V.Yu. Krivobok., V.V. Gusak, I.M. Nazarenko, I.G. Nesterov and others. V.G. Andriychuk, V.I. Boyko, O.P. Velychko and V.A. Kolodiychuk were engaged in research of problems of agrologistics in grain economy of Ukraine.

The study of growth factors in the economic system has found one of the leading places in the research of domestic and foreign economists: V.P. Alexandrov, O.I. Amosha, Yu.M. Bazhal, L.K. Bezchasniy, E.A. Beltyukova, V.M. Geits, V.G. Gerasimchuk, B.I. Golikov, M.I. Dolishny, V.M. Zhuk and others.

However, despite the significant amount of thorough research, there is a need to improve the efficiency of the agricultural sector, so we consider it appropriate to more fully substantiate the research issue.

PAPER OBJECTIVE

The purpose of the article is to assess the current situation, to outline the existing and hidden potential, to identify the main trends and obstacles to the disclosure of the export potential of agricultural products of Ukraine.

METHODOLOGY

In the course of the study general scientific theoretical and empirical methods were used, such as: analysis and generalization, methods of observation and comparison, analytical, grouping of data. The study also benefited from the Official State Statistics Committee of Ukraine's statistic data when researching the structure of the export potential of agricultural products of Ukraine.

RESULTS AND DISCUSSION

The agro-industrial complex is a component of the country's economy, which includes the production of agricultural products, their logistics and processing. The agro-industrial complex also unites industries that produce means of labor and maintenance and industries that store, process and sell agricultural products. The agro-industrial complex includes three major areas of industry:

1) agricultural and food engineering, agrochemistry (mineral fertilizers, microbiological industry), system of material and technical maintenance of agriculture, feed industry, reclamation and agricultural construction;

2) animal husbandry, crop production and fishing;

3) food industry, refrigeration, warehousing, specialized transport, trade enterprises and logistics organizations.

For many years the agro-industrial complex has been one of the main budget-forming, most profitable sectors of our country's economy and the most attractive areas for investment in Ukraine. The agricultural sector has become a leader in concluding the most expensive contracts.

Today, the export of products of the national agro-industrial complex is estimated at $ 18.6 billion, which is 39.4% of total exports, and agricultural production is 10.1% of national GDP. Ukraine is a leading country in the export of sunflower oil and meal to the world market. The country also rose from third to second place in the sale of rapeseed on the foreign market and entered the top three in the export of walnuts. Over the past four years, Ukraine has increased its rapeseed exports by 16% and soybeans by 18%. Of the processed products, the leadership is still held by sunflower oil, whose exports have grown by 16% over the past 4 years. Also, our country ranks 8th in the world for grain production and is one of the five leading countries that export agricultural products to the European Union. In addition, Ukraine ranks first in terms of growth of imports of agricultural products from EU countries (Agravery.com Agrarian News Agency, 2019).

For several years in a row, the main national grain traders are exporting companies – LTD “Nibulon” (13.7% of total exports), “Kernel” (9.9%), “Louis Dreyfus Company”, “Glencore”, “Cargill”, the State Food and Grain Corporation of Ukraine, and “Cofco” (which account for 71% of total grain exports). The small number of Ukrainian grain exporting companies is associated with high capital intensity of the business. After all, only one ship needs to spend $ 15 million to ship 50,000 tons of cargo. Last year, a significant part of world grain production, including wheat, was provided by grain-exporting countries from the Black Sea coast. Thus, Ukraine, Russia and Kazakhstan have provided 40% of world demand for grain. According to the forecasts of the Food and Agriculture Organization of the United Nations, this year the sale of wheat to foreign trade markets from the Black Sea region will increase by 4% and reach 61 million tons. The leading countries in grain production last year were China, the United States, the EU, India, Brazil, Russia, Argentina, Ukraine, Canada and Indonesia (Table 1).

Table 1

Leading countries are world producers of grain crops, 2018-2019 MR

Place	Country	Cereal production, million tons	Product
1	2	3	4
1	China	545	Corn
			Wheat
			Fig
			Barley
			Millet
2	USA	438	Corn
			Wheat
			Fig
3	EU countries	287	Wheat
			Corn
			Barley
			Fig
4	India	259	Corn
			Wheat
			Barley
			Fig
5	Brazil	117	Corn
			Barley
6	Russia	107	Wheat
			Barley
			Millet
7	Argentina	79,5	Corn
			Wheat
			Barley

Table 1 continuation on the next page

Table 1 continuation

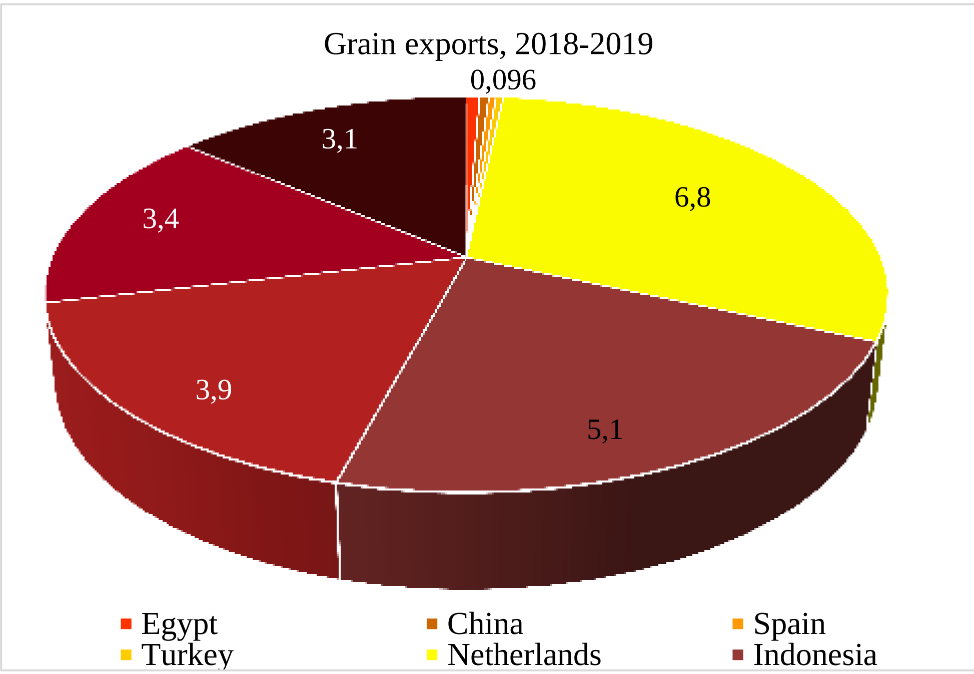
1	2	3	4
8	Ukraine	69,6	Corn
			Wheat
			Barley
9	Canada	58,0	Wheat
			Corn
			Barley
10	Indonesia	48,7	Fig
			Corn

Source: modified after LLC "TOP LEAD" and LLC "Latifundist.Com" (2019)

Table 1 shows that our country ranks 8th among the world's largest grain producers. Ukraine has a huge export potential for grain production. Thus, from the total export of Ukrainian agro-industrial complex products for the 2018/19 marketing year, grain crops accounted for 38.4% of the volume. The most popular grains are corn and wheat. Thus, the grain harvest in 2018/19, which reached 70.1 million tons with an average yield of 47.4 c/ha, became a record for our country in the history of independent Ukraine. The last record was set in 2016 (66.1 million tons).

The main exporters of Ukrainian grain in 2018/19 were the countries of Asia, Europe and Africa. Egypt has been exporting the largest volumes of grain from Ukraine for more than 10 years. In 2018/19, the country purchased 9.2% of total grain exports. In second place for the second year in a row – Spain, which bought grain for $ 643 million, which is 8.9% of total. Third place went to the Netherlands, which exported grain for $ 556 million (Delo.ua, 2019). The top ten importers of Ukrainian grain also include China, Saudi Arabia, Indonesia, Italy, the Philippines, Morocco and Tunisia (Figure 1).

Figure 1. Share of grain-importing countries in national exports of Ukraine, %



Source: Adapted from Delo.ua (2019).

As of May 15, 44.3 million tons of grain have been exported from Ukraine since the beginning of 2018-2019. Thus, exports of corn reached 25.5 million tons, wheat – 14.6 million tons, barley – 3.3 million tons (Figure 2):

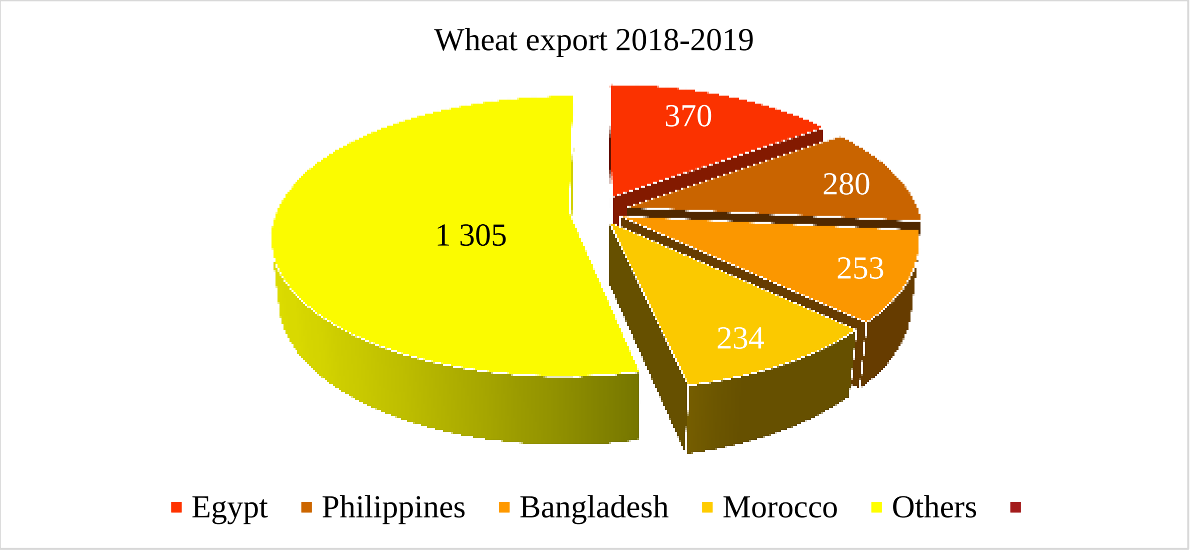


Figure 2. The main directions of wheat exports from Ukraine, million dollars USA

Source: Adapted from the Economic truth Information platform (2019).

The leading countries in the import of Ukrainian wheat are Egypt (1,305 million tons), the Philippines (370 million tons) and Bangladesh (280 million tons). However, total wheat exports in Ukraine decreased by almost 9% compared to the previous marketing year and amounted to 16 million tons. Purchases of wheat from Russia decreased to 42.4 thousand tons, and the share of Russian wheat in total imports decreased from 32% to almost 10% per year (Economic truth Information platform, 2019).

Corn is another major cereal crop in the world, the production of which forms a strategic food basket. For 5 months of the current season, the EU countries imported more than 69% of the total export of Ukrainian corn. There is a positive dynamics of exports in this direction by 144% to 7.9 million tons. The European leading countries in the import of Ukrainian corn are Spain, the Netherlands and Italy. China ranks second among the world's largest consumers of Ukrainian corn. Thus, in September-January 2018-2019 the country increased purchases by 31% to 1 million tons against 814 thousand tons previous season (Ambarexport.ua, 2019). In addition, the positive dynamics of crop exports can be traced in the direction of such markets as Egypt, Libya, and Lebanon (8-10% of the volume of domestic corn) (Figure 3):

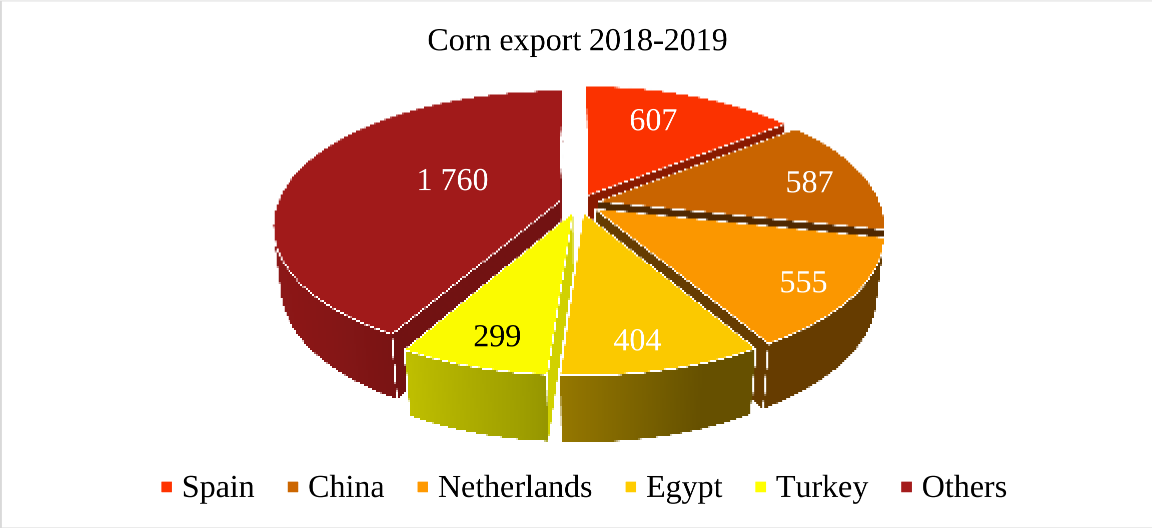


Figure 3. The main directions of corn exports from Ukraine, million dollars USA

Source: Adapted from the Ambarexport.ua (2019)

In September-January 2018-2019 Ukraine exported 11.4 million tons of corn, which is 74.5% higher than the same period last season (6.5 million tons) and 35.7% average over five years for this period (8.4 million tons). Corn exports increased almost 1.6 times compared to the same period previous marketing year to almost 30 million tons.

Exports of Ukrainian barley decreased by 19% compared to the same period last marketing year. However, since the beginning of 2019-2020 Ukraine has exported almost 3.6 million tons of barley, while for the whole previous season the volume of exports amounted to 3.5 million tons (Figure 4):

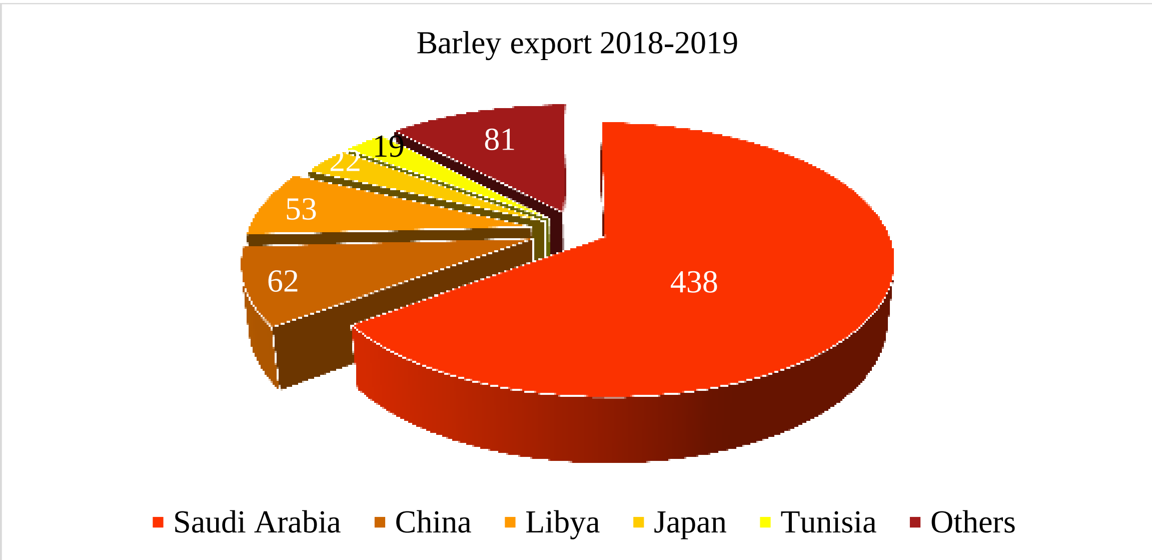


Figure 4. The main directions of barley exports from Ukraine, million dollars USA

Source: Adapted from the Ambarexport.ua (2019)

According to experts, by the end of the marketing year about 1.5 million tons of barley will be supplied to foreign markets of Ukraine. Most of it will be covered by tenders conducted by Saudi Arabia.

Today, sunflower remains a strategically important crop in the structure of the Ukrainian agro-industrial complex, because the crop provides high profits in all climatic conditions and economic troubles. But price fluctuations in the global sunflower market are forcing many growers to modify their own production strategies by intensifying technology, marketing products and minimizing costs. In 2018-2019 Ukrainian farmers received a record for many years sunflower harvest, which amounted to 13.7 million tons, which is 12% more than the same period of previous year (12.2 million tons) (Grow How Information platform, 2019). However, purchase prices for sunflower are at a low level, and their growth rate has not been observed for many years (Figure 5).

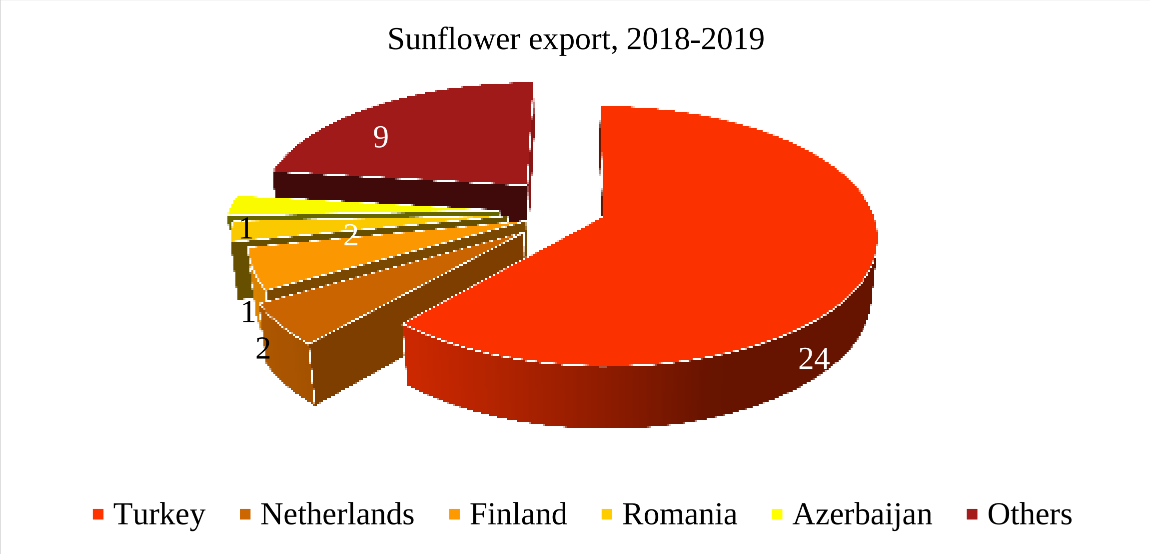


Figure 5. The main directions of sunflower exports from Ukraine, million dollars USA

Source: Adapted from the Grow How Information platform (2019)

Thus, in 2018-2019 Ukraine produced 6 million 400 thousand tons of sunflower oil, of which 6 million tons were exported. Today, Ukrainian exports of sunflower oil account for 60% of the world market (S. Kapshuk, 2019).

Among the processing industries in Ukraine, the oil and fat industry is still leading, which is developing due to the export of products. Every year the country produces more than 6 million tons of sunflower oil. Over the past 10 years, the country has increased exports of this product almost threefold, to 5.8 million tons, and holds more than half of world exports of sunflower oil.

In general, Ukraine needs to increase exports of processed products, not raw materials. However, some industries are able to increase supplies to foreign markets. In particular, the export of poultry meat and offal has been growing by an average of 13% per year for the last 4 years. And over the past 10 years, poultry supplies to foreign markets in monetary terms have increased 12 times.

In 2018-2019, farms of various forms of ownership sold 3,318.1 thousand tons of livestock and poultry for slaughter, produced 1,064,000 tons of milk, and produced 16,138.5 million eggs (Figure 6).

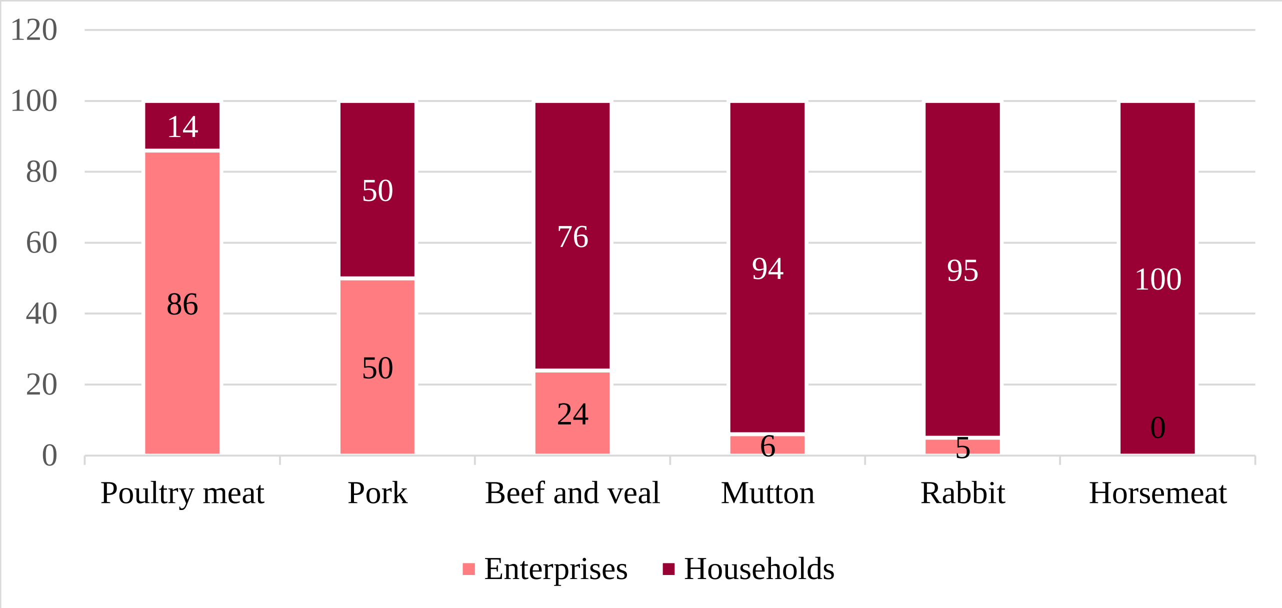


Figure 6. Meat production by categories of farms, %

Source: Adapted from the Latifundist.com Agribusiness Information Platform (2019)

In general, there is a positive trend in meat production by 1.6% compared to the same period last year, but milk production decreased by 2.1% and eggs increased by 4.1%. If we characterize the structure of exports of livestock products, it should be noted that the largest share of manufactured products is poultry, pork, beef and veal (Figure 7).

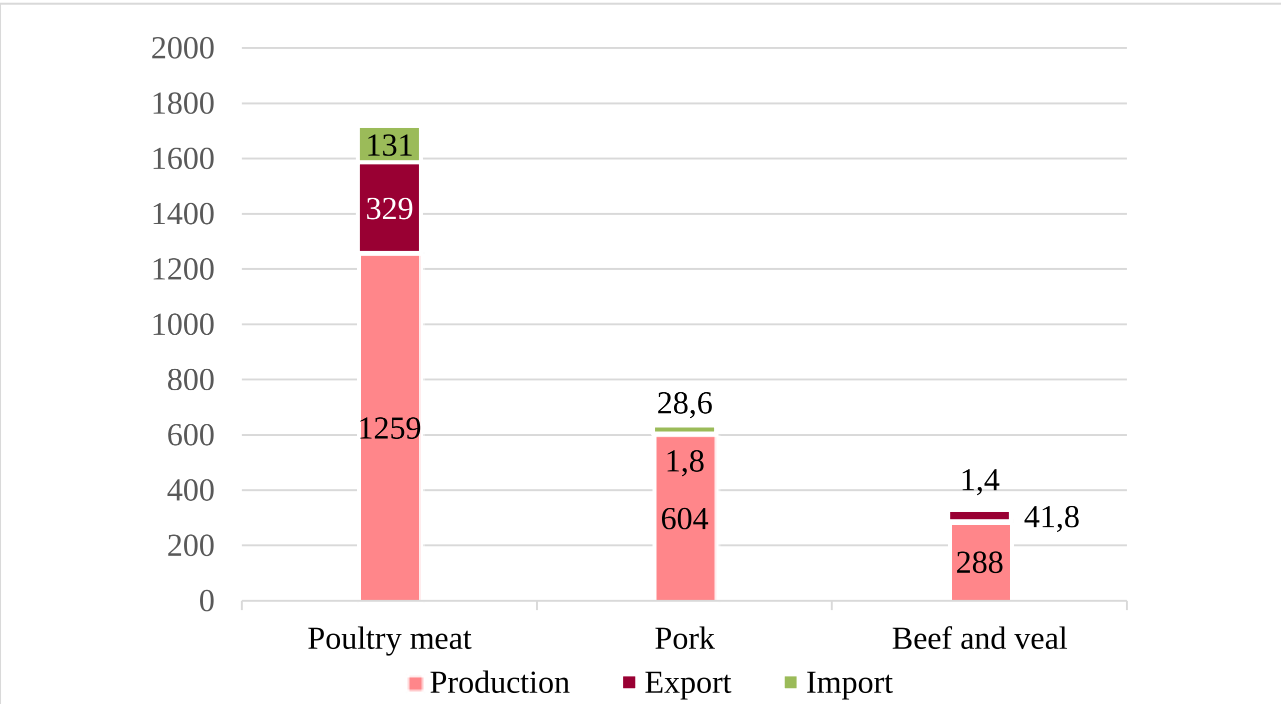


Figure 7. Exports, production and import of meat, thousand tons

Source: Adapted from the Latifundist.com Agribusiness Information Platform (2019)

The main importers of Ukrainian poultry are the Netherlands (49 thousand tons), Iraq (36.5 thousand tons) and Saudi Arabia (32 thousand tons), beef and veal – Belarus (18.7 thousand tons), Azerbaijan (6.9 thousand tons) and Kazakhstan (6.7 thousand tons).

The world market of agricultural products continues to be the leading international trade for producers of national agro-industrial complex, and its trends determine the vector of export development from Ukraine, as well as changing the price situation, affect the national grain sector in the long run. According to experts, Ukraine can provide food from 600 million to 1 billion people. And in the next 10 years the country can triple the production of agricultural products, provided that the legal framework is updated, production technologies are modernized, a favorable investment climate is created and the issue of opening the land market is resolved. However, despite the high rates of harvest and exports, which, in turn, will help attract foreign investment to our country, there are a number of obstacles that block the maximum disclosure of Ukraine's export potential.

Any modern agricultural enterprise is a complex system consisting of interconnected links (logistics, crop control, warehousing, storage and supply of products and raw materials), the inefficient operation of each of which can harm the result or even nullify all efforts. The concept of “system management” is integral to the key success factors in agribusiness. A systematic approach involves interconnected and interdependent influences within a complex system that will function successfully through a systems perspective, tools, and an integrated approach to management. At the strategic level, systemic management in agribusiness should be based on the country’s strategic goals, according to a specific period of time, identifying problem areas that are obstacles to unlocking the potential of the agricultural sector, and developing measures to eliminate barriers to national agro-industrial development. The strategic level of systemic agro-management should, first of all, solve the tasks of the Strategy of development of the agrarian sector of the economy of Ukraine for the period up to 2020 (V. Yu Krivobok, 2017).

If we characterize the main problems of the Ukrainian agro-industrial complex, it should be said that for many years in a row such a weak point remains the insufficient level of agrologistics and agricultural infrastructure capacity, inefficient agricultural policy, unresolved land market issues, which in turn are barriers to realizing potential of Ukrainian agro-industrial complex (table 2):

Table 2

The main barriers to unlocking the potential of the Ukrainian agro-industrial complex

Problem	***Characteristic***
1	*2*
Exhaustion of agricultural infrastructure capacity	Last year's record harvest showed an imbalance between the available capacity in the agricultural sector and the need for it. As the crop shaft rises, the problem will deepen. That is why state support measures will be aimed at projects for processing and storage of agricultural products
Low level of logistics	For many years, domestic logistics has remained a “bottleneck” for the Ukrainian agricultural sector. The issue of using the potential of logistics, in particular inland waterways, to reduce the costs of economic entities of the agro-industrial complex of Ukraine needs more in-depth study, given its relevance and foreign experience. Thus, in Ukraine about 67% of grain is delivered to ports by rail, 30% – by road and only 3% – by inland waterways

Table 2 continuation on the next page

Table 2 continuation

1	2
Attracting investment	Stability in the field of agriculture, which should be provided by the state, is important for investors. Foreign partners are not intimidated by the political conflict with neighbor country or the elections in Ukraine, but the government's policy towards the agricultural sector remains unpredictable rather than planned
State subsidies in the agro-industrial complex	Some branches of the agro-industrial complex, in particular animal husbandry, have required state support for many years. Therefore, the Ministry of Agrarian Policy plans targeted support in those areas that need it most. However, the effectiveness of specialized programs will become apparent in at least 2 years
The issue of the land market	Although the issue of opening the land market has been a topical issue recently, today there is no political will to vote for the law "On Land Circulation".
Expansion of exports – new markets and products	Constant stimulation of external demand is a necessary condition for the development of agriculture. Over the past few years, the number of partner countries has increased by 50. Thus, Ukraine has 170 markets for agricultural products

Source: Own compilation

Despite the fact that the issue with the fleet of grain trucks has already been resolved in Ukraine (more than 50% of the fleet is owned by private individuals), there are still issues with the railway tracks and the grid. Also, with a fairly strong development of port infrastructure in the country lags behind the restoration of river logistics. River transport can take over 25% of export deliveries of agricultural products. But in order to invest in river infrastructure, it is necessary to adopt the law "On Inland Water Transport".

Table 3

The main problems in the supply chain of agricultural products for export

Logistics link	***Problems***
1	*2*
Motor transport	Low level of road network development in rural areas
	Lack of automated trucking systems
	Uneven of size and weight control standards throughout Ukraine
	Low quality roadway cloth
Elevator	The need to develop siding on silos
	Lack of unloading and loading equipment on silos
	Insufficient number and low capacity of elevators
River transport	Insufficient depth of rivers, siltation and "rapids" at the mouth of the Dnieper
	Worn rolling stock and unsatisfactory condition of locks
	Lack of a relevant law on inland water transport
	The construction of the river fleet takes place only at the expense of private Ukrainian companies
	The need to optimize the tax system.

Table 3 continuation on the next page

Table 3 continuation

1	2
Railway	Unsatisfactory condition of locomotives and grain trucks
	The need to modernize railway stations near ports and infrastructure in general
	Improving the efficiency of organization and planning of rail freight of agricultural products
Seaport	The need for increased traction (dredging)
	Insufficient capacity for transshipment and simultaneous storage of grain cargo
	The need for river-sea class vessels.

Source: Adapted from the LLC "TOP LEAD" and LLC "Latifundist.Com (2019)

A separate topical problem of the Ukrainian agro-industrial complex nowadays is the issue of expanding exports by entering new foreign markets. Today, Ukraine faces a challenge: to continue to compete in foreign markets by shaft and price, or to look for new opportunities and more profitable markets. Ukrainian exporters of sunflower oil are responding by lowering the price of their products under pressure from Malaysian palm oil producers and European suppliers of rapeseed oil. Although suppliers of agricultural products can not only find more marginal niches in foreign markets, but also strengthen their position abroad. Every year, market participants strive to work more efficiently. Thus, in 2018 the profitability of agricultural production was 13%, while in enterprises of other industries, this figure averages 4.5% (Latifundist.com Agribusiness Information Platform, 2019).

The volume of direct investment attracted by the agricultural sector has been declining slightly over the last three years (Figure 8). This situation is a consequence of the fact that during this period there were no prerequisites for improving the investment climate in Ukraine. It is expected that with the opening of the land market in the country, the situation will change.

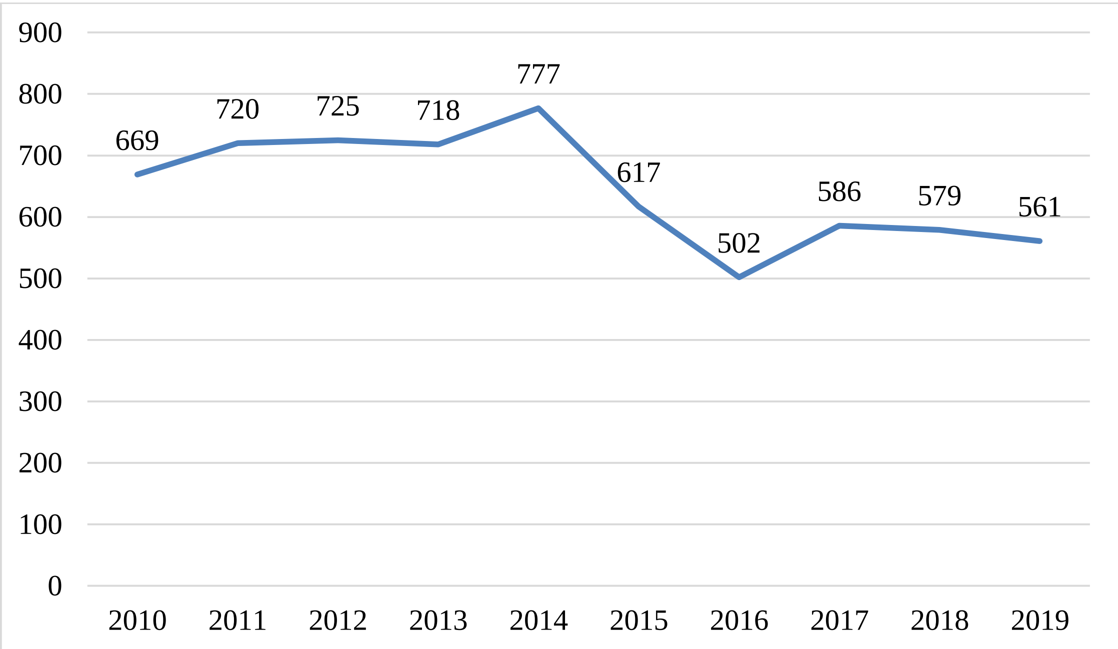


Figure 8. Dynamics of available investments, $ million

Source: Adapted from the Latifundist.com Agribusiness Information Platform (2019).

If we talk about attracting credit resources, then according to the statistics of the National Bank of Ukraine, in recent years, agribusiness lending is growing. Thus, at the end of July 2019, the volume of loans granted to agricultural producers amounted to UAH 65 billion. Moreover, in the overall structure, the share of loans to farmers reached a record high – about 8%. Agricultural producers are increasingly resorting to long-term financing. Thus, out of UAH 65 billion for short-term financing (replenishment of working capital), UAH 25 billion was allocated, the rest – for long-term loans from 1 to 5 years. An important positive trend in recent years is the increase in long-term financing of farmers, as banks are ready not only to support producers during one sowing, but are ready to go on long infrastructure projects. Also in recent years, the portfolio of banking products to finance farmers has expanded, due to the agricultural receipts. At the same time, the product of agricultural insurance is still insufficiently demanded by market participants and causes prejudice.

However, one of the most important problems of the Ukrainian agro-industrial complex today is the state support of the Ukrainian agribusiness. Ukraine ranked last in Europe in terms of state support for agriculture. Thus, in 2018-2019 in Ukraine, the amount of funds under state programs to support the development of the agro-industrial sector was 4 euros / ha, while in other European countries this figure is an order of magnitude higher. For example, in Greece the amount of state support for the national agro-industrial complex is 945 euros / ha, in Slovenia – 738 euros / ha, in the Netherlands – 715 euros / ha. Despite the fact that Ukraine is forced to compete with these countries in world markets.

Today, new instruments, such as SWAP contracts and international financial agricultural receipts, have been actively used in the international and Ukrainian financial markets. If before such contracts could not be concluded, now this tool can be used as an additional opportunity to hedge risks.

Thus, the agricultural sector remains an important part of the Ukrainian economy, providing a significant share of foreign exchange earnings. The main driver of growth in agricultural production in Ukraine is the increase in crop yields due to precision farming, new hybrids and more. And the opening of new markets and niches will allow Ukrainian agro-exporters to consolidate their positions in the international arena.

CONCLUSION

Every year the potential of the agricultural sector of Ukraine's economy increases, but its use, unfortunately, is limited by a number of obstacles, among which are the following:

1) depletion of the capacity of agricultural infrastructure;
2) low level of logistics;
3) the problem of attracting investment;
4) insufficient state subsidies;
5) land market issue;
6) the lowest level of state support for agriculture in Europe.

The agricultural sector remains an important part of the Ukrainian economy, providing a significant share of foreign exchange earnings. Many farmers create a profitable and successful business, but no less than them are on the verge of bankruptcy, due to lack of financial resources, experience, and unwillingness to adapt and modify their activities to modern market needs, use of outdated technologies and production methods, which weakens the competitive position of manufacturer, compared to other market participants. The main measures to eliminate obstacles to the disclosure of the export potential of the Ukrainian agro-industrial complex may be the following:

1. Elimination of the imbalance between the existing capacities in the agricultural sector and the need for them through the implementation of state support measures aimed at projects for

processing and storage of agricultural products.

2. Construction of appropriate infrastructure in rural areas, in particular access roads and restoration of Ukrainian roads to ensure safe transportation of agricultural products by road.

3. Organization of unloading and loading equipment on silos and maximization of elevators.

4. Restoration of navigation on inland waterways of Ukraine, due to modernization of worn-out rolling stock, dredging works on the Dnieper, elimination of state taxes on locking and construction of bridges and creation of the relevant law on inland water transport.

5. Renewal of worn-out railway rolling stock, modernization of railway stations near ports and infrastructure in general.

6. Attracting direct investment in the agricultural sector and government subsidies to support and develop the agro-industrial complex.

7. Find more marginal niches in foreign markets and strengthen their position abroad.

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СУЧАСНИЙ СТАН І ПЕРСПЕКТИВИ РОЗВИТКУ АГРОБІЗНЕСУ УКРАЇНИ

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У статті проаналізовано актуальний стан, основні групи товарів та зовнішні ринки української сільськогосподарської продукції. Окрім того, окреслено наявний та прихований потенціал та визначено перспективи розвитку агропромислового комплексу України. Метою статті є оцінити сучасний стан, окреслити наявний та прихований потенціал, визначити основні тренди та перешкоди розкриття експортного потенціалу сільськогосподарської продукції України. В якості висновків запропоновані основні заходи ліквідації перешкод для розкриття експортного потенціалу українського АПК, а також доведено, що аграрний сектор залишається важливою частиною української економіки, забезпечуючи значну частку валютної виручки. Основним драйвером зростання виробництва продукції АПК в Україні залишається збільшення врожайності культур за рахунок точного землеробства, нових гібридів тощо. А відкриття нових ринків і ніш дозволить українським агроекспортерам закріпити свої позиції на міжнародній арені.

Ключові слова: аграрний ринок, експортний потенціал, агропромисловий комплекс, зернові, напрямки експорту, бар’єри розвитку, агровиробники.

СОВРЕМЕННОЕ СОСТОЯНИЕ И ПЕРСПЕКТИВЫ РАЗВИТИЯ АГРОБИЗНЕСА УКРАИНЫ

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В статье проанализированы актуальное состояние, основные группы товаров и внешние рынки украинской сельскохозяйственной продукции. Кроме того, определены имеющийся и скрытый потенциал и перспективы развития агропромышленного комплекса Украины. Целью статьи является оценить современное состояние, определить имеющийся и скрытый потенциал, основные тренды и препятствия раскрытия экспортного потенциала сельскохозяйственной продукции Украины. В качестве выводов предложены основные мероприятия ликвидации препятствий для раскрытия экспортного потенциала украинского АПК, а также доказано, что аграрный сектор остается важной частью украинской экономики, обеспечивая значительную долю валютной выручки. Основным драйвером роста производства продукции АПК в Украине остается увеличение урожайности культур за счет точного земледелия, новых гибридов и тому подобное. А открытие новых рынков и ниш позволит украинским агроэкспортёрам закрепить свои позиции на международной арене.

Ключевые слова: аграрный рынок, экспортный потенциал, агропромышленный комплекс, зерновые, направления экспорта, барьеры развития, агропроизводители.

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IMPLEMENTATION OF KANAGOODS MARKETING PUBLIC RELATIONS PROGRAM IN CREATION OF BRAND IMAGE OF BATIK INDIGO COMPANY

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Abstract. Kanagoods is the first mover for batik producer with coloring technique by using indigo as the main natural ingredient. The company was built in 2012 and is running the program through the Implementation of Marketing Public Relation to build the brand image as batik producer and to find any obstacles as well as Kanagoods efforts in solving the obstacles. The purpose of the article is to increase the efficiency of marketing activities of Kanagoods by improving the marketing program for public relations through creating a brand image of Batik Indigo. This research focuses on 7 main activities of Public Relations Marketing, consisting of Publications, Events, News, Community Involvement, Information or images, Lobbying and negotiations, and Social responsibility. The theory used in the result of this study indicated that Kanagoods uses the concept of Marketing Public Relations from Thomas L. Harris namely PENCILS that explained why Kanagoods used the 7 tools to improve the image. Based on the result, it can be concluded that the most suitable activity to use was Events. However, the overall conclusion is that every strategy used by Kanagoods to build their brand image consider as quite effective, related to the public target, and obtain the expected result.

Keywords: Kanagoods, marketing public relations, brand image.
JEL Classification: D29, M31, L 67.

INTRODUCTION

Etymologically, Batik comes from the javanese language "amba" which means wide and large fabric. And "titik" that means doing works by making dots pattern developed into the new term of batik, which means "connecting dots"and becomes a certain pattern in wide and large fabric (Wulandari, 2011). Based on the definition from The Minister of Manpower through the standard of National work competence number 314/2013 who explained that batik is a dyeing technique art of textile which in the process of making uses wax as a resistor and use canting or stamp to stick the color (Mulyanto, 2016).

Nowadays, batik has been transformed as home decoration and fashion trend, a handcraft that is able to touch various levels of society, every ages and livelihoods of both domestic or foreign people. In October 2017 the export value of batik and various batik products continued to increase and reach US $ 51.15 million, which originally US $ 39.4 million in January 2017. With the main marketing targets Japan, US and Europe. (Kementerian Perindustrian Republik Indonesia, 2018)

Currently the creative industry in Indonesia is growing rapidly, from culinary, IT, art and fashion. In this modern era, fashion is one of the biggest contributors to the country's exchange rates. Since 2012-2017, the industrial minister has facilitated 462 exhibition stands for the national fashion industry to promote their superior products. (Kementerian Perindustrian Republik Indonesia, 2018).

Batik as original cultural heritage of Indonesia is often considered as an old trend and does not reflect the contemporary development. This makes batik less attractive to young people or millennials. Therefore, currently various local Indonesian products are trying to make changes of Batik market targets.

Kanagoods is an original Indonesian brand that carries the concept of natural materials with indigo plants as natural colour. By using indigo leaves and contemporary batik crafts for men and women that are suitable for all generations, the founder established Kanagoods Company.

LITERATURE REVIEW

Batik making by natural coloring technique can be used indigo leaves (Indigofera tinctoria), indigo color or tarum. Indigofera tinctoria is a plant that produces natural blue color. The use of clothing dyes mainly carried out in the manufacture of batik or traditional tied weaving technique from archipelago (Muzzazinah, Chikmawati, Rifai and Ariyanti, 2014)

The product quality consider as premium for its target market where this brand does not have any offline store and only relies on Marketing public relations as a media for conveying the message of this product. Examples of Marketing Public Relations that currently used are participating in local Indonesian brand exhibitions, conducting collaboration with digital marketing, and doing sponsorship to introduce their products. Kanagoods Batik includes 5 Sustainable Indonesian Fashion Brands That You Can Wear and Save the Earth with as one of brand slow-fashion with environment friendly (Levina, 2016).

The concept of MPR (Marketing Public Relations) comes from Kotler who set the concept of Mega Marketing as the collaboration of Public Relation strength and Marketing, after that there is a new term called Marketing Public Relations which was introduced by Thomas L. Harris. In his book The Markerter's Guide to Public Relations he stated that MPR is the planning process and program evaluation that stimulates the outcomes of sales and customers. This was done through the communication of credible information and impressions that can connect the company, its products with customers' need and concern. (Ruslan, Rosady, SH, 2014).

According to Harris the main reason of MPR aims to increase awareness, stimulate sales, and facilitate communication to build relation among customers, companies and brands. This research limits MPR analysis of Kanagoods only on the efforts to stimulate and facilitate communication and build its image as batik indigo producer (Harris, 2006).

Based on the definition above, MPR have an important role in building the brand image. This research tried to examine the role of MPR in building the brand image of Kanagoods batik indigo, which creates a positive image of customer. Therefore, the customer can be a loyal customer of the product. This research tried to find out the implementation of MPR of Kanagoods program to build the brand image as a slow-fashion batik indigo producer in 2018. Thus, the purpose of this study was to determine and analyse the implementation of MPR in building brand image as 2018 slow-fashion indigo batik producer.

PAPER OBJECTIVE

The purpose of the article is to increase the efficiency of marketing activities of Kanagoods by improving the marketing program for public relations through creating a brand image of Batik Indigo.

METHODOLOGY

This research used qualitative research method. Qualitative data analysis is inductive, which means an analysis based on the obtained data, then developed into a hypothesis. This research was done by organizing data, arranging them into patterns and choosing which ones are important to learn (Sugiyono, 2016). As what was stated by Ardianto (2009) Communication in positivism paradigm is a linear process or causal process that can reflect the sender's efforts to change the knowledge of recipient's message. The informant chosen to provide information consists of four people, which includes two people from internal part, and the other two from external parties as consumers of Kanagoods.

In this research, Data collection was done by two steps: the secondary data and the primary data. The secondary data was taken from internet and other secondary media. And the primary data was taken from information collection such as participation in regulations, direct observation, in-depth interviews and documentation review.

This Research was done during September 2018 to January 2019, the exact time to collect the complete and accurate data. This research was conducted at the Kanagoods workshop in Pamulang, South Tangerang.

The Analysis of the Kanagoods Marketing Public Relations

In order to achieve the objectives of the company, there are seven main activities for MPR's publication activities (Harris, 2006). The activities consist as Event organizing, News, Community Involvement, Inform on Image, Lobbying and Negotiation, Social Responsibility.

The Following results of the research will be described one by one according to the information provided by Kanagoods, related to MPR activities. This analysis begins with the profile of interviewees, and then an analysis of each element can be seen as follows.

Publicity

According to Harris (inside Ardianto, 2009) Publication means to organize publications and disseminate information through the media regarding various activities of the company that should be known by public. Therefore, publicity can get a broad positive response from society.

From the very beginning of the Kanagoods establishment, this company used more social media during publicity activities and also public communication; they tend to use social media such as Instagram, Facebook or by online website. Magazine, television and workshop as media approach to introduce the brand image.

This was confirmed by the opinion of Sancaya Rini, who said that the influence of social media depends on the public reaction. It is important to manage and update the content of social media. Apart from getting publicity it is also necessary to obtain positive feedback from society. As the owner, Sancaya Rini communicates with public and makes changes in goals to be achieved, which involve Kanagoods to be well known.

The effective of social media promotion can be proven by the increasing number of followers on Kanagoods social media. This number also increases whenever Kanagoods uploads new photos or videos on Instagram. As Kanagoods attend an event, the number of followers will increase as well.

The production activities of Kanagoods are based on the publicity and attract the consumers' interest displayed in Kanagoods social media. Media concept is a tool and facility of communicators to convey their messages to public (Cangara, 2002).

From the explanation above, researcher make the temporary conclusions regarding by the implementation of Kanagoods MPR, Kanagoods only active doing publicity by social media, because it is related with its target public media. Based on the informed content of publicity activities by Kanagoods, the brand can be easily accepted by consumers, and the frequency of 2018 Kanagoods Publicity is not as massive as the previous years.

According to the analyzed publicities, social media should frequently update Kanagoods activities. In the opinion of Matt Smith, the owner of Lattergamme, the accurate time to update their activities was 2AM to 5PM, because this range hour is the best time to post Instagram and many public targets are active at this period, therefore it will be better if the owner regularly uploads new content during the determined hour.

As a result consumers who become informant are attracted by the activities of publicity. However, according to interviews, for several reasons, there are consumers who are less aware regarding the publicity activities because of inappropriate media use.

Event

For event promotion, Kanagoods often participates in local brand events organized by well-known Indonesian brands such as Bekraf, Inacraft, Popup, Brightspot, etc. As it is explained by Cangara (2009) in his book, Media is a tool or facility used to convey messages from communicators to public, and the type of media used is public media because it is intended for public around the city which organizes an event.

Kanagoods uses event to implement Marketing Public Relation activities, in this case the types of events used are exhibitions, workshops, and talk shows. Besides sharing the knowledge, this kind of event is also used to introduce the brand to public.

According to Ms. Sancaya Rini, the exhibition is one of the events to promote the products, and she stated that: "Exhibition, is one of promotional activities, such as Bright spot, Pop up market, Ina craft, local market" (S.Rini, private communication, April 02 2019)

Alonside with exhibition the MPR activities used by Kanagoods also include workshops and collaboration with marketplace industry. The purposes of Kanagoods' attending an event and exhibition is to introduce the product in wider area to be more well-known. According to the opinion of the owner this will affect the brand image.

Participating in various exhibition events has yielded many results including getting Kanagoods more familiar within the target public. It also achieves other purposes, such as maintaining good relations between Kanagoods' owners and staff on the one hand and public on the other. It also becomes an educational program to other small related industries.

The explanation above indicates that the implementation of MPR Kanagoods' event is effective to promote it with the correct public target and marketing target. Kanagoods only participates in an event, the segmentation of which is appropriate to their public target. It can be proven that MPR event activities can achieve the expected sales target by the company.

News

As Kanagoods often attends the exhibition, media become interested in covering Kanagoods in their workshops to discuss more about batik indigo, how to make it, as well as advantages and disadvantages of its products.

That is also a positive point for public promotion of the Kanagoods’ image as a batik indigo producer because they can see the product-making process through media coverage and recognize the brand regarding Kanagoods’ environmental friendly products.

Keller stated that a brand has to own a unique and good image to consumer. Based on the opinion of Kanagoods, the news approach was not as big as in previous years. In her statement, Sancaya Rini added that any news regarding Kanagoods was not followed up (Kotler and Keller, 2012).

Based on the explanation above, News as the implementation of Kanagoods Marketing Public Relation includes an accurate promotion method because the message can be conveyed properly through media with the expected result of Kanagoods. However, the media chosen by Kanagoods is large mainstream media, mainly social media. Thus Kanagoods does not follow up on news about the company and there is no percentage of media cover on Kanagoods.

Community Involvement

To maintain good relations with stakeholders, Kanagoods is divided into two parts - external and internal. The first part is external, for the sake of business continuity it is better to establish relationships with stakeholders, the strength of brand associations provides information and establishes relationships that can be remembered by consumers or stakeholders. Thus, it can be a factor in building a brand image (Eka Saputri and Ratna Pranata, 2014).

In this case Kanagoods maintains its good relationship not only for consumer side but also for the entire aspects or supported parties, including maintaining the communication with the employees because they hold the prosperity of the company. Thus, the response and communication from stakeholders, both internal and external remains good.

Kanagoods involves internal and external stakeholders through social media of the MPR activities. However Kanagoods did not make continuous progress with their consumers about the products by introducing the batik indigo community, therefore it will help to build good relationship.

Inform or Image

Coloring fabrics by natural materials such as indigo leaves and other plants are materials that are not commonly used in fashion industry. By the strength of brand association, the input information on consumers’ memory can be done and becomes a brand image which can create strong association of consumers (Eka Saputri and Ratna Pranata, 2014)

To spread the information about Kanagoods’ products, there are activities carried out by the company in order to convey information to the public. In public relations activities it must have benefits on conveying information. Kanagoods has certain indicators to measure the success of public relations activities. In carrying out MPR activities, Kanagoods carries out certain strategies, these strategies can be different themes for each season of the products they have, and therefore, the consumer or their target is aware whenever they launch a new product.

In MPR’s activities carried out by Kanagoods, it has the goal to achieve an expected plan of the company. As Sancaya Rini stated the success indicator of MPR's activities is not only in form of the number of followers but also how consumers appreciate the concept of products. And that is an important point of MPR (Marketing Public Relations) to strengthen the point of marketing itself, and not to sideline MPR (Gani and Amalia, 2014).

Based on the explanation above, it can be concluded that image as the implementation of MPR was implemented effectively, because the information is well-conveyed and brand image can be well known to public. It really influences Public Relation activities carried out by Kanagoods as far as brand awareness is concerned. However, the obstacle due to the lack of human resources in the field of Public Relations causes the sales decrease in comparison with the previous ones. The public image of Kanagoods is considered as good, because the product has strong branding.

The success indicator on Kanagoods social media is measured by the increase of followers of Kanagoods social media. Another indicator is aftersales from consumers who repurchase the products of Kanagoods, and also consumers who are loyal to the Kanagoods brand. Kanagoods mostly uses events on its MPR strategy, with the aim to introduce the latest products or themes in order to make the brand known by the public.

Public Relation Kanagoods activities have obstacles, such as public targets or sales targets that are not achieved as it is expected by the plan. Kanagoods also carried out a strategy to fix the obstacles. The strategy used by Kanagoods to build the better brand image included reviewing all the strategies previously applied to improve its future strategies.

Lobbying and Negotiating

In order to maintain the company there must be many supporting factors to keep the business working. In this case there is a factor that supports the production activities of Kanagoods Company, such as institutions that influence the life of the company. Another institution that has influence on Kanagoods is Bekraf. Bekraf is a government agency and a forum for Kanagoods to introduce its products abroad and it also expands the public market.

Another point is that Kanagoods also maintains a good relationship by interacting with their consumers and more active using social media because through social media, consumers can easily update the products and their testimonials or responses to the products from comments column.

Based on the explanation above, Lobbying and Negotiation is an implementation of MPR by Kanagoods to keep good relationship with big industries which will affect the company through either production activities or event organizing to introduce the product. Kanagoods does not have a specific strategy to maintain good relations with institutions that influence the company. By inviting Kanagoods to every event held by related institutions, it can be a measure of Kanagoods success to maintain good relations.

Social Responsibility

In public relations activities, demonstrating the concern for the surrounding, Kanagoods also shows its concern by holding social activities in its production house. Furthermore, social activities are involving people both around the production house and in the rural place.

Kanagoods conducts social responsibility activities by educating public about batik indigo, they hold the workshop without any charge, reminding that Kanagoods originates from workshop within the people around. Kanagoods expected to gain empathy from people around and that proves that Kanagoods does not only think about profit but also cares for society.

On the implementation of social responsibility, Kanagoods has various public targets. The implemented activities can be workshops on dyeing batik cloth by natural materials; this activity was carried out by Sancaya Rini as the owner of Kanagoods to control rural areas such as the Toba.

Based on the explanation above, the publicity of the MPR Kanagoods' social responsibility consists in the activity of introducing indigo batik to society. The public is aware of these workshop activities and is also interested in knowing more about workshop activities, however there are also consumers who are not aware of these activities.

Workshop of social responsibility activity is mainly targeted at young people who want to learn more about indigo coloring techniques. On implementating these activities, Kanagood does not set any schedule. The concept of this activity is sharing knowledge regarding the product and the technique of indigo coloring.

RESULTS AND DISCUSSION

The Implementation of Marketing Public Relation in Kanagoods

Publications of the Kanagood activities can be found in various media - from traditional to online. The disadvantage of using traditional media in publicity is due to its passive character, including the problem of inappropriate media use for the target public. On the other hand, the advantage of such active media user as social media is its addressing to the target public.

Kanagoods content of publicity has been accepted by consumers. It is also known that in 2018 the frequency of Kanagoods Publicity is not as massive as in the previous years. As stated by Keller, Publicity activities considered as an effective promotion because it includes necessary MPR factors. Nowadays consumer's attention and interest of advertisement is starting to be decreased, the messages in advertisements tend to be excessive and boring and difficult to gain attention from consumers (Kotler and Keller, 2012).

Event, Kanagoods is really active on conducting exhibition and workshops by collaboration with marketplace industry. The selection of events to support the Kanagoods MPR activities was chosen based on its public targets. In organizing activities of an event, the program segmentation relates to their public target. Based on the findings, it shows that MPR event activities can achieve the sales target.

During the implementation of an event, Kanagoods used media during the exhibition by updating and spreading information by social media. This activity is considered effective to increase people's awareness and the number of followers (Wahid and Rizki, 2018), where it may affect the product brand image.

News issues and values that Kanagoods wants to convey through the news and media can be well received and meet the expectations of Kanagoods. This research found out that, the selection of media used by Kanagoods was big media, mainstream media that not all of the target public used. In scope of media presentation, Kanagoods did not follow up the news regarding the company, and there is no media presentation about Kanagoods.

Kanagoods used media as their facilitators to convey the message to public with an expectation that the news spread within the wider audience. As it was implied by Cangara to promote the media for public in every location, there were used social media to convey the message from informant by such mechanical communication tools as newspaper, film, radio, and television (Cangara, 2002).

Kanagoods Community Involvement engages its internal and external stakeholders through social contacts in the MPR's activities. Kanagoods did not obtain the continuous communication with consumers to introduce Batik Indigo

Because of the fact that Kanagoods regularly conducts social contact, its relation with stakeholders is quite good. ***Information and Images*** of events are used as a tool to convey information and images about their products to consumers and this can help to do it properly.

Public Relations really influence the brand awareness of Kanagoods. This brand awareness will help to introduce the brand and product. However, due to the lack of Public Relations human resources at Kanagoods, product sales are not as high as before.

Consumers state that the image of Kanagoods is good, because they have strong branding. However, as far as aftersales are concerned Kanagoods does not involve continuous relation with their old customer.

According to Kanagoods, its success indicator in social media is measured by the increase of social media followers and other indicators are aftersales from consumers. They repurchase Kanagoods products and there are several consumers who are loyal to Kanagoods. Kanagoods tend to obtain an event as MPR's strategy, with a purpose to introduce its latest product to massive public.

The Kanagoods Public Relation activities have an obstacle which includes the public target and planned sales target. The Strategy used by Kanagoods to establish the brand image consists in reviewing the entire strategy previously applied to improve further strategy.

This is one of the MPR roles to foster and maintain the company's images, products and services, both in terms of quantity and quality of services provided to consumers as well as to provide the clear information to public. Therefore it will inform the public regarding brand image (Ardianto, 2009)

Lobbying & Negotiations can help Kanagoods to maintain good relations with the institutions that influence the company, due to production activities or from event organizing to introduce the brand. Kanagoods does not have specific strategy to maintain good relations with institutions that influence the company, it relies on friendly relation to maintain their good relation. By inviting Kanagoods at every event held by related institutions, it can measure the Kanagoods success level to maintain their good relations with other parties.

Kanagoods's CSR activity is aimed at introducing and educating people concerning coloring technique by natural indigo coloring tools. Due to the activities consumers are attracted to know more about CSR (workshop) events, but there are also customers who are not aware about those activities. The target of the CSR activity is more targeted on young people who want to learn about indigo coloring techniques. Kanagoods often hold these activities for batik small industries as well.

Based on the explanation above, it is obvious that the MPR's strategy carried out by Kanagoods is a *push* because Kanagoods does not carry out promotions in *event* activities and does not use community empowerment events.

The overall analysis of this research can be stated that, there are seven strategies used by Kanagoods on Marketing Public Relation as below:

a. Improve customer awareness regarding the product.

b. Build the trust of brand image, the offered product and its advantages.

c. Strong commitment to improve the customer services on complaint handling for customer satisfaction.

d. Promote the new and latest update of product and make a proper plan regarding the position of old product.

e. Continue to communicate by *PR (House PR Journal)* about the activities or related program, social activities in order to maintain positive publicity.

f. Maintain the company brand image, both from quantity and quality toward the customers.

CONCLUSION

The implementation related to the seven MPR's activities. The results of the analysis show that the strategy used is *push* with the aim of stimulating sales and facilitating communication with customers. And those strategies are quite effective to build their brand image.

After analyzing seven Marketing Public Relation strategies, it was found that the weakest strategy was *Community Involvement*, because Kanagoods should not only maintain relationships with stakelhoders but also ongoing relationship with public to inform the product. In publicity aspect, the media selection of Kanagoods is not optimal yet because they often used traditional media publication and only depend on bigger media industries. Therefore based on the information there are messages that do not achieve yet the right public consumer. Besides, the website of Kanagoods is not effective to update and improve their product. Kanagoods social media are only active when there is an exhibition. Kanagoods social media should update the activities of the company to make it more familiar to public.

Based on the seven MPR's strategies above, the researcher found that the most suitable activity to use was Events. However, the overall conclusion is that every strategy used by

Kanagoods to build their brand image is considered quite effective, related to the public target, and obtaining the expected result. This can be proved in the interviews by the informants' statements in which they agree that the products produced by Kanagoods have strong branding, good quality and a unique design from similar products. Therefore Kanagoods has a good image according to its consumers.

SUGGESTION

This research can be based on using qualitative or quantitative method, or their combination. In addition, there is hope that the next researchers can use more relevant theories or concepts such as the concept of Green Market or Green Businessю Therefore the results of the research may be developed and become more useful for future research.

This research was done with the expectation to contribute to environment and related parties. By conducting more discipline of Marketing Public Relation Program, Kanagoods can reduce the advertisement cost in electronic media or offline media and the goal to build the brand image as batik indigo producer will still be achieved.

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РЕАЛІЗАЦІЯ МАРКЕТИНГОВОЇ ПРОГРАМИ ПО ЗВ'ЯЗКАХ З ГРОМАДСЬКІСТЮ KANAGOODS В СТВОРЕННІ ІМІДЖУ БРЕНДУ КОМПАНІЇ BATIK INDIGO

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Kanagoods – першопроходець в виробництві батику в техніці забарвлення з використанням індиго в якості основного натурального інгредієнта. Компанія була створена в 2012 році і реалізує програму через впровадження маркетингових зв'язків з громадськістю, щоб створити імідж бренду як виробника батика і дослідити будь-які перешкоди, а також зусилля Kanagoods по їх усуненню. Це дослідження фокусується на 7 основних напрямках маркетингу зі зв'язків з громадськістю, включаючи публікації, події, новини, участь спільноти, інформацію або зображення, лобіювання, переговори і соціальну відповідальність. Теорія, використана в результаті цього дослідження, показала, що Kanagoods використовує концепцію маркетингових зв'язків з громадськістю Томаса Л. Харріса, а саме PENCILS, яка пояснює, чому Kanagoods використовував 7 інструментів для поліпшення іміджу. Грунтуючись на результаті, можна зробити висновок, що найбільш дієвим інструментом для використання були Events. Однак загальний висновок полягає в тому, що кожна стратегія, яка використовується Kanagoods для створення іміджу свого бренду, вважається досить ефективною, пов'язаною з публічною метою і отриманням очікуваного результату.

Ключові слова: Kanagoods, маркетингові зв'язку з громадськістю, імідж бренду

РЕАЛИЗАЦИЯ МАРКЕТИНГОВОЙ ПРОГРАММЫ ПО СВЯЗЯМ С ОБЩЕСТВЕННОСТЬЮ KANAGOODS В СОЗДАНИИ ИМИДЖА БРЕНДА КОМПАНИИ BATIK INDIGO

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Kanagoods – первопроходец в производстве батика в технике окраски с использованием индиго в качестве основного натурального ингредиента. Компания была создана в 2012 году и реализует программу через внедрение маркетинговых связей с общественностью, чтобы создать имидж бренда как производителя батика и исследовать любые препятствия, а также усилия Kanagoods по их устранению. Это исследование фокусируется на 7 основных направлениях маркетинга по связям с общественностью, включая публикации, события, новости, участие сообщества, информацию или изображения, лоббирование, переговоры и социальную ответственность. Теория, использованная в результате этого исследования, показала, что Kanagoods использует концепцию маркетинговых связей с общественностью Томаса Л. Харриса, а именно PENCILS, которая объясняет, почему Kanagoods использовал 7 инструментов для улучшения имиджа. Основываясь на результате, можно сделать вывод, что наиболее подходящим инструментом для использования были Events. Однако общий вывод заключается в том, что каждая стратегия, используемая Kanagoods для создания имиджа своего бренда, считается достаточно эффективной, связанной с публичной целью и получения ожидаемого результата.

Ключевые слова: Kanagoods, маркетинговые связи с общественностью, имидж бренда.

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ANALYSING THE DIFFERENT ENTREPRENEURSHIP EDUCATION INITIATIVES FOR THE DEVELOPMENT OF A CONDUCIVE AND MOTIVATING ENTREPRENEURIAL ECOSYSTEM IN MAURITIUS

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Abstract. Mauritius ambitions to be a high-income economy and therefore seeks to develop an entrepreneurial culture by furthering entrepreneurship knowledge in its education system. The government is keen in encouraging youths to develop an entrepreneurial mindset through significant reforms in both secondary and tertiary education. The setting of the African Leadership University in Mauritius tries to fill the knowledge gap in leadership skills necessary for the development of entrepreneurship education. The African Leadership University is also using different pedagogies of education to create the right skills set for students so that they can embrace leadership and entrepreneurial roles in future. The current research uses a qualitative approach using multi-case methods and content analysis to analyse the initiatives for empowering potential youth entrepreneurs in secondary and tertiary education in the Mauritian context. The purpose of the research is therefore to analyse the different entrepreneurship education initiatives being undertaken to promote the right entrepreneurial culture both at secondary and tertiary level of education. The government has made Business and Entrepreneurship Education compulsory from Grade 7 till Grade 9 in secondary schools. The research findings show that students in secondary school are motivated to develop entrepreneurial knowledge and the subject highly meaningful. Conversely, there is lack of entrepreneurship courses at tertiary level especially in public universities. The African Leadership University is using the flipped classroom teaching pedagogy for promoting entrepreneurship with their students. Besides, NGOs such as YUVA are also supporting youths and entrepreneurs to upgrade their business knowledge. It is worth noting that SMEs already represented 40% of the GDP of our economy in the year 2017.

Keywords: entrepreneurship education, unemployment, economic development, educational model, SMEs.
JEL Classification: A20, M13.

INTRODUCTION

Mauritius has an unemployment rate of around 7% for the last five years (Statistics Mauritius, 2019). The government has provided various incentives for the development of Small and Medium enterprises to boost up the overall economic growth. However, there are high failure rates for SMEs in the Mauritian context which can be partially attributed to the lack of proper entrepreneurship skills (Ministry of Business, 2013). There is also a fear of business failure and lack of entrepreneurial culture amongst youths (Séraphin et al., 2013) and the high uncertainty in the business environment which are discouraging them to embark on new entrepreneurial ventures. Mauritius has witnessed a slight increase in women entrepreneurship but reports suggest that they face enormous pressures to have access to finance and in many cases they lack entrepreneurship education (Le Defi, 2018). It is therefore important to analyse the entrepreneurship education ecosystem in Mauritius based on the different initiatives being taken in secondary schools to promote the right entrepreneurial culture. The research study hence simply seeks to synthesise the different initiatives based on existing policy decisions by the government and universities in Mauritius. The government has also recently launched the National Innovation Framework to develop a set of policies and processes for product, process and system innovation in a highly buoyant business environment.

Table 1 provides some key statistics that may help to understand the current enterprise ecosystem in Mauritius. The statistics and data show that SMEs in Mauritius is facing dire difficulties to develop their business.

Table 1

Statistics of Entrepreneurship in Mauritius

Statistics	Figures	Comment
SMEs Contribution to GDP	40%	The government aims is to increase it to 55% in five years
Number of SMEs	125,000	47% are at subsistence level with less than 5 employees with a turnover of less than MUR 2M.
Objectives of Masterplan (Relevant to Entrepreneurship Education)	Objective 3 and 4 (Masterplan) ❖ Upgrade skills and job opportunities by supporting SMEs to address skill mismatch and upgrade human capital to respond to new market demands. ❖ Improve design and value addition by supporting SMEs in research and development, innovation and brand identity to move into niche markets.	Hence, these objectives show a strong link with the need for entrepreneurship education to achieve the objective of making Mauritius a high-income economy

Source: Ministry of Business, 10 Year Masterplan for SMEs (2013)

Besides, there is a lack of contextualised literature review and research related to entrepreneurship education in the Mauritian context. It has been reported in various studies that entrepreneurs lack technical, marketing and leadership skills especially for the development of SMEs (Padachi, 2014). It has also been advocated that one of the causes of unemployment is the lack of intrapreneurship and soft skills by university graduates as the education system is highly academic (Roopchund, 2019). The lack of experience and internship possibilities for graduates is another problem that needs to be tackled. The research uses existing data and the case studies of different universities and entrepreneurship courses for analysing some of the strengths and weaknesses of the current educational entrepreneurship ecosystem.

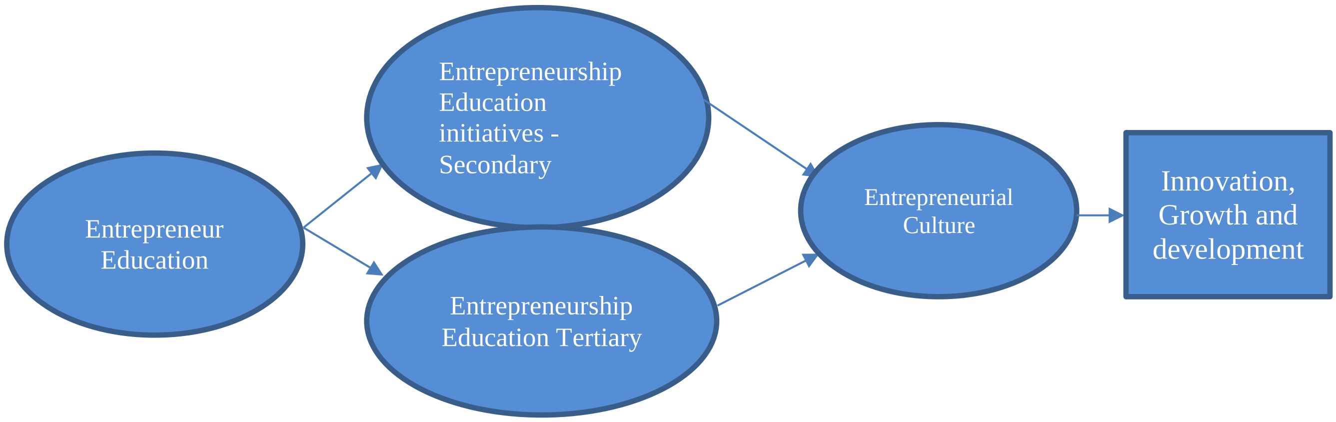

Figure 1. Conceptual Framework of Study

Source: Author (Own)

LITERATURE REVIEW

Entrepreneurship education has seen a steady increase in attention over the past two decades (Garcia-Rodriguez et al. 2017). This can be evidenced by the increasing research and publications in this field as well as the surge in Entrepreneurship courses globally as well as in the Mauritian context. There is also an increasing need for Faculty members in the field of Entrepreneurship (Henry and McGowan, 2016). In the Mauritian context, many entrepreneurship courses have been designed to cater to the need for more entrepreneurs and intrapreneurs.

Celuch et al. (2017) are of the view that entrepreneurship is a key Module of many business and management programmes. However, it is important to note that entrepreneurship is an interdisciplinary field as we have entrepreneurs in different fields requiring a different skill set. In the past years, entrepreneurial education has been growing very quickly. The whole vision of entrepreneurship education started in the early 1970s.

Globally, it has found that there is a significant increase in entrepreneurship education in many countries such as UK, Spain, Iran, Malaysia and Pakistan (Levie, 1999; Koch,2002; Arasti et al.,2012; Hamzah et al., 2016). It has generally been observed that in colleges and universities entrepreneurship as a subject has become fastest-growing. Nobody can deny the importance of entrepreneurship courses, programs, and activities that is why such courses are not only offered in schools of business but are also well-liked by engineering, social science, and arts students (Sun et al., 2017).

Entrepreneurial education helps to shape the entrepreneurial attitudes and intentions as well as various other skills in line with the overall economic development of the country. Pham (2018) strongly believes that entrepreneurship education leads to a higher level of entrepreneurial engagement.

The Entrepreneurial Educational Model

The Young Entrepreneurship- Development in Action (YEDAC) helps to integrate entrepreneurial education in the school curriculum. This model is part of the action plan of the European Commission Entrepreneurship Action Plan for 2020 (YEDAC, 2019). Some of the entrepreneurial competencies which are promoted are the ability to take initiatives, communicate ideas in different settings, market and realise business ideas. It is believed that entrepreneurial education also helps in improving the overall academic performance of students.

The Entrepreneurial didactic model

There are some prerequisites for an entrepreneurial educational model namely the learning competencies, learning culture, learning environment and learning activities which create the overall entrepreneurial competencies required (Blenker et al., 2006). The four components are briefly described below:

- Learning competencies: The goal is that the students develop entrepreneurial competences. Competences in this context include the ability to use knowledge, skills and hold positions in certain situations in a qualified way.

- The learning culture is ideally characterised by the partnership- and team-based learning.

- Learning environment: The learning environment consists of workshops, involvement of different types of knowledge and the involvement of the surrounding environment, which results in project-based working, where also the virtual space is part of the learning environment.

- Learning activities: Learning activities take place in the above-described learning culture and learning environment. Learning activities consist of a. o. generating new ideas, defining and planning projects, finding information, collaborate with external partners on development, experiment with different solutions and reflect on process and progress.

Leitch and Harisson (1999) are more in favour of a process-oriented model for entrepreneurship education which is seen more of a partnership between the different actors in a business environment. This partnership emphasises the impact of intra-group and inter-organisational learning on both the participants and on the context of their organisations.

Entrepreneurship Education and Influence on Students Motivation

Research with 269 student entrepreneurs showed interesting results which helped to build up the entrepreneurial culture. The research findings showed that (1) there is a positive relationship between entrepreneurship education and innovation (2) political skills and entrepreneurial opportunity play a mediating role between entrepreneurship education and innovation and also, in general, it helps build important skills for the entrepreneurs (Wei, Liu, and Sha, 2019). Fox and Pennington (2009) are of the view that entrepreneurship education has a positive effect on economic development that creates more employment opportunities and revenues for an economy. European Commission, elucidates entrepreneurship education as a dynamic process because it involves a change in perception. Entrepreneurship is a socio-cultural and economic way in which people as individuals or in harmony recognizes various avenues for innovation as discussed earlier and materializes the ideas into reality through focused tasks (Papagiannis, 2018).

The link between Entrepreneurial Education and Entrepreneurial Competencies

Garcia-Rodriguez et al. (2017) suggest that a person’s attitude toward entrepreneurship and skills could be directly influenced by his or her entrepreneurial education. It is a general understanding that entrepreneurial education is as much about developing general creative and enterprising skills to enhance business performance. The literature reveals that entrepreneurial education developed the entrepreneurial competencies (skills) to successfully do the business and help build their confidence in being able to perform entrepreneurial activities (Engle et al., 2010).

Entrepreneurship Education in the Mauritian Context

There is a paucity in academic literature and rigorous research related to entrepreneurship education in the Mauritian context. This seems quite contradictory given that SMEs contribute to 40% of the overall GDP (Statistics Mauritius, 2019). There are four public universities and almost 60 registered private institutions providing post-secondary courses in Mauritius. For the current study, focus will be more on the public universities and the major private universities such as African Leadership University and Middlesex.

The creation of the African Leadership University seeks to bridge the skills gap in the field of entrepreneurship. The Vision statement of ALU created in 2015 already shows that it seeks to focus on the development of entrepreneurial education (ALU Webpage):

" ALU's Leadership Core program and the first year of real work experience will prepare you for our unique approach to individualized learning. We build the skills that you, as a young leader and entrepreneur will need for the future. Harness the characteristics essential for creating a mission-based life of impact and purpose. All ALU students develop 21st-century skills and network that will remain relevant amidst rapid global change."

Hence analysing the overall mission, it is clear that ALU focuses on the creation of leadership skills targeting youngsters for developing potential entrepreneurs. The educational approach and pedagogy used will be discussed in the analysis and discussion.

The Honourable Minister of Education of Mauritius (2016) was very much determined to prepare the youth to take an entrepreneurial role. She was of the view that entrepreneurship is a key driver of economic growth and development as explained earlier in the literature. She believed that entrepreneurship education also helps "inculcate such soft skills as creativity, initiative-taking and the taking of calculated risks, working in teams, leadership, and decision-making, she stated. At a time when Small and Medium Enterprises are coming to play a major role in our economy, launching personal businesses certainly appears as one of the right directions to take, the Minister added". The Mauritian government is also providing training to the existing educators so that they are pedagogically trained to teach the module to the students. Gooriah (2013) highlights that the main challenge for Mauritius is to mass educate and train students in entrepreneurship in a cost-effective and sustainable approach. It is also important to change the mindset as many youngsters are risk -averse and prefer secured government jobs. She proposed the simulation game as a pedagogical tool to improve the entrepreneurial mindset.

NGO's Involvement in Entrepreneurship Education

YUVA (Youth in Voluntary Action) organises an annual leadership and entrepreneurship seminar to empower youths to come out of the poverty trap. The YUVA annual leadership and entrepreneurship summit is a platform for developing future leaders by improving their managerial and leadership skills (YUVA, 2019). The NGO calls upon local and international leaders to share their experiences for entrepreneurial development.

The Turbine is another great initiative towards the entrepreneurial culture in Mauritius. The Turbine is a co-working space and start-up incubator and accelerator based in Mauritius (Turbine, 2019). The company provides potential entrepreneurs with space and support they need to build successful, profitable businesses based on a sustainable model. The organisation is targeting incubators both locally and in the region which seeks to develop into profitable ventures into the future.

PAPER OBJECTIVE

The current study makes a significant contribution for enhancing the existing knowledge of entrepreneurship education in the Mauritian context. The Mauritian government is putting a lot of efforts to develop the right entrepreneurial culture in Mauritius by designing courses and curriculum in the field of entrepreneurship both at secondary and tertiary level of education. The current research therefore aims to:

(a) Develop a better understanding of the entrepreneurship education in the Mauritian context

(b) Analyse the strengths and weaknesses of the current educational initiatives

(c) Evaluate the pedagogical tools being used in entrepreneurship education

(d) Develop some recommendations for policy development

METHODOLOGY

The current research is a qualitative insight on understanding the different initiatives to inculcate entrepreneurship education in the Mauritian context. There are three main research questions for the current study (1) Why is entrepreneurship education important in the Mauritian context? (2) Understand the different initiatives to promote entrepreneurship education in Mauritius and (3) analyse the current pedagogical tools and approaches in the local context (4) Evaluate any potential limitations and loopholes in the educational entrepreneurship approaches used based on benchmarking. The research philosophy used is that of interpretivism based on interviews and observations and content analysis. It may also entail the use of existing secondary data for contextualising the research findings. The ontological perspective adopted is that entrepreneurial education may help in the overall economic development of the country.

Choice of Case Studies

The government has decided to promote entrepreneurship education both at secondary and tertiary education. At the secondary level, all educational institutions have the same curriculum and materials and therefore a broader discussion based on existing literature and student perception will be done. At the tertiary level, there are four public universities and many registered institutions providing post-secondary courses. Hence, the analysis will entail analysing the courses and entrepreneurship initiatives being undertaken in the public universities and a few major private universities such as Middlesex, Charles Telfair Institute and the African Leadership University. It is important to state that the current study being exploratory in nature will simply analyse the entrepreneurship initiatives in terms of courses and capacity building at the national level.

Research Approach

In the first instance, an analysis of the compulsory Business and Entrepreneurship module will be done through content analysis. The existing documents and a structured questionnaire with students are used to get a more in-depth understanding of the different entrepreneurial initiatives by educational institutions to promote an entrepreneurial culture. Besides, existing interviews in newspapers will be analysed for a more in-depth understanding of the relevance and challenges of entrepreneurship education. With regards to tertiary education, existing interviews and information available on the websites of the Mauritian tertiary institutions will be used to understand how higher education institutions are filling the institutional void in terms of leadership and entrepreneurship as explained earlier in the literature review.

RESULTS AND DISCUSSION

Case Study 1: Introduction of Business Entrepreneurship Education in Secondary Schools

From January 2014, the Business and Entrepreneurship education has become mandatory in all schools [Grade 7 till Grade 9]. At the Ordinary- Level (after Grade 9), entrepreneurship education is optional. The Entrepreneurship Education will be provided with 15 hours or two periods per week. Students of prevocational courses are also covered for the business entrepreneurship. The Entrepreneurship Education, as announced in the 2012-2015 strategic plan of government for the education sector, includes both theoretical and practical knowledge to prepare young people to be responsible citizens and to change the world professional (Ministry of Education, 2019). The curriculum and materials for the courses have been designed by the Mauritius Institute of Education. The government programme for 2012-2015 encapsulates the overall vision of the government as follows:

"To inculcate an entrepreneurial culture in our youth, Government will, in consultation with all stakeholders, introduce new Entrepreneurship studies as part of the secondary school curriculum."

The main objectives (Sauba, 2018) which were formulated to promote entrepreneurial culture are:

- To provide all learners with an early understanding of the key concepts of entrepreneurship

- To enable learners to recognize business activities in their environment &

- To enable learners to identify how entrepreneurship is beneficial at individual and society levels

The Ministry of Education also wanted to promote the use of innovative pedagogies of education to achieve higher level of student engagement through collaborative work approaches and role plays amongst others.

The Rationale for Business Entrepreneurship Education

The Ministry of Education seeks to develop the entrepreneurial skills of youngsters. There is a high level of graduates' unemployment and therefore there is a need to improve employability through the creation of SMEs. However, this may also be a way to bring 'convergence between education and training to prepare them for the world of work'. It should be noted that recent trends in recruitment by multinational companies have been more skills-oriented. Google, Apple, and IBM, among others, have eliminated the need for specific degrees in job applications (Glassdoor, 2018). According to heterogeneous skills theory (Green and McIntosh, 2007), there are considerable skills variations in education for different jobs, and highly skilled workers are likely to be recruited for complex jobs. Hence, entrepreneurship education may not only be helpful for the development of new ventures but also in developing intrapreneurial skills needed in organisations. Some of the content included for the students are:

- Creating your own Business
- Law and Marketing
- Managing your own Business
- Preparing financial statements
- Health and Safety courses

Naeck et al. (2018) had the following to say about the development of cognitive skills of students in the textbook proposed for Grade 7:

‘As per the philosophy propounded by the National Curriculum Framework, the content and pedagogical approach, as well as the activities, have been crafted to allow for incremental and continuous improvement of the learners’ cognitive skills’.

The overall philosophy of the introduction of Business and Entrepreneurship Education is explained in the following statement by Naeck et al. (2018):

‘Business and Entrepreneurship Education’ (BEE) has emerged as a new subject, which is in line with the objectives of the Nine Year Continuous Education Reform 2016. The BEE curriculum lays the foundation for understanding the diverse aspect of the modern business environment while initiating learners towards a culture of entrepreneurship and developing an interest in business acumen’

However, Abbass (2014) believes that just educating businesses will not provide a strong grounding to inculcate entrepreneurial culture. Students should be exposed to real business problems and students should have the possibility to have business internships. In addition, she is of the view that workshops should be conducted by people from the industry and existing entrepreneurs to make the system more effective. She is also of the view that there is a need to adapt the pedagogical tools through the use of simulation, case studies and other techniques to muster leadership amongst youth.

Twenty students studying for Business Entrepreneurship were asked about their opinions about the module using the following statements. All the students surveyed were in Grade 7 they were all in the same class. The purpose of analysing these statements was to do a reality check on how receptive the students are to the Module. As the students are young (12-15), the name of the school and the profile of the respondents will not be reported due to ethical reasons.

Table 2

Students Perception on Entrepreneurship Education

Statements	Mean
Business entrepreneurship helps me to develop cognitive skills	3.84
The Module can help me in becoming an entrepreneur	4.2
The Module content is highly relevant and meaningful	3.5
I will like to study for Business Studies for GCSE	3
There is a need to have the practical experience to enhance business skills	4.6

Source: Survey with students

Hence, from Table 2 it is obvious that students are highly receptive to the introduction of Business Entrepreneurship Education. Students believe that the module can help improve their attributes and more important many believe that such subjects can promote the entrepreneurial culture as explained earlier in the literature review. However, students believe that the entrepreneurship education needs to be more practical oriented as suggested by Abbass(2014). Some fervent critics suggest that rather than focusing on systems and techniques, entrepreneurship education should focus on how to “inculcate the necessary attitudes, values and psychological sets” of effective entrepreneurs (Curran & Stanworth, 1989, p. 13) plus developing the needed personal attributes i.e. creativity, innovativeness, ready to accept risks, prepared to fail then start afresh, strong-mindedness (GaDeamer & Earle, 2004; Garavan & O'Cinneide, 1994a; Gibb, 2002). Hence, as explained by Naeck et al. (2018) entrepreneurship education should nurture ‘higher level’ thinking and requires greater critical thinking (Jack and Anderson, 1999). Entrepreneurship education is about developing creative skills that can be applied in a different business environments and support a higher level of innovation (Binks et al., 2006; Gundry et al., 2014). Student entrepreneurs use different levels to achieve knowledge creation through networking, the innovation process is the result of interactions among the environment, organization, and entrepreneurs (Anderson et al., 2014).

Case Study 2: Development of Entrepreneurship Education in Higher Education

Parton et al. (2014) wrote a World Bank report entitled Entrepreneurship Education and Training: Insights from Ghana, Kenya, and Mozambique suggests that entrepreneurship education may be used to reduce graduate unemployment. The report further suggests that effective entrepreneurship education may help Sub-Saharan Africa to reduce unemployment in the region. However, the most important question is whether the right pedagogical techniques are used for the promotion of entrepreneurship education. Lately, a lot of efforts have been made to promote entrepreneurship education in Mauritian higher education. This part will analyse the different Entrepreneurial courses provided by the different universities and also try to analyse the teaching and research approaches used to promote an entrepreneurial culture.

The table below provides an overview of the different Universities and the Entrepreneurship courses provided at the undergraduate level in the Mauritian Context.

Table 3

Entrepreneurship Courses in Mauritian Universities

Universities	Entrepreneurship Courses	Private/Public University	Duration of Course	Note
University of Mauritius	No Entrepreneurship Course	Public	NA	Availability of Management Courses
University of Technology Mauritius	Bsc (Hons) Entrepreneurial Management	Public	3 Years	Availability of other Management Courses
Université des Mascareignes	No	Public	NA	Availability of Management Courses
Open University of Mauritius	Bsc (Hons) Business Entrepreneurship	Public	3 Years	Availability of Management Courses
Middlesex University	No	Private	NA	Availability of Management Courses
Curtin University Mauritius	BCom Entrepreneurship BCom Entrepreneurship and Marketing	Private	3 Years 3 Years	Availability of Management Courses
Amity Mauritius	No	Private	NA	Availability of Management Courses
African Leadership University	BSc (Hons) Entrepreneurship	Private	3	Availability of Management Courses

Source : Author (own – Analysis of Multiple Websites)

From the above table, we find that out of the main Universities in Mauritius only three Universities provide entrepreneurship courses at undergraduate level. This is in direct contradiction with the overall endeavour to encourage entrepreneurship education at secondary level where it is compulsory from Grade 7 till Grade 9. An analysis of the student enrolment for the entrepreneurship courses is also not encouraging. The University of Mauritius has discontinued the Entrepreneurship course though it had some 100 student students in previous batches.

However, there is high enrolment for Management (6902) and Accounting courses (10543). Hence, this shows that students are more willing to embrace careers in Accounting and managerial jobs than to undertake entrepreneurship risks. Hence, overall there is not much interests in specialised entrepreneurship courses. However, it should be mentioned that in many Management and other courses, entrepreneurship modules are embedded to cater for the entrepreneurial vision of the country.

Understanding the Rationale for Entrepreneurship Education in Higher Education Mauritius

In this section, an analysis of the motivation to launch entrepreneurship courses will be analysed based on content analysis (Websites, curriculum documents and other relevant information available). The institution which has positioned itself as an entrepreneurial university is the African Leadership University which wants to position itself as the Harvard of Africa. Further to that, the objectives of other courses will be analysed.

African Leadership University and Entrepreneurship

The African Leadership University Entrepreneurship programme as cited on its website seeks to:

‘provides students with opportunities for self-initiative that are led by their ability to identify, understand and address local and global challenges with creative business solutions. By providing students with the practical skills required to act on ideas and opportunities, we are empowering them to apply an entrepreneurial mindset the real-world challenges they will face throughout their lives. This approach enables our students to continuously explore new ways of solving problems in a way that can effectively address the challenges facing Africa both today and tomorrow’

Hence the main objectives of developing the entrepreneurship programme based on the above narrative are (1) address the global challenges (2) provide practical skills to tap on business opportunities (3) develop new ways to solve problems (4) empower the African leaders. Hence, the African Leadership University aims to develop African leadership which may help address the African challenges. Dejardin (2000) analysed the relationship between entrepreneurship education and economic growth documented that entrepreneurial growth may have a positive influence on economic growth and development. Ahiauzi (2010) supports the same relationship between the two variables. Henderson (2007) concludes that entrepreneurship may also trigger greater level of creativity and innovation.

Open University of Mauritius and Entrepreneurship

The Open University is one of the few Public universities to provide an Entrepreneurship course at the undergraduate level. The programme is for a duration of three years and the rationale for introducing the course is:

‘The aim of this programme is to address the lack of entrepreneurship skills locally and support the creation and growth of small businesses. Small business success will lead to a better quality of life for the entrepreneurs and their families and will result in a stronger domestic and regional economy. The graduates produced can thus create start-up businesses. Moreover, the above programme will produce business leaders and entrepreneurs who are visionary, realistic and driven to develop innovative business ventures’

Hence Open University has the aim of promoting entrepreneurship and growth of SMEs and also reduce the overall rate of unemployment amongst graduates. This supports the existing literature as supported by Fox and Pennington (2009) and YEDAC (2019). Other studies by Dejardin (2000) and Ahiauzi (2007) similarly make the link between the two variables.

Challenges of Entrepreneurship Education

A study by Jonathan and Chukwudi (2019) found that graduates face a number of challenges despite the entrepreneurship efforts provided by the Nigerian government and universities. Some of the challenges are the quality of the pedagogy and the experience of the lecturers, lack of infrastructural support and sometimes poor policy decisions may impede on the overall entrepreneurial culture in a country.

Research Question 3: Pedagogical Approaches used for entrepreneurial education

As explained in the literature, there are different approaches that may be used to teach entrepreneurship education. The three approaches that have been explained are the YEDAC, didactic model and the process approach. In the Public universities, the traditional approaches to teaching namely the lecture method is more prominent. This explains to a large extent why students may not be acquiring the right skills for the development of entrepreneurship. This was advocated in the Nigerian context (Jonathan and Chukwudi, 2019). However, the African Leadership University demarcates by developing a unique teaching philosophy inspired by Harvard and Stanford University where there is the promotion of peer-to –peer learning. The Learning model has been taken from the website of the African Leadership University. The ALU uses a learning cycle which seeks to:

‘incorporate the need to discover gaps in the knowledge and skills set, encourage self-pace learning, peer-to-peer learning and facilitate group learning’

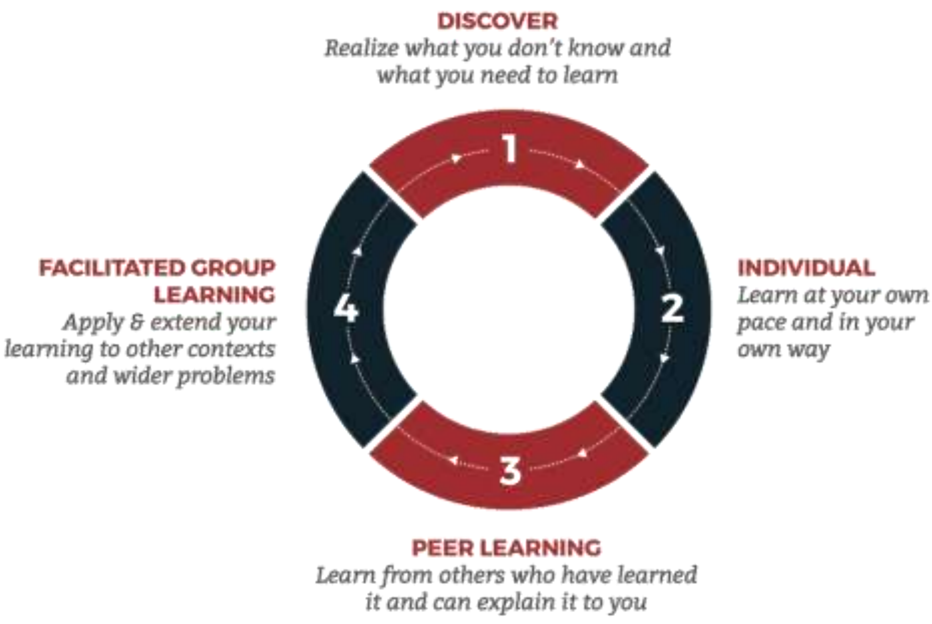

Figure 2. The ALU’s system of entrepreneurial learning

Source: ALU Learning Approach (2019)

The African Leadership University also prioritises the 21st Century Skills such as self-leadership, critical thinking, communication skills and problem solving skills. The students are encouraged to go through internship and work-based projects to develop their overall adaptability to the world of work. ALU has also a blend of academics and industry experts who help to coach the students in the overall project development. ALU claimed that graduated completed at least three internships each, and 85% of employers rated these students as 4.5 or higher out of 5. Hence, it is obvious that African Leadership University uses a didactic and process approach by engaging with the different partners and ensuring that students acquire through the core competencies. The Ducere programme together with the University of Mauritius seeks to develop effective enterprise skills and developing global leaders who can operate in a volatile, uncertain and ambiguous environment.

Mauritian higher education institutions should promote effective entrepreneurial pedagogy in the classrooms with some key operational considerations (Kearney, 1999). To promote entrepreneurship, a pedagogical sequence should have the following ingredients:

- The programme should be empowering. It encourages students to take charge of their own learning.
- The learning should be highly experiential. It allows the student to learn through experience rather than learn from the experience of others.
- The courses should be highly reflexive. It encourages students to think about what is learned and how it is learned.
- The programme should be highly collaborative. Collaborative work enables the different members of a team to contribute to the learning process of others.

Blenker et al. (2006) based on his research regarding the different pedagogical forms explain that personality development of university education should be pursued with more consciousness. Education and teaching could advantageously be seen as a process, inspired by didactic and pedagogical theories and models.

Policy Ramifications

The research shows important limitations for promoting entrepreneurship education in the Mauritian context. The decision to make Business Entrepreneurship education compulsory in secondary education is indeed a good decision as it will provide some basic knowledge and acumen for our youngsters (Ministry of Education, 2014). This may help in reducing unemployment as it empowers youths towards creation of SMEs and business ventures. However, the educational pedagogy is very theoretical and does not provide students hands-on experience to develop the entrepreneurial skills. In addition, the educators who are academic may also not have the relevant experience to inculcate practical problem-solving skills and creativity (Roopchund, 2019). It has been observed in the African context that many schools do not have the resources to provide practical problem solving skills such as the use of simulation games (Abbas, 2014). At the tertiary level, though there is high demand for management and accounting courses; there are very few students enrolling for entrepreneurship courses. In fact, University of Mauritius has stopped some of the courses and other public universities are not even offering courses in this field. This contradicts the whole philosophy of the government which wants to develop an entrepreneurial culture. This requires further analysis as to why there is lack of demand or supply for such courses.

In an economy, where SMEs contributes 40% to the overall GDP we would normally have expected more entrepreneurial courses. However, this may be explained due to the fact that most of the SMEs are sole proprietor businesses where the entrepreneur does not believe that he requires any specialist skills. This could also be one of the causes of the high failures of SMEs in the Mauritian context. In addition, SMEs are locally geared and are not ambitioned by regional expansion and development. This explains why the Minister of Trade has developed a 10 year Masterplan so that Mauritian SMEs may export their products and services in the region or even globally. The research also highlights the paucity in the pedagogical approaches being used for entrepreneurship education in the public sector. The pedagogical model used by the African Leadership University seems to be highly effective. However, it is important to assess its implementation as well as evaluate how far it is leading to successful entrepreneurship. Overall, the government and the Universities seems to be very much concerned about creating a new breed of entrepreneurs who have the right skills set including technopreneurship for boosting the economic growth and development of Mauritius and Africa at large.

Future Studies and Limitations of Study

The study is largely exploratory and fills the gap of understanding the current entrepreneurial ecosystem in the Mauritian context. Many studies have been conducted at the international level in the field of entrepreneurship education as evidenced by increasing number of scholarly publications in the field (Garcia-Rodriguez et al., 2017). As the current study is largely qualitative using multi-case methods with content analysis, there can be a certain degree of bias or subjectivity in terms of the opinions being reported. However, the research shows that entrepreneurship education needs to be customised depending on the different needs of the individuals (ALU, 2019). A survey needs to be carried out in different economic sectors to identify the entrepreneurial training needs and more important to devise the right pedagogical tools to meet the industry requirements.

The National Human Resource Development Council and other agencies such as SME Mauritius and Turbine can be very helpful in devising a national policy framework for entrepreneurship development. Future studies can focus on understanding why there is lack of engagement on the part of students and universities for promoting entrepreneurship except for the African Leadership University. It will also be very important to assess whether lack of institutional support or excessive bureaucracy which is impeding the development of the entrepreneurial culture. It would be also very interesting to analyse the female contribution and participation in the entrepreneurial culture. However, it is important to emphasise that the research has focused on the important research questions explained earlier.

CONCLUSION

All governments have emphasized on the role of entrepreneurship for promoting the overall economic growth and development. SMEs contribute to about 50% of GDP in Singapore and employs 65% of its overall workforce. In South Africa, the contribution of SMEs is around 47% to GDP. Hence, comparatively Mauritius is lagging behind which can be partly attributed to lack of coaching, mentoring and development of a holistic entrepreneurship education framework. Anthony (2015) explain that Singapore's emergence as an entrepreneurship hub is due to factors such as a friendly business environment, great level of institutional support, and the increasing use of soft power to address barriers to entrepreneurialism. Singapore ranks as the tenth strongest start-up ecosystem globally (Compass, 2015). The city-state has witnessed more than 3,600 start-ups in industry sectors ranging from e-commerce to social media to gaming. Hence, Mauritius should seek to benchmark from such countries to improve the contribution of SMEs towards economic growth and also make the SMEs become more export-oriented in future.

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АНАЛІЗ ІНІЦІАТИВ З НАВЧАННЯ ПІДПРИЄМНИЦТВУ ДЛЯ РОЗВИТКУ СПРИЯТЛИВОЇ І МОТИВУЮЧОЇ ПІДПРИЄМНИЦЬКОЇ ЕКОСИСТЕМИ НА МАВРИКІЇ

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Маврикій прагне стати економікою з високим рівнем доходів і тому прагне розвивати культуру підприємництва шляхом поширення знань про підприємництво в своїй системі освіти. Уряд докладає зусиль для сприяння молоді до розвитку підприємницького мислення за допомогою значних реформ, як в середній, так і у вищій освіті. Африканський університет лідерства на Маврикії намагається заповнити прогалину в знаннях про лідерські навички, необхідні для розвитку навчання підприємництву. Африканський університет лідерства також використовує різні педагогічні методи навчання, щоб сформувати правильний набір навичок для студентів, щоб вони могли прийняти лідерські та підприємницькі ролі в майбутньому. У даному дослідженні використовується якісний підхід з використанням багатоетапних методів і контент-аналізу для аналізу ініціатив, спрямованих на розширення прав і можливостей потенційних молодих підприємців в області середньої та вищої освіти на Маврикії. Таким чином, мета дослідження – проаналізувати різні ініціативи з навчання підприємництву, що вживаються для просування правильної підприємницької культури, як на рівні середньої, так і вищої освіти. Уряд зробив освіту в сфері бізнесу та підприємництва обов'язковою з 7 по 9 класи в середніх школах. Результати дослідження показують, що учні середньої школи мотивовані на розвиток підприємницьких знань і предмета. І навпаки, не вистачає курсів з підприємництва на вищому рівні, особливо в державних університетах. Африканський університет лідерства використовує методику викладання в класі для просування підприємництва серед своїх студентів. Крім того, такі НУО, як YUVA, також підтримують молодь і підприємців у підвищенні їх знань про бізнес. Варто зазначити, що малі та середні підприємства становили 40% ВВП нашої економіки вже в 2017 році.

Ключові слова: навчання підприємництву, безробіття, економічний розвиток, освітня модель, малий і середній бізнес.

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АНАЛИЗ РАЗЛИЧНЫХ ИНИЦИАТИВ ПО ОБУЧЕНИЮ ПРЕДПРИНИМАТЕЛЬСТВУ ДЛЯ РАЗВИТИЯ БЛАГОПРИЯТНОЙ И МОТИВИРУЮЩЕЙ ПРЕДПРИНИМАТЕЛЬСКОЙ ЭКОСИСТЕМЫ НА МАВРИКИИ

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Маврикий стремится стать экономикой с высоким уровнем доходов и поэтому стремится развивать культуру предпринимательства путем распространения знаний о предпринимательстве в своей системе образования. Правительство стремится поощрять молодежь к развитию предпринимательского мышления посредством значительных реформ, как в среднем, так и в высшем образовании. Африканский университет лидерства на Маврикии пытается восполнить пробел в знаниях о лидерских навыках, необходимых для развития обучения предпринимательству. Африканский университет лидерства также использует различные педагогические методы обучения, чтобы сформировать правильный набор навыков для студентов, чтобы они могли принять лидерские и предпринимательские роли в будущем. В текущем исследовании используется качественный подход с использованием многоэтапных методов и контент-анализа для анализа инициатив, направленных на расширение прав и возможностей потенциальных молодых предпринимателей в области среднего и высшего образования на Маврикии. Таким образом, цель исследования – проанализировать различные инициативы по обучению предпринимательству, предпринимаемые для продвижения правильной предпринимательской культуры, как на уровне среднего, так и высшего образования. Правительство сделало образование в сфере бизнеса и предпринимательства обязательным с 7 по 9 классы в средних школах. Результаты исследования показывают, что учащиеся средней школы мотивированы на развитие предпринимательских знаний и предмета. И наоборот, не хватает курсов по предпринимательству на высшем уровне, особенно в государственных университетах. Африканский университет лидерства использует методику преподавания в классе для продвижения предпринимательства среди своих студентов. Кроме того, такие НПО, как YUVA, также поддерживают молодежь и предпринимателей в повышении их знаний о бизнесе. Стоит отметить, что малые и средние предприятия составляли 40% ВВП нашей экономики уже в 2017 году.

Ключевые слова: обучение предпринимательству, безработица, экономическое развитие, образовательная модель, малый и средний бизнес.

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