

IICIES

Bandung, August 4-6, 2015

Conference Book

**The 7th Indonesia International Conference
on Innovation, Entrepreneurship, and Small Business**

**Venture Creation and Development
in the Borderless World**





General Information





The 7th Indonesian International Conference
On Innovation, Entrepreneurship and Small Business 2015
Bandung, August 4-6, 2015

ABOUT THE CONFERENCE

The 7th Indonesia International Conference on Innovation, Entrepreneurship, and Small Business (IICIES 2015)

Center for Innovation, Entrepreneurship, and Leadership (CIEL), School of Business and Management - Institut Teknologi Bandung (SBM-ITB) Indonesia will host the 7th International Conference on Innovation, Entrepreneurship, and Small Business 2015 (IICIES 2015) on August 4 to 6, 2015, located at H Clarity, Bandung, Indonesia. IICIES 2015 is dedicated to the development and management of innovation, entrepreneurship, and small business.

IICIES is an annual event of CIEL SBM ITB which bringing Innovation, Entrepreneurship and Small Business' issues. The first year of IICIES held during 2009 with theme of Innovation, Entrepreneurship, and Small Business for Better Indonesia. On the second year, IICIES 2010 carried out theme of Developing Technopreneurship and Entrepreneurial Small Business; a Key to Sustainable Future in collaboration with Universitas Multimedia Nusantara (UMN). The third IICIES involved diverse entities within and outside the country according to its theme, "Creative and Cultural Entrepreneurship in the New Era". In 2012, together with Universitas Ciputra, the fourth IICIES held with the theme of Developing & Collaborating in Innovation and Entrepreneurship to Pursue ASEAN Emerging Markets. Last year we held this conference in Bali with theme of Accelerating Techno-Creative Innovation and Global Collaboration towards Sustainable Entrepreneurial Ecosystem..

This year, the 7th IICIES 2015 with the theme of "Venture Creation and Development in the Borderless World" will be filled with various program; Master and Doctoral Consortium, seminars including panel and parallel sessions, gala dinner, and cultural tour. The theme will carry the development of entrepreneurship and Small and Medium Enterprises (SMEs) that are proven to play an important role. The conference will feature speakers from outside and within the country, as well as experts, academicians, and practitioners in the related field.

IICIES 2015 is also an opportunity for the entire community to write scientific papers within the scope of creativity and innovation, management of technology, entrepreneurship, and managing small business and start-up. Each scientific paper presented at the conference will be published in the form





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of proceedings, and selected number of papers will be published in a special issue of journals. Best paper award will be given for each stream category.



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CONFERENCE THEME

The conference theme is “Venture Creation and Development in the Borderless World”. The conference sessions will cover a wide range of topics, with particular focus given to the following themes:

STREAM 1: CREATIVITY AND INNOVATION

- Creativity and Innovation
- Creative Industry Dynamics and Challenges
- Public Policies and Regulations in Creative Industries and Clusters
- Communities, Social Media and Internet
- Arts and Cultural Management
- New Product Development
- Research and Development
- Business Incubator
- Technology Park
- Intellectual Capital/Property Rights

STREAM 2: MANAGEMENT OF TECHNOLOGY

- Technological Competitiveness
- Technological Forecasting
- Technological Assessment
- Technology Diffusion
- Technology Management
- Technology Development
- Technology Commercialization
- Technology Partnership
- Technology Transfer
- Science and Technology Policy
- Strategic Management for Technology
- Emerging Technology





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STREAM 3: ENTREPRENEURSHIP

- Entrepreneurship Theory
- Entrepreneurship Education
- Entrepreneurial Mindset/Traits/Character
- Corporate Entrepreneurship/Intrapreneurship
- Social Entrepreneurship
- Creative Entrepreneurship
- Cultural Entrepreneurship
- Woman Entrepreneurship
- Technopreneurship
- Entrepreneurial Corporate Culture
- Entrepreneurial Marketing
- Entrepreneurial Management
- Entrepreneurial Finance

STREAM 4: MANAGING SMALL BUSINESS AND START-UP

- New Venture/Start-ups
- Venture Capital
- Micro-Financing
- Business Plan
- Micro, Small & Medium Enterprises
- Cooperatives
- Family Business

STREAM 5: LEADERSHIP

- Cross Cultural Aspects of Leadership
- Creative & Innovative Leadership
- Leadership Styles and Techniques
- Corporate Governance & Ethics
- Servant Leadership, Social Responsibility, & Leadership for Sustainability
- Leadership Challenges, Conflict and Change Management
- Psychodynamic Approach to Leadership
- Talent Management
- Executive Coaching and Mentoring



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- Employee Engagement and Citizenship
- Performance Management and Strategic Leadership
- Knowledge Management and Learning Organization
- Public Service Leadership
- Gender and Leadership
- The Role of Women in Politics and Contemporary Society

STREAM 6: ENTREPRENEURIAL MARKETING

- Consumer Behavior Analysis for SME
- Entrepreneurship and Small Business Marketing
- Managing business-to-customer relationships for SME
- Promotional mix issues for SME
- Online Marketing Communication Research for SME
- SME brand management

STREAM 7: ENTREPRENEURIAL FINANCE

- Small and Medium Enterprises Financial Management
- Venture Capital and Risk Management for SME
- Investment analysis for SME
- Financial Performance Analysis for SME



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COMMITTEE

Steering Committee

Rector, Institut Teknologi Bandung

Vice Rector of Research and Innovation, Institut Teknologi Bandung

Dean, School of Business and Management Institut Teknologi Bandung (SBM ITB)

Director, Center for Innovation, Entrepreneurship, & Leadership (CIEL SBM ITB)

Scientific Committee

Chair, **Dwi Larso, Ph.D.** (Institut Teknologi Bandung, Indonesia)

Prof. Togar M. Simatupang, Ph.D. (Institut Teknologi Bandung, Indonesia)

Donald C. Lantu, Ph.D. (Institut Teknologi Bandung, Indonesia)

Wawan Dhewanto, Ph.D. (Institut Teknologi Bandung, Indonesia)

Dr. Leo Aldianto (Institut Teknologi Bandung, Indonesia)

Dr. Bambang Rudito, (Institut Teknologi Bandung, Indonesia)

Prof. Kazuhiro Fukuyo, (Yamaguchi University, Japan)

Prof. Marc Deschamps, (University of Liege, Belgium)

Dr. Brendan Galbraith, (University of Ulster, UK)

Prof. Lloyd Soobrian, (Berkeley College, USA)

Yudho Anggoro, MBA, (Ph.D. Candidate) (University of North Carolina at Charlotte, USA)

Ubaidillah Zuhdi, Ph.D (Tokyo University of Science, Japan)

Yulianto Suharto, MBA. (Ph.D. Candidate) (Portland State University, USA)

Melia Famiola Hariadi, Ph.D. (Macquarie University, Australia)

Akbar Adhiutama, Ph.D (Shibaura Institut of Technology, Japan)

Sonny Rustiadi, MBA. (Ph.D. Candidate) (Goldsmith, University of London, UK)

Isti Raafaldini, (Ph.D. Candidate) (Institut Teknologi Bandung, Indonesia)

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Achmad Ghazali, Ph.D. (*Institut Teknologi Bandung, Indonesia*)

Hari Febriansyah, Ph.D. (*Institut Teknologi Bandung, Indonesia*)

Conference Chair

Dwi Larso, Ph.D

Conference Co – Chair

Donald C. Lantu, Ph.D

Organizing Committee

Chair, Dina Dellyana, Co-Chair, Amilia Wulansari

General Secretary, Olva Patriani, Seny Febriani, Aji Kharismawan

Treasurer, Suryo Utomo, Hatta Kresna, Anggara Wisesa, Ken Ratri Iswari

Finance, Leo Augustman

Publication, R. Bayuningrat

IT, Web & Design, Epri Triyono Saputra

Program, Andra Riandita, Mandra Lazuardi

Paper and Publication, Adita Pritasari, Sandy Triady

Journal Coordination, Sonny Rustiadi

Marketing, Irma Mulyani, Margaretha Tobing

Sponsorship, Riyadhusholihah

Documentation, Yayat Hidayat

Logistic, Fathurrohman



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CONFERENCE SCHEDULE

Monday, 3 August 2015

TIME	EVENT	VENUE
16.30 – 18.00	Welcoming Reception	H Clarity Turquoise Restaurant

Day 1, Tuesday, 4 August 2015

TIME	EVENT	VENUE
07.30 – 08.30	Registration	H Clarity Ballroom Voyage
08.30 – 09.30	Opening Ceremony Opening Speeches : Prof. Dr. Ir. Kadarsah Suryadi (ITB Rector) Prof. Sudarso Kaderi Wiryono (Dean of SBM ITB) Dwi Larso, PhD (IICIES Conference Chair)	H Clarity Ballroom
09.30 – 10.00	Coffee Break	H Clarity Ballroom Voyage





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TIME	EVENT	VENUE
10.00 - 12.00	Panel Session Speakers : Shivaji Das (Senior Vice President of Frost & Sullivan, Author of Journey with the Caterpillar, Singapore) Kazuhiro Fukuyo (Professor, Graduate School of Innovation and Technology Management, Yamaguchi University) Patrick Ryan (Strategy & Operations Principal, Google Inc.) Lloyd Soobrian (Professor of Berkeley College, USA)	H Clarity Ballroom
12.00 - 13.00	Lunch	H Clarity Ballroom Voyage
13.00 – 15.00	Parallel Sessions I	H Clarity Breakout Rooms
15.00 - 15.15	Coffee Break	H Clarity Breakout Rooms
15.15 – 16.45	Parallel Sessions 2	H Clarity Breakout Rooms



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Day 2, Wednesday, 5 August 2015

TIME	EVENT	VENUE
08.00 – 09.00	Registration	H Clarity Ballroom Voyage
09.00 - 10.15	Panel Session Speakers : John Liddy & Braden Croy (Student Sandbox at The Tech Garden, USA) Dwi Larso (Expert on Entrepreneurship Education) Brendan Galbraith (University of Ulster, UK)	H Clarity Ballroom
10.15 – 10.45	Coffee Break	H Clarity Ballroom Voyage
10.45 – 12.00	Panel Session Speakers : Marc Deschamps (President Exego and its Governance Academy. Affiliate Professor at HEC- University of Liege) Togar M Simatupang (Professor of School of Business and Management, ITB) Komarudin Kudiya (Founder and owner of Batik Komar)	H Clarity Ballroom
	Lunch	H Clarity Ballroom





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TIME	EVENT	VENUE
12.00 - 13.00		Voyage
13.00 – 15.00	Parallel Sessions 3	H Clarity Breakout Rooms
15.00 - 15.15	Coffee Break	H Clarity Breakout Rooms
15.15 – 16.45	Parallel Sessions 4	H Clarity Breakout Rooms
19.00 – 21.30	Gala Dinner	H Clarity Ballroom

Day 3, Thursday, 6 August 2015

TIME	EVENT	VENUE
08.00 – 21.00	Bandung Cultural Tour <i>*Optional, please go to registration desk</i>	Bandung





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Parallel Session 1 - Day 1 - August 4, 2015							
The Clarity, Bandung, Indonesia							
Time	A Session Chair: Anggara Wisesa	B Session Chair: Nurrani Kusumawati	C Session Chair: Sonny Rustiadi	D Session Chair: Annisa Rahmani Qastharin	E Session Chair: Anggoro B. Nugroho	F Session Chair: Ken Ratri Iswari	G Session Chair: Desy Anisya
13.00-13.10	Preparation						
13.10-13.30	159. Customer Perception Towards Being Vegan/Vegetarian as Green Marketing Strategy: Case Study of "Kehidupan Tidak Pernah Berakhir" - Fadhlila Hasna Athaya, Anggara Wisesa and Mustika Sufiati Purwanegara	53. Strategic Real Estate Development: Mixed Method Using Sequential Explanatory Strategy- Hastjarjo	4. Does Risk Taking Propensity Moderates Entrepreneurial Success Among Women Entrepreneurs in Malaysia? - Zainon Che Mat and Mohamed Dahlan Ibrahim	71. THE ROLES OF COMPETENCIES IN THE NEW VENTURE CREATION AMONG E-COMMERCE ENTREPRENEURS IN MALAYSIA - Ahmad Firdause Md Fadzil, Mohd Rafi Yaacob and Mohd Nazri Muhyiddin	21. Best Fit Bandung Fashion-based SME Success Strategy - Randy, Donald Crestofel Lantu	80. Arab Family Business; toward a conceptualization - Geogios Palaiologos	116. Optimizing Fiscal Policy on the Development of Maritime Industry: A Case in Lamongan, East Java, Indonesia - Inayati Hifni, Haula Rosdiana, Maria Rud Tambunan, Debbie Puspasari and Rahma Juliasari
13.30-13.50	11. The Mapping of Consumer Behavior on Green Product Purchase - Mahir Pradana, Nurafni Rubiyanti and Elzas Putra Badia Sitorus	63. Marketing Innovation on Personal Electronic Products - Wahdan Kukuhs Ismudiar and Popy Rufaldah	23. Antecedents of Entrepreneurial Alertness and Its Role of Entrepreneurial Commitment - Nur Khusniyah Indrawati, Ubud Salim and Atim Djazuli	87. The Effect of Entrepreneurial Education on Entrepreneurial Intentions - Altaf Hussain and Norashidah Hashim	49. Implementing Basic Quality Tools in Small Business Environment - M Abdullah Rorke, Merita Bernik, Budi Harsanto	85. Innovation Strategy Through Knowledge Sharing For Small Medium Enterprises To Achieve Sustainable Competitiveness - Sri Wahyu Lelly and Hana Setyanti	147. Improve Current Job Description of Elthof Company as One of Small Medium Enterprises in Fashion Industry - Rosy Diana and Achmad Ghazali
13.50-14.10	14. The Problem of Exclusive Arrangements in Multiple Dwelling Units: Unlocking Broadband Growth in Indonesia and the Global South - Patrick Ryan, Breanna Zwart, Richard Whitt, Marc Goldberg, Vinton Cerf	67. Analysis of Customers Perceive Value, Service Quality, Passenger Satisfaction and Loyalty for The Executive Night Bus Services Banda Aceh-Medan Route - Syafruddin Chan, Muslim A.Djalil and Kurnia Asni	33. The Analyze of Students Motivation toward Entrepreneurship (Case Study on the Last Semester of Business Administration Students at Politeknik Negeri Sriwijaya) - M. Yusuf and Rd Kusumanto	92. The Implementation of Social Entrepreneurship Through the Fashion Brand Bowsha - Apsa Aschwianda	54. Why the number of SMEs is inverse to the level of welfare at Tasikmalaya - Ferey Herman	90. Strategy for improving the business performance of Medewi coconut sugar - Anggi Pamungkas and Bambang Rudito	115. "Reinventing Fiscal Policy on Perspective Quintuple Helix toward Indonesia World Central Maritime: A Case in Batam Free Trade Zone" - Haula Rosdiana, Maria Rud Tambunan, Inayati Inayati and Dita Puslita
14.10-14.30	15. Utilization of Viral Marketing In Digital Music Industry: A System Dynamic Approach - Aulia Fadil and Utomo Sarjono Putro	40. The Influence of Online Store Characteristics on Impulse Buying Through Browsing (Studies in Lakupon.com) - Citra Kusuma Dewi, Farah Oktafani and Rosa Saraswati	25. Develop Business Strategy through Environmental Scanning Analysis of FLOTEA- Nada Dewanda Onie and Wawan Dhewanto	7. Analyzing the Five Basic Concepts of Groups. Case Study: ITB Innovators Move 2015 -Intania Amanda Larasaty and Donald Crestofel Lantu	160. Acquisition Valuation and Post-Performance Evaluation in Small Medium Enterprise-Vinley Angelica Kurniawan	91. Analyzing the Effectiveness of Corporate Social Responsibility Program of PT.Telkom and Yayasan Sahabat Wanita in Empowering Ancol Pasir Villager - Shaniqua Pulungan and Donald Crestofel Lantu	117. The Urgency of Value Added Tax (VAT) Incentives on Marine Fuel Oil - Maria Rud Tambunan, Haula Rosdiana, Inayati Inayati and Frences Syulet
14.30-14.50	17. The Effects of Positive Incentives, Negative Incentives, and Consumer Characteristics on Digital Music Piracy - Ike Janita Dewi, Felix D. Aristyanto and Liendah F. Octavia	97. Testing EQ Modeling Instrument "Emotional Intelligence Indicator Plus" SBMI TB based on Baron, Goleman, Salovey Mayer - Yuni Ros Bangun, Ken Ratri Iswari, Hary Febriansyah and Adita Pritasari	161. Building Learning Community Through Community Development Program in Batu Loceng Village - Anggara Wisesa, Vanessa Purnawan and Amilia Wulansari	163. Contested Entrepreneurship: Entrepreneurship Learning Through Business Competition in Indonesia - Lenny Martini, Wawan Dhewanto, Sri Hartati and Rendra Chaerudin	158. Fashion Industry Development Exports With Quadruple Helix Approach: A Preliminary Study - Sri Herliana	100. Lean Manufacturing Implementation on Small Medium Enterprise - Anthony Wijaya and Achmad Ghazali	169. Analysis of Management Support to Improving the lecturer's performance of the Acquired University (in Case Acquisition on Higher Education Institutions in Indonesia)- Umi Zuraidda, Aurik Gustomo and Yuni Ros Bangun
14.50-15.15	Coffee Break						



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Parallel Session 2- Day 1 - August 4, 2015							
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Time	A Session Chair: Anggara Wisesa	B Session Chair: Hendy Reinaldo	C Session Chair: R. Bayuningrat H.	D Session Chair: Annisa Rahmani Qastharin	E Session Chair: Lenny Martini	F Session Chair: Ken Ratri Iswari	G Session Chair: Anggoro B. Nugroho
15.15-15.25	Preparation						
15.25-15.45	3. Quality Function Deployment Roles in Start-up Business - Novira Da Silva	86. Business Strategy and Implementation Plan for Agatha Silver - Prayudy Agatha and Dona Saphiranti	55. Entrepreneurial Orientation in the Organization (Case PT XYZ) - Faishal A. Ilham and Isti Raafaldin	93. Entrepreneur Standardization of MSEs in Bandung City, Indonesia - Yuyus Sudarma and Budi Harsanto	59. Street Business in Cambodia, Contribution to the Economic Growth and Poverty Reduction - Nobuo Hirohata and Kazuhiro Fukuyo	112. Managing Innovation of SMEs in Creative Industry for Increasing Competitiveness: Case Study of Companies in Bandung Indonesia - Yudi Aziz, Mohd Ridzuan Darun, Dwi Kartini, Merita Bernik and Budi Harsanto	5. The Effect of Financial Incentives on Funding Account Officer's Performance - Astadi Pangarso, Fransisca Putri Wulansari and Cut Irma Setiawati
15.45-16.05	50. Strategic Real Estate Management: Real Estate Globalization and Strategic Implications - Hastjarjo	98. The Impact of Service Quality's Dimensions on Paratransit Passengers' Loyalty in Depok, Indonesia - Medi Yarmen, Tri Rakhmawati and Sik Sumaedi	58. Entrepreneurial behavior and Innovative behavior: A conceptual clarification - Muhammad Taufiq Amir	165. Stakeholder Analysis of Batik Solo Industrial Cluster-Shimaditya Nuraeni, Pri Hermawan and Irsanti Hasyim	74. Corporate governance practices in small family firms: Are they really different? - Nurul Indarti, Sulistyaning Palupijati and Rokhima Rostiani	124. Organizational Capacity of Creative Industry Based on Local Materials at Bandung Regency (Preliminary Study for The Development of Empowerment Model to Increase Competitiveness in Industry) - Rofi Rofaida	30. The Influence of Ethical Leadership on Ethical Behavior Mediated by Ethical Climate at Government Institutions in Aceh Indonesia - Nuralnun, Chan Syafruddin and Herlyana
16.05-16.25	52. Strategic Real Estate Development: Gaining and Sustaining Competitive Advantage on Real Estate Industry - Hastjarjo	104. Employer Branding for Talent Attraction in Mining Industry in Indonesia - Novi Amelia and Reza Ashari Nasution	62. Using Theory of Planned Behavior in Predicting Entrepreneurial Career Intention - Mery Sondari, Popy Rufaidah, Sutisna Sutisna and Sri Djatnika	105. Business Model Canvas for Social Enterprise - Annisa Rahmani Qastharin	76. Indonesia's Gasoline Subsidy Cut, Road Availability and Their Impact on Micro and Small Industry Productivity: A Panel Data Observation of 2010-2013 - Fadil Wirawan and Anggoro Budi Nugroho	127. New Value Co-Creation of Zocha SME Using The DART Model - Dini Turipnam Alamanda, Husni Amani, Grisna Anggadwita, Arif Partono Prasetyo and Ahmad Khoirudin Anwar	167. Creative Small and Medium Enterprises Clinic - Achmad Fajar Hendarman Hendarman, Mirna Astari Magetsari and Donald Crestofel Lantu
16.25-16.45	170. CREATIVE INDUSTRY IN THE SMALL AND MEDIUM ENTERPRISES: CRAFT PRODUCT DEVELOPMENT STRATEGY AND OPPORTUNITIES - Qorri Aina and Wardah Naili Ulfa	181. Maintaining Collaboration between Batik Industrial Cluster for Solo as the Capital City of Batik - Pri Hermawan, Shimaditya Nuraeni and Ghita Yoshanti	130. The Study on Entrepreneurial Competencies and Other Determinants of Profitability of Seaweed Farming in Doong and Upayran, Bantayan, Cebu: A Basis for Sustainability - Angelo Burdeos, Ivy Jumao-As, Joyce Natalie Yang, Pepito Echavez and Edgardo Albia	182. The Relationship between Cultural and Emotional Intelligence - Nur Arief Rahmatsyah Putranto, Shimaditya Nuraeni, Aurik Gustomo and Achmad Ghazali	48. Effect of Accounting Knowledge, Spirit of Entrepreneurship and Accessibility of Capital on Performance of Footwear Industries - Asep Darmansyah	8. Competitive mindset for SME's sustainable value: An ethical perspective-Khalizani Khalid	162. Creating Brand Loyalty By Brand Trust and Brand Image -Evy Rachmawati Chaldun, Ika Ma'rifatika and Aldina Shiratna
16.45-16.55	Announcement						

Parallel Session 3 - Day 2 - August 5, 2015							
The Clarity, Bandung, Indonesia							
Time	A Session Chair: Sonny Rustiadi	B Session Chair: Lenny Martini	C Session Chair: Anggoro B. Nugroho	D Session Chair: Isti Rafaldini Mirzanti	E Session Chair: Ken Ratri Iswari	F Session Chair: Melia Famiola	G Session Chair: Salfitrie Ross Maryunani
13.30-13.40	Preparation						
13.40-14.00	37. THE OPPORTUNITY FOR RESEARCH AND DEVELOPMENT OF NEW AND RENEWABLE ENERGY IN INDONESIA THROUGH PATENT INFORMATION - Ferianto and Tommy Hendrix	41. Knowledge Sharing in Telkom University, Bandung - Anita Silvanita, Mahendra Fakhri and Cut Irma Setiawati	43. Proposed Portfolio Strategy Using Equity Mutual Fund for Small and Medium Enterprise (SMEs) - Cici Cintyawati, Sylviana Maya Damayanti and Ina Primiana	60. CONFLICT RESOLUTION ANALYSIS USING GRAPH MODEL FOR CONFLICT RESOLUTION (GCMCR) APPROACH (A CASE STUDY IN CONFLICT AND COOPERATION AGREEMENT BETWEEN IOT AND IDMT) - Chintya Faradita Putri and Dini Turipanam Alamanda	107. Helmet Purchase Intention: An Integrative Perspective of Utilitarian Functional, Hedonic, and Symbolic Consumption - Tri Widianti Tri Rakhmawati, Medi Yarmen and Sik Sumaedi	134. Developing Value Creations Using Co-Creations, Collaboration, Dynamic Capabilities Strategy, and Market Attractiveness Strategy - Agus Rahayu, Ayu Krishna and Suwatno Fakhruddin	110. Research Gap of Entrepreneurship, Innovation, Economic Development, Business Incubators Studies in Indonesia - Lina Gozali and Maslin Masrom
14.00-14.20	44. The Effect of Entrepreneurial Orientation on Business Performance Moderated by Innovation Creativity (Study on Trusmi Batik SMEs in Cirebon, West Java, Indonesia) - Tita Borshalina	47. KNOWLEDGE TRANSFER BETWEEN GENERATIONS: IS IT LOST? - Arie F. Kawulur, Nikolas F. Wuryaningrat and Lydia Kumajas	73. Evaluation of IDR equity mutual fund and USD bond mutual fund as an alternative investment product A case of Indonesia markets 2010 - 2014 - Binbin Mariana and Subiarto Soekarno	81. Augmented Reality and The Future as Industry - Halimatul Sa'Diyah, Fardani Damastuti, Citra Murdaningtyas, Artiarini Nurindiyani and Novita Astin	109. ROLE OF SOCIAL MEDIA MARKETING IN VISITOR'S DECISION TO GREEN TOURISM DESTINATION - Ayu Krishna Yulawati, Arief Budiman and Mokh. Adib Sultan	137. The Effect of Trust Towards Online Repurchase Intention With Perceived Usefulness As An Intervening Variable: A Study on KASKUS Marketplace Customers - Retno Setyorini and Rizky Prima Nugraha	118. Stimulating Technology-Based Start-Ups: Entrepreneurship Initiatives by University - Noorizawati Abd Rahim, Zainai Mohamed and Astuty Amrin
14.20-14.40	72. Scenario Planning for PT. Telko Selulerindo - Arum Nugroho and Yos Sunithyoso	2. Adoption of Motivation theory in SME Leadership: A Malaysian study - Nurulhasanah Abdul Rahman, Zulnaldi Yaacob and Rafisah Mat Radzi	156. The Analysis of Business Feasibility on the Service Development Plan in PT Angkasa Pura Solusi (A Study Case of Sapphire Lounge in 2015) - Della Delfina and Eka Yuliana	83. Business Model Development For Finance & Leasing Application Using Cloud Computing Technology - Henry Threstanto and Wawan Dhewanto	111. The Buying Behavior Of Small-sized Batik Company In Indonesia - Moses Hutabarat, Gatot Yudoko and Mustika Purwanegara	140. Sales maximization strategy of brand "Gunung Madu" - Evo Sampetua Hariandja and Rany Wahyu Larasati	119. Corporate Social Responsibility and Competitive Advantage : does it work? - Nur Faliza, Yanita
14.40-15.00	A Short Ethnography Report of Different Business Aptitudes between European and Asian- Sonny Rustiadi, Marretta A. Nirmanda and Salfitrie Ross Maryunani	176. Value Co-Creation to Promote Collaboration among Stakeholders to Improve Tourism in Solo: Agent-Based Modeling and Simulation Approach -Manahan Siallagan, Santi Novani, Shimaditya Nuraeni and Utomo Sarjono Putro	133. The Effects of Macroeconomic Conditions To The Growth of SMEs in Indonesia - Rexi Christopher Hendrawan and Taufik Faturrohman	177. Business Level Strategy for Partnership Program (Telkom CDC) PT. Telekomunikasi Indonesia, Tbk.- Bimo Wirafajar Ramadhan and Harimukti Wandebori		135. BUSINESS STRATEGY FORMULATION USING SWOT ANALYSIS AND QSPM MATRIX AT ENVIRONMENTAL CONSULTING COMPANY- Harold Linus Sipayung and Farah Alfianur	120. Entrepreneurial Attitudes and Activity in the Eastern and Southeastern Asian Economies - Kazuhiro Fukuyo
15.00-15.15	Coffee Break						

Parallel Session 4 - Day 2 - August 5, 2015 The Clarity, Bandung, Indonesia							
Time	A Session Chair: Hendy Reinaldo	B Session Chair: Lenny Martini	C Session Chair: Anggoro B. Nugroho	D Session Chair: Isti Raffaeldini Mirzanti	E Session Chair: Ken Ratriswari	F Session Chair: Melia Famiola	G Session Chair: Salfitrie Ross Maryunani
15.15-15.25	Preparation						
15.25-15.45	89. HOW TO IMPROVE CREATIVE THOUGHT AND INNOVATIVE ACTION FOR ORGANIZATIONAL TRANSFORMATION? - Ratri Wahyuningtyas and Ernie Tisnawati Sule	84. Improving Company Performance by Using Employee Engagement (Pi Success) - Grace Yulianti	101. Reconstructing Cash Waef (Endowment) Institution Accountability in Indonesia: A Case Study-Dodik Siswanto and Haula Rosdiana	178. Are Women Entrepreneur's Entrepreneurial Capabilities can be Shaped? Treatment through Entrepreneurship, Product Diversification, and Product Packaging Training -Sudrajati Ratnaningtyas, Rijanti Rahayu and Sri Hartati	122. Regular Medical Check-Ups Behavior: Preventing is better than Curing - Amalia E. Maulana, Novi Oktaviani	143. Fashion Involvement, Motives, Need for Uniqueness, and Interest towards Modified Fashion of Indonesian Generation Y - Rizkia Ayu Ratnaningtyas and Mustika Sufiati Purwanegara	139. Appropriate Business Model for Indonesian Mobile Games Industry - Daniel Adrian Simanjuntak, Nicko Indra Bashkara and Ridhan Fadhlir Rahman
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The 7th Indonesia International Conference on
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Speakers



SPEAKERS



John Liddy

Director of the Student Sandbox at
The Tech Garden, USA

John Liddy, principal of Liddy Enterprises, currently serves as Entrepreneur in Residence for the Tech Garden, Syracuse University, Le Moyne College, and Mohawk Community College helping these institutions advance student entrepreneurial activity and engagement through innovative coursework and hands on activities both on and off campus.

As part of his efforts in helping create and evolve these programs, Liddy directs the Syracuse Student Sandbox – an experiential education program that has launched over 120 student companies and has created a mentor network of over 150 business professionals from the community. He serves as the Director of the thINCubator (a start-up accelerator) in Utica NY and is the Director of the Keenan Center for Entrepreneurship, Innovation and Creativity (at the Madden School of Business at Le Moyne College).

Additionally, Liddy works with experienced business owners and entrepreneurs. Over the last several years he has helped 50 of these companies create strategic growth plans through facilitation of the Small Business Administration's Emerging Leaders program in Syracuse.

In addition to helping colleges and communities, Liddy is a frequent advisor to corporations and organizations seeking to improve their innovation process. Liddy serves as an instructor for the Boots to Business program that seeks to provide entrepreneurial alternatives to US military personnel who are completing their service.

A frequent speaker at entrepreneurial events, Liddy has served as a National Fellow for the National Association of Community College Entrepreneurs (NACCE) and currently is a co-chair of the International Entrepreneurship Special Interest Group for the United States Association for Small Business and Entrepreneurship (USASBE).

Liddy has over 20 years of managerial experience and has been part of 6 startup companies, primarily in



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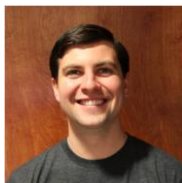
operations and finance roles. Immediately preceding his tenure as EIR, Liddy headed a business unit for a publicly traded company where he had full P&L responsibilities for a \$300 million dollar business and had over 300 employees reporting to him. Liddy received his undergraduate degree from the University of Vermont and earned his MBA from the Whitman School at Syracuse University in 2003.



DwiLarso

Expert on Entrepreneurship Education

Associate Professor of Entrepreneurship in School of Business and Management Institut Teknologi Bandung (SBM ITB) and founder of Center for Innovation, Entrepreneurship, and Leadership (CIEL) SBM ITB. His varied research interests include new product development, creativity and innovation management, creative industry and entrepreneurship.



Braden Croy

Director of NEXIS, Syracuse University, USA

As edupreneur and mentor, Braden Croy is continually looking for ways to reshape and redefine what it means to be a student in the 21st century. During his time at Virginia Tech, Braden served as president of the VT-Entrepreneur Club and started one of the top 50 global student startups as designated by the Kairos Society. Since then, he has focused on building entrepreneur support organizations and meaningful learning communities at the collegiate level. He currently serves as Director of NEXIS, a student based research center at Syracuse University, and through the Student Sandbox, regularly consults for colleges and communities around the world looking to better serve their entrepreneurs and innovators.



Shivaji Das

Senior Vice President of Frost & Sullivan, Author of Journey with the Caterpillar, Singapore

Shivaji Das is a Senior Vice President with Frost & Sullivan's Consulting Practice since 2006. He is currently heading the Public Sector Consulting practice for Frost & Sullivan globally. Shivaji has over 10 years of experience in strategy consulting and his focus areas include: Economic modelling, Public policy development, Demographic sciences, Cross-border Trade and Investment, and Spatial planning.

He has advised several public sector clients such as the World Bank, Infocomm Development Authority



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of Singapore, Governo do Distrito Federal (Brazil), Indonesia Investment Coordination Board (BKPM), Economic Planning Unit (EPU) etc.

Shivaji is the author of the book "Journeys with the caterpillar: Travelling through the mystical islands of Flores and Sumba, Indonesia." His photographs have been selected for solo exhibitions at Singapore, Malaysia, and the USA.

Shivaji holds a Masters in Business Administration with specialization in Finance and Strategy from the Indian Institute of Management, Calcutta. He also holds a Bachelor's degree in Computer Science and Engineering from the Indian Institute of Technology (IIT).



Togar M. Simatupang

Professor of School of Business and Management, ITB

Prof. Simatupang is a Professor of Operations and Supply Chain Management at Bandung Institute of Technology, Indonesia. He holds a PhD degree from Massey University in New Zealand. At the School of Business and Management ITB, he teaches Technology and Operations Management, Supply Chain Management, Operations Management, and the Creative Economy. He is well known as an expert in supply chain management and creative industry development. He is recently involved in emerging research on the creative economy in Indonesia such as national creative industry mapping, the roadmap of creative industry in the West Java Province, the creative mapping of Bandung City, and the concept of creative mapping for the Province of Jakarta. He is associated with Indonesia Logistics Association, Bandung Creative City Forum, and the British Council in developing creative industry and creative community. His research interests include supply chain collaboration, inventory models, operations management, service science, and creative economy.

His other research focuses on the development and management of collaborative relationships such as how to design and manage supply chain collaboration, how to equalize their risks and rewards, and how to share the benefits of collaboration. The results of his research have been published in a variety of journals, including the International Journal of Logistics Management, Total Quality Management, Management Decision, Business Process Management Journal, Supply Chain Management: An International Journal,



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Benchmarking: An International Journal, and International Journal of Physical Distribution & Logistics Management. In addition, he has presented his work at national and international conferences.

He was a recipient of the Emerald Literati Network Award 2006 for the highly commended paper published in the International Journal of Logistics Management. He was also rewarded Endeavour Award from the Government of Australia for a postdoctoral study at the University of Newcastle in 2008.



Brendan Galbraith
University of Ulster, UK

Dr. Brendan Galbraith is a senior lecturer in innovation management at the Ulster University, Northern Ireland. Brendan has played a leading role in securing prestigious research and innovation projects from a variety of national and European external funding bodies totaling more than £4 million.

Brendan has more than forty high quality peer reviewed publications that have appeared in a variety of outlets including, European Commission reports, National government policy papers, top journals such as Technovation, R&D Management, Production Planning and Control, Technology Analysis and Strategic Management and International Journal of Operations and Production Management. He is a co-author of two books: social innovation and entrepreneurship and innovation intermediaries.

Brendan's research has been presented in the European Parliament, European Commission, Committee de Regions in Brussels, Northern Ireland Parliament and numerous keynotes at industry and academic conferences. Brendan's research has generated wide media interest from BBC News (national), BBC Ulster Radio, Channel 8 TV, Belfast Telegraph Newspaper, Londonderry Sentinel, NI Business, Sync NI as well as numerous other online media outlets.

Brendan is the Book Reviews Editor at Technology Analysis and Strategic Management Journal and is a Board Member at ICE and IEEE International Technology Management Conference. He is a co-inventor for the engage eParticipation technology and toolkit that has been successfully commercialized in several European countries. Brendan is a member of

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the Northern Ireland European Regional Forum, a Belfast Ambassador Award Winner (2013) and advises numerous SMEs, start-ups, non-profit organisations and innovation policy-makers. He has served and co-founded the EC SME Experts Panel, is an expert review for the EC and served on the Leadership Portfolio Group of the European Network of Living Labs and is the co-founder of two living labs in Northern Ireland. Brendan is a member of the Business and Management Research Institute and SME Development Centre at the Ulster University Business School. Brendan secured his a First Class BA (Hons), Msc Management and PhD at Ulster University.



Lloyd Soobrian
Professor of Berkeley College, USA

Prof. Lloyd Soobrian is a highly successful and versatile executive and with extensive teaching and researching experience and expertise in corporate and international finance, economics, management, international business, marketing and strategic planning.



Kazuhiro Fukuyo
Professor, Graduate School of Innovation and Technology Management, Yamaguchi University

Prof. Kazuhiro FUKUYO is the vice dean of Graduate School of Innovation and Technology Management, Yamaguchi University, Japan. He was studying in Osaka University since his bachelor and graduated from the Graduate School of Engineering. His areas of expertise mainly are in the field of energy management, environmental Engineering, and product development. He was previously joined Hitachi Ltd as researcher, while he is now also serving as director of EME Publishing.



Mark Deschamps
President Exego and its Governance Academy.
Affiliate Professor at HEC- University of Liege

Marc Deschamps is graduated from U.C. Leuven as an engineer (1973) and gets his degree both in Law (1978) and in Economics (1979). In 1979, he joins SOCIETE GENERALE DE BELGIQUE and, after attending the SLOAN PROGRAM at STANFORD UNIVERSITY in 1984-85, he creates SYNERFI, a development capital firm dedicated to SMEs. In 1992, Marc Deschamps buys out INVESTSTRUCTURE, a service company that he develops in more than twenty countries. In 1999, the company's international network is taken over by a major international player. In 2000, he creates



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INVESTPARKS, dedicated to the development of science parks linked to universities in emerging countries and, in 2006, he launches EXEGO, specializing in corporate governance services.

Marc Deschamps is Affiliate Professor at HEC-ULg and lecturer at SOLVAY BRUSSELS SCHOOL (ULB-Brussels). His current main fields of interest are corporate governance and Islamic finance. Marc Deschamps is also a founding director of the FORUM FRANCOPHONE DES AFFAIRES in Belgium, of the ASSOCIATION DU MANAGEMENT and of GUBERNA (the Belgian corporate governance association). He has published various articles on corporate governance in European Business Forum, in PME/KMO and in Actualité Comptable (a Kluwer Publication). He has lectured numerous times for business as well as academic circles on four continents.



Patrick Ryan

Strategy & Operations Principal, Google Inc.

Patrick Ryan works for Google as a Strategy & Operations Principal and Public Policy & Government Relations Senior Counsel, Free Expression and International Relations. He serves as Assistant Professor Adjunct at University of Colorado and Advisor of The Internet Governance Forum for United Nations. Patrick Ryan received his PhD in Law on 2004 (Technology, Law & Economics) from Katholieke Universiteit Leuven, Belgium. He is also active as a Senior Affiliated Researcher at Interdisciplinary Center for Law and ICT at the Katholieke Universiteit Leuven, Belgium.



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HOW TO IMPROVE CREATIVE THOUGHT AND INNOVATIVE ACTION FOR ORGANIZATIONAL TRANSFORMATION?

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Abstract

Innovation and creativity play very important role when an organization decides to transform in order to increase individual effectiveness, organizational performance, and productivity. Employees, as the main actor of the transformation, must be well prepared to face changes as part of the organizational transformation process. The purpose of this study is to analyze the barriers faced by the employees in developing their creativity and ability to innovate as well as to formulate company's steps to develop employees' creativity and ability to innovate.

This study uses descriptive research method to analyze barriers related to the concept of self, the need for conformity, the ability to abstract, the ability to use systematic analysis, the task achievement, and the physical environment. 186 respondents are used in this study, which consist of 50 respondents from top level management, 61 respondents from middle level management and 75 respondents from low level management.

The result shows that those in the middle level management have barriers related to self of concept, ability to abstract, ability to use systematic analysis and task achievement. Those in low level management have barriers related to ability to abstract and ability to use systematic analysis. An organization needs to clearly communicate vision, purpose of transformation, corporate strategy, and business strategy. Besides that, an organization needs to encourage creativity and innovation through improvisation as well as to give moral and technical support.

Keywords : creative thought; innovative action; barriers; organizational transformation

1. Introduction

Nowadays, every company must be able to adapt to the environmental change. Competition forces every company to have a sustainable competitive advantage and to always find a new direction to adapt the future. Old ways in organizational management will lead to cost waste and decline in productivity. Organizational transformation becomes the solution for companies to survive by becoming better than their competitors and by having a sustainable high business performance. Innovation and creativity play very important role when an

organization decides to transform. The ability to create or innovate is critical to practitioners in human resource development in increasing individual effectiveness, organizational performance, and productivity. The ability to find new ideas in creating a more effective and efficient process is also one of the keys to organizational success in competing and becoming the winner in the competition. In this case, it should be understood that employees as the main actor of organizational transformation must be well prepared to face changes as part of the organizational transformation process..

In this globalization era, ABC company realizes the need to make a change and transform due to the dynamic environment. From the result of the performance appraisal in ABC, employee score in innovation competence is 2 and is still under the minimum standard required by the company which is 3. Meanwhile for the business competence and business acumen is also under standard which are 1.7 and 2.1.

Tidd and Bessant (2009) stated that managing innovation implies command, control and whilst important does not always fit well with the challenge of leading innovation which is far more about inspiring, building confidence and risk taking. Most senior managers are risk averse therefore a solid management background is not always the best fit for the challenge of leading innovation. Related to that, this research is aimed to identify the barriers faced by the employees in every level related to innovation and creativity development to support organizational transformation. This is important because ABC plans to do the organizational transformation to keep their customer. Based on the previous background, the formulation of the study is as follows:

- a. What are the barriers faced by the employees in developing their ability to think creative and innovate?
- b. What are the company's steps to develop the employees' ability to think creative and innovate?

1.1. The Purpose of The Study

The purposes of this study are to analyze the barriers faced by the employees in developing their ability to think creative and innovate as well as to analyze the company's steps to develop the employees' ability to think creative and innovate to support the organizational transformation.

1.2. Creativity

Creativity is the ability to produce work that is both new and valuable (Martens, 2011). Though creative thinking is often unconscious, our brain seems unusually active and uses several areas associated with complex problem solving (Christoff et al., 2009). Creative thinking leading to insight is more likely with a prepared mind in a mentally relaxing environment where freedom, security and control are deeply experienced (Martens, 2011). Based on psychometric approach, creativity should be considered as a mental trait that can be quantified by using appropriate measurement systems (Guilford, 1950; Torrance, 1974). Theoretical models and empirical studies suggest that organizational creativity is encouraged particularly by a combination of individual qualities, such as personality and cognitive style/ability, and by workplace factors, such as a supportive and safe climate (Amabile, 1996; Scott and Bruce, 1994; Woodman et al., 1993). Creativity may be studied at the individual level, as well as on team or organizational levels. An organization's creativity level results from the pattern of individual members' attributes and behavior and the complex social interactions between group members which may either hinder or enhance creative outcomes. Numerous factors may influence organizational creativity including task characteristics, team composition, culture/climate in organization, work processes, leadership factors, as well as external demands like market environment, political environment, and legislation. (Mathisen et al., 2012). Leader creativity is not necessarily sufficient to enhance organizational creativity, but leaders need to apply their creativity in a way that promotes a creative climate in the organization. Individual creativity is understood as a function of previous conditions (past personal history, biographical variables), skills and cognitive style (divergent thinking, flow of ideas), personal elements (self-esteem, control), relevant knowledge, motivation, social influences (benefits, social rewards), and contextual influences (physical environment, task and time constraints) (Borghini, 2005). The biggest block to creativity at any level is the paradigm. A paradigm is a whole way of thinking, perceiving, communicating and viewing the world (Gurteen, 1998)

1.3. Innovation

Tidd and Bessant (2009) assumes that innovation is a process of turning opportunity into new ideas and of putting these into widely used practice. Innovativeness is probably the most effective way for organizations in the transition economies to improve their competitiveness (Bastic and Scapacan, 2006). For firms, it does not only concern thoughts/ideas, but also action, innovation, and progress. Innovation is a defining feature of organizational creativity. New ideas should be implemented in order to achieve competitive advantage through innovation (Borghini, 2005). In order for creativity to exist within an organization, every action should be clearly directed towards promoting innovation (Borghini, 2005). The absence of organizational creativity might not depend on a problem involving the generation of ideas, but might depend on a problem of translating ideas into products or other concrete results or in the so-called process of innovation or implementation (West, 2001). Creativity is about the generation of ideas and innovation is about putting them into action (Gurteen, 1998). For an organization, it isn't enough for their employee to only generate new ideas, but how to turn that ideas into action is also important thing to do. Nightingale (1998) and Coombs and Hull (1998) said that knowledge contributes to producing creative thoughts and generating innovation.

1.4. Barriers To Creative Thought and Innovative Action

Martin (2004:91) explains six categories to identify and measure barriers to creative thought and innovative action. These categories are :

- a. Barriers related to concept of self
This categories try to examine the variables most often associated with an individual's self esteem, self confidence, handling of rejection and ability to confront differing opinions.
- b. Barriers related to need for conformity
This categories try to examine the variables most often associated with an individual's inclinations to break away from tried and true patterns, to take risks, to express one's idea and to scrutinize traditional views and standard practices and policies.
- c. Barriers related to ability to abstract
This categories try to examine the variables most often associated with an individual tendencies to use the unconcious mind, to abstract, to view things in holistic or visual ways and to rely on gut hunches or intuition.
- d. Barriers related to ability to use systematic analysis
This categories try to examine the variables most often associated with an individual's tendencies to use the conscious mind, to apply logic, to think in linear or sequential ways, to organize one-self and one's ideas and to rely on facts or data
- e. Barriers related to task achievement
This categories try to examine the variables most often associated with an individual's work patterns, persistence, attitude toward others and resourcefulness.
- f. Barriers related to physical environment
This categories try to examine the variables most often associated with an individual's preferences as to physical surroundings, dealing with distractions, use of personal space and need for privacy..

2. The Method

This study uses descriptive research method which is conducted through survey. This study uses six categories (Martin, 2004) which can be used to measure barriers to creative thought and innovative action. These six categories can be seen in Table 1.

Table 1. Operating of Research Variables

Variables	Indicators	Item
Barriers related to concept of self	I evaluate criticism to determine how it can be useful to me	Number 1
	It is not difficult for me to have my ideas criticized	Number 7
	I feel at ease with colleagues even when my ideas or plans meet with public criticism or rejection	Number 13
	I would modify an idea, plan, or design, even if doing so would meet with opposition	Number 19
	I would feel no serious loss of status or prestige if management publicly rejected my plan	Number 25
	I feel uncomfortable making waves for a worthwhile idea if it threatens the inner harmony of the group	Number 31
Barriers related to need for conformity	When solving problems, I attempt to apply new concepts or methods	Number 2
	In the past, I have taken calculated risks and I would do so again	Number 8
	I frequently read opinions contrary to my own to learn what the opposition is thinking	Number 14
	I feel comfortable in expressing my ideas even if they are in the minority	Number 20
	I frequently question the policies, objectives, values, or ideas of an organization	Number 26
	I am willing to present a truly original approach even if there is a chance it could fail	Number 32
Barriers related to ability to abstract	I can shift gears or change emphasis in the abstract	Number 3
	I dream, daydream and fantasize easily	Number 9
	I translate symbols into concrete ideas or action steps	Number 15
	I enjoy participating in nonverbal, symbolic, or visual activities	Number 21
	I deliberately exercise my visual and symbolic skills in order to strengthen them	Number 27
	I can recognize the times when symbolism or visualization would work best for me	Number 33
Barriers related to ability to use systematic analysis	I get enthusiastic about problems outside my specialized area of concentration	Number 4
	I know how to simplify and organize my observations	Number 10
	I seek many ideas because I enjoy having alternative possibilities	Number 16
	I feel the excitement and challenge of finding a solution to problems	Number 22
	I can accept my thinking when it seems illogical	Number 28
	I try to make an uninteresting problem stimulating	Number 34
Barriers related to task achievement	I always give a problem my best effort, even if it seems trivial or fails to arouse enthusiasm	Number 5
	Occasionally, I try a so-called "unworkable" answer and hope that it will prove to be workable	Number 11
	In the idea-formulation stage of a project, I withhold critical judgment	Number 17
	I keep a file of discarded ideas	Number 23
	I seldom reject ambiguous ideas that are not directly related to the problem	Number 29
	I consciously attempt to use new approaches toward routine tasks	Number 35
Barriers related to physical environment	I set aside periods of time without interruptions	Number 6
	I can and do consistently guard my personal periods of privacy	Number 12
	I determine whether an imposed limitation is reasonable or is unreasonable	Number 18
	I make reasonable demands for good physical facilities and surroundings	Number 24
	I distinguish between the trivial and the important physical distractions	Number 30
	In the past, I have determined when to leave an undesirable environment and when to stay and change the environment	Number 36

The population in this research is all employees in ABC and its subsidiaries, amounting to five subsidiaries. Meanwhile the sample in this research is 50 respondents from the top level management, 61 respondents from middle level management and 75 respondents from low level management. The total respondent is 186 respondents. This study uses simple random sampling as sampling technique.

Measurement scale and score for each item consist of strongly agree (score 1), agree (score 2), agree somewhat (score 3), disagree somewhat (score 4), disagree (score 5) and strongly disagree (score 6). After each item is scored, all items are grouped based on each category. These categories are the barriers related to concept of self (number 1, 7, 13, 19, 25 and 31), barriers related to need for conformity (number 2, 8, 14, 20, 26 and 32), barriers related to ability to abstract (number 3, 9, 15, 21, 27 and 33), barriers related to ability to use systematic analysis (number 4, 10, 16, 22, 28 and 34), barriers related to task achievement (number 5, 11, 17, 23, 29 and 35) and barriers related to physical environment (number 6, 12, 18, 24, 30 and 36). After that, mean score in each category is gained by totaling all scores and dividing it by the number of respondents. Categories with high scores are the barriers to overcome in order to increase one's creative thought and innovative action. In this study, the category with score more than 16 is concerned as the main priority to overcome in order to increase individual's creative thought and innovative action.

3. The Results and Discussion

3.1 The Result Of Barriers Related To Concept Of Self

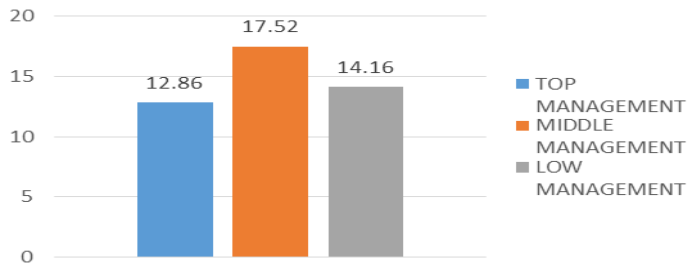


Fig. 1. Result of Barriers Related To Concept Of Self

Figure 1 shows us that middle level management is facing barrier related to concept of self with score 17.52. The barriers related to inconvenience in facing critics and rejection to the expressed ideas either from superiors or subordinates affect the employees' level of confidence. This affects the employees in this level to minimize expressing and discussing new ideas which might give significant contribution to the organization. These unexpressed ideas may decrease the critical ability of employee in this level to give new ideas due to the minimum effort to evaluate based on the critics.

3.2 The Result Of Barriers Related To Need For Conformity

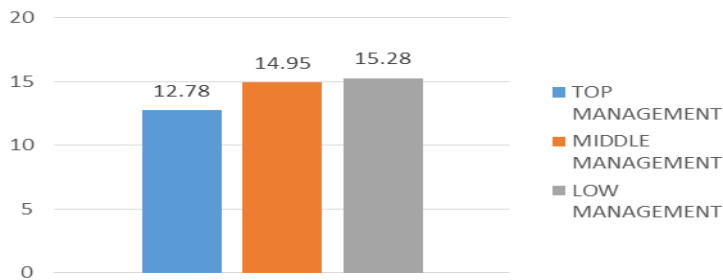


Fig. 2. Result of Barriers Related To Need For Conformity

Figure 2 shows that employees in each level have low barrier related to the need for conformity. Employees periodically question the policy, goals, values, and ideas of the organization. Most employees frequently study the conflicting opinion to understand other person's thought. The willingness of employees to reveal a new approach will emerge when the organization requires them to do so. In this condition, organizational transformation process related to the ability for conformity is easier to do due to the openness and willingness of the employees to accept change. Transformation needs time but not too long since the barrier faced by the employees is low.

3.3 The Result Of Barriers Related To Ability To Abstract

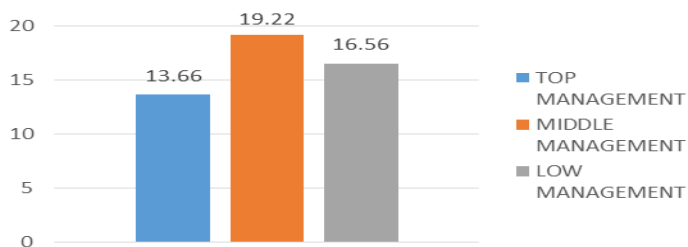


Fig. 3. Result of Barriers Related To Ability To Abstract

Based on data processing, data of employees in the middle and the low level management shows that there is barrier related to ability to abstract. Barrier emerges in adaptation to uncertain condition. Employees face difficulties to formulate concrete steps in solving problem. The low involvement of employees in organizational activities such as discussion and knowledge sharing makes the visual and non-verbal skill of employees become not optimal.

3.4 The Result Of Barriers Related To Ability To Use Systematic Analysis

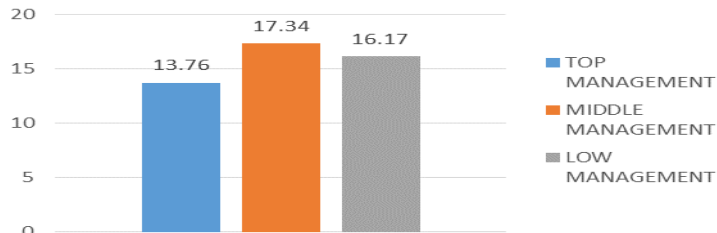


Fig. 4. Result of Barriers Related To Ability To Use Systematic Analysis

Figure 4 shows that employees in the middle and low level management still have barrier related to the ability to use systematic analysis. Employees are still focus on problems related to mastered field and give less attention to problems in other fields. The lack of ideas makes it difficult for employees to simplify the problem and formulate alternative solutions, especially for the middle level management. The positive side is that employees are willing to accept and open to ideas of other employees which are sometimes less attractive for them.

3.5 The Result Of Barriers Related To Task Achievement

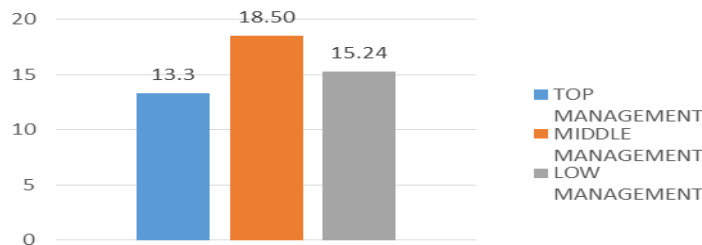


Fig. 5. Result of Barriers Related To Task Achievement

Based on data processing, all respondents are willing to give their best effort in solving every problem. Employees expect that even the most difficult problem can be solved. They also stated that they actually keep their ideas in their mind waiting to be expressed. The employees in the middle level management find low barrier to formulate ideas in generating alternative strategy.

3.6 The Result Of Barriers Related To Physical Environment

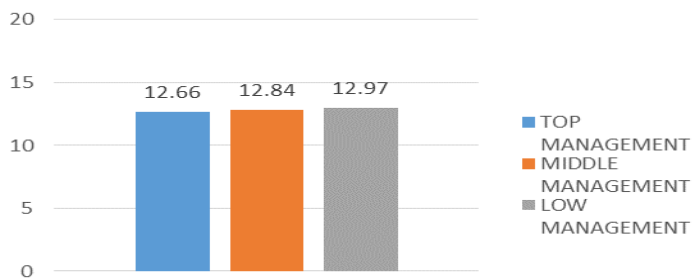


Fig. 6. Result of Barriers Related To Physical Environment

Figure 6 shows that all respondents do not have any barrier to transform related to physical environment. Employees know how to put themselves in the organization and manage their time; separate between personal interests and job. They also make the most of any spare time which they have. They have the ability to decide when they need to be in the middle of an environment and certain condition and when they need to change their environment including for self-development.

3.7 Discussion

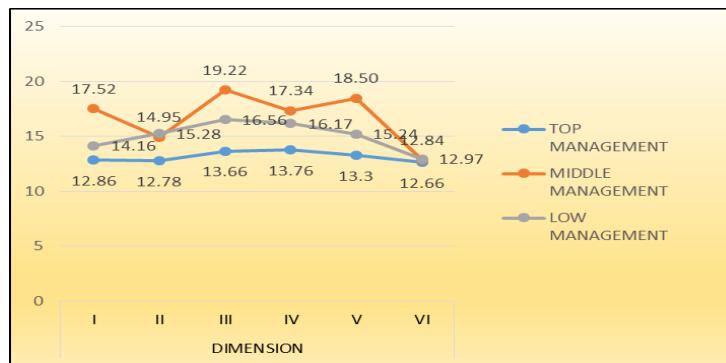


Fig. 7. Overall Result of Barrier To Creative Thought And Innovative Action

Mean score for all dimensions shows that respondents in middle level management have 16.73 points as the lowest score, those in top level management have 13.17 points and those in low level management have 15.06 points. In this case, employees in ABC face several barriers but the transformation process still can be carried out since employees have the willingness and openness to accept change. It takes gradual effort periodically to transform by first eliminating the emerging barriers. ABC solution for the middle level management to increase creative thought and innovative action is focused on barriers related to self of concept, ability to abstract, ability to use systematic analysis and task achievement. Although low level management has mean score less than 16 but they still have several dimensions that need to overcome; there are barriers related to ability to abstract and ability to use systematic analysis. Facing this condition, the steps needed by the company to eliminate barriers faced by the employees in order to ensure the successful implementation of organizational transformation are:

a. Communicate vision and goals of the transformation clearly

The goal of transformation needs to be understood by all employees in the company. Employees need to realize that transformation needs to be made to face competition and to adapt to the external demand. The mission in making transformation must be in line with the vision of the company. Communicating vision and transformation cannot be done only once but continually to build the employees' mindset. The communication process itself can be done in every activity, especially formal activity. It can as well be done by installing attributes in every room and every floor in the company building. Repeated communication by using every company's media can give energy to the employees to actively involve as the actor of the company's transformation.

b. Communicate corporate and business strategy

Besides vision and goals of the transformation, corporate and business strategy must also be communicated clearly to employees in all levels. Communication will be effective if the leader in all organizational levels have the ability to deliver and describe the steps of the strategy concretely to ease employees to be aware of the suitability of any actions taken and to know the steps to take. For every step, parameters are specified to measure the target achievement. Each manager is responsible to remind the agreed strategy. This is done to ensure that every action and problem solving can be aligned with the organization's strategy. Giving feedback as a preventive or corrective action must be based on strategy and vision which has been set.

c. Encourage creativity and innovation through improvisation

The extraordinary thing begins with unusual ideas. Any idea should not be considered as invaluable thing. The proper idea processing by the organization will generate valuable innovation and may become competitive advantage of the organization. The steps of idea processing begin with idea exploration, idea formulation, idea conceptualization, idea development, idea simulation, idea implementation and feedback for improvement. The result of the data processing shows that employees still tend to wait for instruction from the organization to reveal new ideas. This means that the willingness to reveal is triggered by a condition which is a demand or an organizational instruction. In this case, willingness will reveal if there is trigger from the organization, not from individual. Therefore, company needs to ensure employees' involvement to participate in formal activity through policy. This condition is expected to encourage non formal activity which can also trigger the employee's creativity and innovation.

d. Give organizational support morally and technically

Important factors which encourage creativity and innovation are moral and technical support from organization. These are several things that must be provided by the organization:

1. Training and facility to support creativity and innovation. The main training needed is to improve the ability to abstract and systematic analysis regularly such as imagination training especially for employees in middle and low level management. It is important for them because they have to be able to explain how to solve the problem systematically based on facts.
2. Optimum time and space to explore new ideas. These will promote creativity and innovation. No time and space to generate idea will make employee get bored and frustrated. Too many times which may produce too many ideas are also will make the decision making process longer than it should be.
3. Media for knowledge and idea sharing. Media is used to share ideas either verbally or non-verbally. Organization may begin with regular meetings which must be attended by employees for example once-a-week meeting for knowledge sharing– sharing new knowledge. Each work unit is interchangeably responsible to prepare a speaker every week. Instead of direct meeting, organization needs to provide online media for discussion which operate everyday (day to day) to share employees' ideas. All employees must involve in this, at least to give suggestion for development. Organization needs to point a management leader to be responsible and control the discussion including selecting interesting ideas to improve the organization.
4. Culture which permit failure. Giving feedback is important for employees so that they can identify their points which should be improved and their error which should not be repeated especially when there is deviation from the organization's rule which accidentally and unconsciously occur. For example, give freedom in making decision related to their job by giving feedback, coaching and training. It is expected that this condition can be an effective learning process proses to keep improving self-quality and stimulating new ideas.
5. Openness climate for new ideas. The need to create climate which accommodate even the unusual ideas to be part of the process to reveal creativity and innovation should be supported by the management and all employees to create an atmosphere which is open for differences. This is to create self-comfort for employees in expressing new ideas.
6. Role model to be responsible for the innovation process. Employees will be more motivated if their manager in the organization can be their role model to give them examples and inspiration through success stories in innovating. Therefore, an organization needs to point a person who has the ability to control, give examples, and give motivation for employees to keep innovating.
7. Reward and recognition. Reward and recognition are positive reinforcement to repeat the expected behavior. Reward is given to those who contribute through ideas in work completion or organizational development. Reward and recognition is given in at least once in 6 months so that the interval from one assessment to another is not too long, since creativity and innovation are dynamic processes. Reward may take the form of financial or non-financial. The most important thing is that the best ideas must be developed to be a valuable innovation for the organization. Indirectly, this follow-up is a recognition that raises employees' confidence, satisfaction, and stimulation to reveal new ideas.

If the process to create innovation, as mentioned, becomes a routine innovation, innovation culture can be formed to transform organization which finally creates competitive advantage for the organization. Figure 8 shows

the solution to problems faced by ABC.

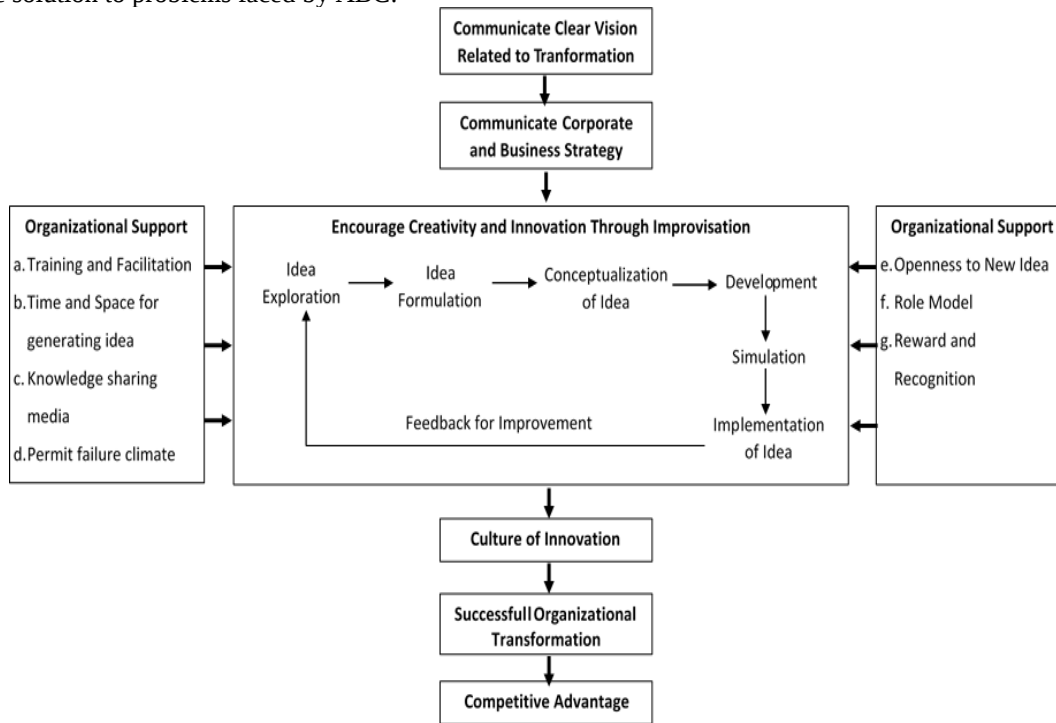


Fig. 8. Problem Solution Model

4. Conclusions

To make the organizational transformation success and win the market competition, ABC must eliminate barriers to creative thought and innovative action faced by the employees, especially those in middle and low level management. Based on the problems, the steps needed are:

- a. communicate vision and mission of transformation clearly,
- b. communicate corporate and business strategy,
- c. Encourage creativity and innovation through improvisation,
- d. Give organizational support morally and technically.

Consistency of steps implementation which has previously stated is expected to be able to support organizational transformation which finally will create competitive advantage for the organization.

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