



UNIVERSITAS GADJAH MADA
FACULTY OF ECONOMICS AND BUSINESS

ISSN 2548-7965

PROCEEDINGS



**THE 8TH
GADJAH MADA
INTERNATIONAL CONFERENCE
ON ECONOMICS AND BUSINESS**

"Pandemic, Humanitarianism and Business Resilience"

Yogyakarta, September 12, 2020

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PREFERENCE

Thanks to God, with the almighty grace.

It is my great pleasure and honor to welcome all of you at the 8th Gadjah Mada International Conference on Economics and Business (Gamaiceb), in collaboration with the 5th Gadjah Mada International Conferences on Islamic Economics, Business, Accounting and Finance (GamaICI). I would like to extend, and an incredibly warm welcome to our distinguished speakers – some of them will join later.

This year, we all experience an unprecedented situation with the global COVID-19 pandemic. The pandemic has changed our daily life, including the way to communicate and interact with each other, including this conference. Since its establishment in 2012, this is the first Gamaiceb and Gamaici conference conduct virtually as we face the challenges that Covid-19 has placed upon us.

On this occasion, we are delighted to have you in the virtual conference to participate and share your knowledge, experience, as well as research in our conference with; the central theme for this year, is “pandemic, humanitarianism and business resilience.”

Humanitarian initiatives have been undertaken by individuals and community groups and companies to help individuals infected with the coronavirus. Initially, humanitarian activities focused on providing masks, personal protective equipment for medical personnel, and providing access to health services for residents exposed to the covid-19. In the next stage, humanitarian actions are directed at minimizing the spread of the coronaviruses, such as campaigns for clean and healthy living, the use of masks, social-distancing, and physical-distancing. It is clear that a pandemic cannot be treated merely as a health problem. Therefore, humanitarian activities are progressing and also include the mobility to provide assistance and protection for the livelihoods of people affected

With a pandemic recovery pattern that requires a considerable amount of extended period, the present and future business landscape will be significantly influenced by efforts to balance between health-safety and economical means. Business resilience becomes a prerequisite for maintaining sustainable business operations in this business setting. Business resilience can be described as a dynamic process encompassing positive adaption within the context of significant adversity.

Therefore, to respond to such growth, this annual conference aims to provide a forum for sharing and promoting research in a humanitarian context. Moreover, this conference also facilitates intense and productive networking among academics, policymakers, students and other interested parties.

The conference is designed into two sessions: plenary session and parallel paper presentation. All the speakers will deliver their topics in the plenary sessions. For the parallel session, the participants were divided into ten different virtual rooms. According to our record, this conference attends more than 400 participants, and 39 of them will present their papers.

On behalf of the committee organizer, we would like to offer our sincere thanks and gratitude to everyone, especially for all the committee members, without whom this would not have been possible.

We sincerely hope that these proceedings and the conference, in particular, will grant benefits to all of the participants and also the readers, especially as a reference for other Economics and Business development in Indonesia and all over the world. We welcome and will receive any suggestions and constructive feedback to improve the organizing strategy for the betterment and development of Gadjah Mada International Conference of Economics and Business conferences and proceedings. We look forward to seeing you again at our next event.

Yogyakarta, 21 September 2020
The 8th GAMAICEB Committee

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Effect of Emotional Intelligence and Primal Leadership on the Performance of Employees Mediated by Organizational Culture

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ABSTRACT

Introduction/Main Objectives: Education is the main component of human development and is essential to build national character. Character education in schools is related to the school management. The management intent is how character education is planned, implemented and controlled in school activities adequately. **Background Problems:** This research tries to test several factors that theoretically have impact to employee's performance: emotional intelligence, primal leadership, and organizational culture, with research questions: the impact of (1) emotional intelligence towards employee's performance, (2) emotional intelligence towards organizational culture, (3) primal leadership towards employee's performance, (4) primal leadership towards organizational culture, (5) organizational culture towards employee's performance, and (6) emotional intelligence towards primal leadership. **Novelty:** Low emotional quotient in managerial level, high rate of turnover, unimplemented culture of organization, and unsatisfying employee performance make this research essential to give input to the organization. **Research Methods:** An associative research in a form of causal research is implemented to investigate the relationship between variables. Research was held at Sekolah Terpadu Pahoa with population of 451 teachers and employees. Non probability sampling with sampling quota resulted in 250 chosen samples to be tested using questionnaire and Structural Equation Model (SEM) data analysis. **Finding/Results:** The result shows that emotional intelligence has positive and significant impact to performance; emotional intelligence has no strong significance to organizational culture, primal leadership has no strong significance to performance, primal leadership has positive and significant impact to organizational culture, organizational culture has positive and significant impact to performance, and emotional intelligence has positive and significant impact to primal leadership. High emotional quotient will result in better performance. Employee will give better service to the organization qualitatively and quantitatively. But this requires the same culture between leader and organization, so that leader can bring employee to give output as stated in organization's vision and mission. Leader's emotional quotient will have positive impact in practical work. **Conclusion:** Sekolah Terpadu Pahoa should be sharpening emotional intelligence through applied activities and programs to develop Pahoa culture as the given morale and ethic, that finally can have impact to teacher's and employee's positive performance. Top management needs to give direct example of high emotional quotient that is visible and impactful to teacher and employee. Not only an act of appreciation of performance, promoting employee with high emotional quotient will also trigger other employee to sharpen his or her emotional quotient.

Keywords: emotional intelligence, primal leadership, organizational culture, employee's performance

JEL Classification: O15

Impact of Information Quality on Customer Perceive Value and Experience Quality and Influence on Customer Satisfaction

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ABSTRACT

Introduction/Main Objectives: The existence of technological advances in the field of online transportation provides an advantage for people not to have to come to a restaurant to buy food, this can be ordered through the GOJEK application. The GOJEK application makes it easy for people to purchase food online easily. Various information about the restaurant has been provided in the GOJEK online transportation service application. **Background Problems:** The government's appeal regarding COVID-19 requires people to stay at home. Some activities are required to support social distancing recommended by the government, one of which is eating at restaurants. Some restaurants have been advised by the government not to eat on the spot. Along with technological developments, people do not need to worry about staying at home because everything can be done from home. **Novelty:** This study aims to determine and prove the effect of information quality on experience quality and customer perceived value as well as satisfaction in using the GoFood application in Malang City. This research is an update of information during the pandemic so that it can be used as a reference for some marketing to determine marketing strategies. **Research Methods:** This type of research is explanatory research through a quantitative approach by conducting a direct survey to the application users using an online questionnaire. The research sample obtained a number of 380 respondents and the sampling technique of this study used purposive sampling with the criteria that GOJEK application users had made purchases through the application at least 3 times and were aged 18 years and over as a consideration that the perceptions given were quite clear and independent. **Finding/Results:** The results showed that information quality has a positive and significant effect on experience quality, customer perceived value and customer satisfaction, experience quality has a positive and significant effect on customer perceived value, customer perceived value has a positive and significant effect on customer satisfaction. **Conclusion:** Experience quality has a positive and not significant effect on customer satisfaction, this is a new finding from this study because there are differences in the results of the relationship between variables in previous studies. This research contributes that the existence of an appeal to stay at home can increase the use of online applications to carry out activities.

Keywords: information quality, experience quality, customer perceive value, customer satisfaction.

JEL Classification: M1, M3

Distinctive Capability and Customer Requirements on Marketing Performance of Private College in Bandar Lampung

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ABSTRACT

Introduction/Main Objectives: In applying the principles of marketing to win the competition between institutions, the positional superiority of a tertiary institution will highly depend on the institution's ability to create a unique and superior position in the minds of its stakeholders, both students, parents, and users. **Background Problems:** This study aims to analyze and test the marketing performance models of private college in the city of Bandar Lampung. The variables observed in the marketing performance model of private college are distinctive capabilities and customer requirement. **Novelty:** The novelty of this study is to use special capability variables that include tangible resources, intangible resource, and organizational capabilities. **Research Methods:** This study uses primary data obtained by distributing questionnaires online using Google doc. This research used stratified random sampling technique to determine the sample. The sample observed was private college in the City of Bandar Lampung with the study respondents being the chair of the study program. Model estimation is done by using the Ordinary Least Square (OLS) approach to find out the effect of distinctive capabilities and customer requirements on marketing performance. **Finding/Results:** The results of this study reveal the positive and significant effect of distinctive capabilities, while customer requirements have no effect on marketing performance of private college in Bandar Lampung City. **Conclusion:** That is, the more distinctive capabilities they have, the higher the marketing performance of private college in the city of Bandar Lampung. That is, the variable customer requirements have no impact on improving the marketing performance of private universities in Bandar Lampung City.

Keywords: distinctive capabilities, customer requirements, marketing performance

JEL Classification: A20, I23, M21, M31

Determining Consumers' Willingness to Purchase Halal Food: A Study in Indonesia

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ABSTRACT

Introduction/Main Objective: Halal food industry is no longer underrated. Since consumers became very concerned about their daily consumption considering the hygiene that should be maintained. This research was aimed to measure the Indonesian consumers' willingness to purchase halal food, especially meat products, based on trust, awareness, packaging information, and food safety. **Background:** Halal food can be considered as a standard of quality as it represented a symbol of cleanliness and safety of a product, both for Muslims and non-Muslims. However, Indonesian consumers' demand for halal food is not proportional comparing to a large number of the Muslim population. **Novelty:** Contrast to previous similar studies that adopting the Theory of Planned Behaviour (TPB) or Theory of Reasoned Action (TRA) that focused more on halal awareness and halal labels, this study was adopting Hedonic Theory. **Research Methods:** By representing Indonesian consumers, both Muslim and non-Muslim, 186 data were collected using online questionnaires. Data then analyzed using multiple linear regression and Ordinal Least Square (OLS). **Findings/Results:** Results showed that only halal awareness and food safety are proven to have significant positive effects on willingness to purchase. **Conclusion:** Regardless of Muslim and non-Muslim, halal awareness and food safety attract consumers' willingness to purchase halal-labeled meat products. To increase the willingness to purchase halal meat products in Indonesia, the government and producers must be able to encourage awareness of the importance of eating halal food. Furthermore, they also must ensure the safety of that food. Hopefully, these findings can become input for stakeholders.

Keywords: willingness to purchase halal food, halal trust, halal awareness, packaging information, food safety.

JEL Classification: D13, I31, J22, K31

Digital Receipts of Online Transactions in Reconciliation Processing and Financial Reporting Preparation

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ABSTRACT

Introduction/Main Objectives: The purpose of this research is to see the causal relationship from digital receipt usage in the process of reconciliation and financial statements preparation at SMEs as multiplatform ecommerce users who are preparing to become exporters of their various products. **Background Problems:** Digital receipts from ecommerce providers often have formats and layouts that include differences in hardware and software from providers and users, that they become obstacles in data integration in reconciliation and financial reporting. **Novelty:** To obtain facts about the process of reconciliation and financial statements preparation based on digital receipts from multiplatform ecommerce by SMEs and as preliminary research on the possibility of accounting automation or digital accounting SMEs. **Research Methods:** Research uses quantitative methods with partial least square structural equation modeling (PLSSEM) and descriptive analysis to obtain the state of reconciliation and financial statements preparation process. **Finding/Results:** Digital receipt from Online Sales has a small effect on recording transactions and a large effect on Reconciliation, Payment has a large effect on recording transactions and a small effect on reconciliation while Delivery has a medium effect on recording transactions and a large effect on reconciliation. The recording of internal transactions carried out by manual processing and separated from reconciliation or financial reporting using spreadsheets with positive contributions from digital receipts. **Conclusion:** Digital Receipt provides a high level of confidence in the completeness, accuracy, simplicity, efficiency and suitability of SMEs and give positive contribution in the process of recording transactions, reconciliation and financial statements preparation. It has been a part of the learning process of SMEs in the migration from manual to digital processing with obstacles in the adoption of integrated Accounting Information System (AIS). The readiness of human resources, financial, structure, procedures and control as well as digital-based which is the gap between manual and digital processing in SMEs that are still requires an adaptation process and support from various parties in adopting a digital processing system.

Keywords: Automation; Digital Receipt; Multiplatform Ecommerce; Digital Accounting; Reconciliation and Financial Report Preparations.

JEL Classification: M4, O3

Nexus between Vocationally Educated Unemployment, Export, and Inflation in Indonesia

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ABSTRACT

Introduction/Main Objectives: This study examines the relationship of vocationally educated unemployment, export, and inflation in Indonesia. Those three variables are expected to affect each other, based on some previous literature reviewed and theories. **Background Problems:** In recent decades, Indonesia is facing two major problems: the deficit of trade balance and high rate of vocationally educated unemployment. These are expected to influence each other and might be overcome simultaneously by driving labor-intensive export, remembering that there are many vocational schools in Indonesia which provide ready-to-work graduates. Also, the Indonesian Ministry of Industry prioritizes the development of export-oriented labour-intensive industries as a locomotive of Indonesia's economic growth until 2025. Though, ironically, the biggest unemployment in Indonesia is vocational graduates. On the other hand, it is expected that there is a trade-off between inflation and vocationally educated unemployment, so is inflation and vocationally educated unemployment. The low inflation is expected to reflect the good economic condition in Indonesia, but it is in contrast to the deficit and high unemployment rate. Thus, the three variables seem to relate each other as a triangle. **Novelty:** Research about vocational education in Indonesia is mostly in social issues. Whereas, it also relates to economic condition, such as production, export-oriented industries, and inflation. Connecting the vocationally educated unemployment problem to export and inflation has little been studied in Indonesia, however it is an important issue in which to overcome those problems, it is needed to investigate the nexus first. **Research Methods:** This study examines the causal relationship using Panel Vector Auto-regression (P-VAR) model and the Engel-Granger causality test. The data used here are 2015-2019's data of 34 provinces in Indonesia based on BPS-Statistics of Indonesia. **Finding/Results:** Some main findings are as follows: export and inflation significantly influence vocationally educated unemployment; Optimal lag between variables is three years; By conducting Impulse Response Function (IRF), the response of the vocationally educated unemployment to other variable's shocks are found. **Conclusion:** The government is suggested to formulate policy improving labor-intensive export and managing inflation in order to decrease the vocationally educated unemployment. Empowering human resource first, then economy accelerates.

Keywords: vocational; educated unemployment; export; inflation; panel VAR

JEL Classification: E24; E30; F16; I20

**The Effect of Internet Access on Female Labor Force Participation in Bali Province
Using Propensity Score Matching**

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ABSTRACT

Introduction/Main Objectives: During past decades, the Information and Communication Technologies (ICTs) have been growing exponentially at unprecedented speed and scale. The internet in particular was deemed to help increase female labor force participation (FLFP) through its job-related transformation. **Background Problems:** However, such claim need to be further investigated particularly in a society where gender stereotypes brought by social norms and values prevails. On the other hand, Bali province has long been characterized with highly- patriarchal culture in which the role of men and women is clearly distinguished, with men taking the leading role while women carrying the supporting one. **Novelty:** Hence, by looking into the contribution of internet access on FLFP in Bali Province will be a cutting-edge attempt to the study of ICT effect on FLFP. In addition, the quasi-experiment approach will be used to estimate causal effects and to draw causal inferences of specific intervention. **Research Methods:** As part of central method in quasi-experimental designs, propensity score matching (PSM) is assigned. This method can be utilized in a way analogous to the randomized experiment that help design an observational study regardless of the availability of outcome. By utilizing data from the Indonesian national socio-economic survey (SUSENAS) 2018, we aim to account for the effect of internet access on the FLFP in Bali province. **Findings/Results:** From our finding, it can be inferred that internet access has positive impact on the FLFP in Bali province. This result is particularly affiliated to their educational background and well-being, e.g. dependency ratio, other household income, and poor household. **Conclusion:** The ICT brought by internet appears to have a role in increasing female participation to join workforce despite being designated to a highly-patriarchal society. However, this condition is particularly relied on the level of education and household well-being, thus the improvement of both is foremost needed.

Keywords: propensity score matching (PSM), internet access, female labor force participation (FLFP)

JEL Classification: C81; D13; D22

The Influence of Job Satisfaction on Turnover Intention with Job Burnout as Moderation Variables

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ABSTRACT

Introduction/Main Objectives: This research will discuss the influence of job satisfaction on turnover intention by placing the job burnout position as a moderation variable. The auditor profession is a profession that is vulnerable to pressure and heavy workloads. When the auditor is in peak season, workloads and working hours will increase and high work intensity with tight deadlines. On the other hand, auditors are required to meet workloads with high work standards and produce quality audit reports. These triggers the high level of employee turnover at the Public Accounting Firm. **Background Problems:** There are two research question in this study, first how does Job satisfaction influence Turnover Intention and the second does job burnout moderate the effect of Job satisfaction on Turnover Intention **Novelty:** The novelty of this study with previous research is the existence of job burnout as a moderating variable. **Research Methods:** The data type in this study is primary data, obtained directly from the original source through a questionnaire to auditors who worked at Public Accounting Firms in Jakarta and West Java in year 2020. This research uses Multiple Linear Regression Test, which are Partial Test (T Test), Simultaneous Test (F Test), and Determination Test (R²). **Finding/Results:** This research has provided evidence that job satisfaction has a negative influence on turnover intention. From the data obtained and processed, this study also states that Job Burnout moderates the effect of Job satisfaction on Turnover Intention. **Conclusion:** The conclusion of this study is that Job Satisfaction negatively influences Turnover Intention, and Job Burnout moderates the effect of Job satisfaction on Turnover Intention. The implication of this research is that the Public Accounting Firm can pay more attention to the importance of job satisfaction and burnout factors for its Auditors because it will affect the level of turnover intention.

Keywords: Job Satisfaction, Turnover Intention, Job Burnout

JEL Classification: D13, I31, J22, K31

The Impact of Indonesia's Anti-Dumping Duties on Iron and Steel Products

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ABSTRACT

Introduction/Main Objectives: The purposed of this paper is to analysis the impact of Indonesia imposed anti-dumping duties in the iron and steel products. **Background Problems:** China and others countries such as India, Russia, Belaruz, Kazakhstan, Taiwan and Thailand are considered dumped to iron and steel product at artificially low price in Indonesia's market. The low price of these products make domestic firms suffered loss. **Novelty:** This paper extend the debate in scholarly and policy circles on the feasibility imposed anti-dumping duties while these products have adversing severe implication on domestic's economics. **Research Methods:** The simulation predicts in the short run and perfect competitive assumption using the GTAP Computable General Equilibrium. Four scenarios are examined, One where only Indonesia imposed a duties to China. In the second scenario, United States imposed a Donald Trump Tariff to these products, and both Indonesia and US imposed a duties to China. In the third scenario Indonesia imposed a duties to China and others countries that considered to dumped these products. The last scenario, Both Indonesia and United States imposed a duties to China and others countries that considered dumped to these products. **Finding/Results:** The results predicts both Indonesia and United States would decrease of welfare and bilateral trade. In the other hand, this duties would increase the domestic production and reduce the deficit of trade balance. China and others countries which are targeting of a trade restriction bear loss of welfare and those term of trade would deteriorate. The other countries as major trading partners of both Indonesia and United States but not directly involved of this duties would benefit from shift demand to the sectors that have comparative. **Conclusion:** a trade restriction policy predicting increase domestic of trade balances and production. In the other hands, it can reduce bilateral trade between countries that involved. Then, it is predicting reduce domestic and target countries welfare. The other countries that not involved of trade restriction would get benefit.

Keywords: Anti-Dumping, Iron and Steel, Donald Trump Tariff, GTAP Model

JEL Classification: D13, I31, J22, K31

Work-From-Home during the COVID-19 Outbreak: New Solution or Problem?

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ABSTRACT

Introduction/Main Objectives: This study aims to determine the effect of work-from-home on job performance during COVID-19 pandemic. It proposes work environment, job satisfaction and work motivation as mediating variables, and answers how work-from-home affects employee performance through them. **Background Problems:** The new research model will significantly contribute to business practitioners around the world who need to measure the effectiveness of their work-from-home policies. This is especially pertinent during the coronavirus crisis. It can serve as a fundamental input for governments and companies to decide whether to promote work-from-home policies or seek alternative solutions. **Novelty:** The original contribution of this study lies within its questionnaire that has been attuned to changes caused by COVID-19. **Research Methods:** Data collection was completed by distributing an online questionnaire to workers in Indonesia. The English questionnaire with a Likert scale was sent to approximately 2.720 employees by email and a link was also shared on social media. After several months, the survey successfully attracted 330 respondents. After removing invalid and missing responses, 316 valid and reliable responses were kept for further analysis. In order to answer research questions, this study used structural equation modelling. This includes two required steps, namely Explanatory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA). SPSS and AMOS software were utilized to help with the required analyses. **Finding/Results:** The output revealed that by working from home, employees find more joy, satisfaction and motivation that finally will lead to a better job performance. **Conclusion:** Work- From-Home policy should be continued and companies are offered a standard operating procedure of how to do it in order to increase job performance. While the validity of this research is constrained in scope to how these benefits are manifested in Indonesia, there may be external validity among other countries around the world that are affected by COVID-19.

Keywords: Work-from-home, job performance, work environment, job satisfaction, work motivation

JEL Classification: M12, M54

Analysis Company Ownership on Tax Avoidance with Corporate Governance as a Moderation

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ABSTRACT

Introduction/Main Objectives: The purpose of this research is to analyze the effect of managerial, institutional, and family ownership on tax avoidance, Good Corporate Governance (GCG) as moderating with Profitability, Size, and Leverage as control. **Background Problems:** Tax avoidance is an important part of achieving country revenue targets and GCG is believed to be one of the company's control mechanisms to moderate the relationship between company ownership and tax avoidance. **Novelty:** The difference with previous research was in the use of family ownership and Corporate Governance as moderating variables. **Research Methods:** Analysis was carried out using multiple linear regression, multiple linear regression can analysis several independent variables so that the predicted results are obtained more accurate than simple linear regression which uses only one independent variable. Due to data and time limitations analysis data only covers the period 2016 to 2018 with a sample of manufacturing companies listed on the Indonesia Stock Exchange. **Finding/Results:** The results showed that managerial, institutional, and family ownership did not have a negative significant effect on tax avoidance. Corporate Governance-board of commissioners has the role of moderating the negative effect of managerial ownership on tax avoidance meanwhile it cannot moderate the negative effect of institutional ownership and family ownership on tax avoidance. **Conclusion:** The amount of managerial and family ownership in this study is relatively small, so the ownership function in tax avoidance has no effect. Application of Good Corporate Governance is still relatively low. Good Corporate Governance implementation for public companies is just mere a regulation.

Keywords: Tax Avoidance, Managerial Ownership, Institutional Ownership, Family Ownership, Independent Board of Commissioners

JEL Classification: H20

Do Leadership Style and Compensation Scheme Effect on Seller's Transfer Price?

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ABSTRACT

Introduction / Main Objectives: This study examines the type of leadership style and compensation scheme on seller's transfer pricing decision to avoid negotiation conflicts. **Background Problems:** Negotiation is a method often used in determining transfer price in decentralized organization. However, seller's estimate of the transfer price tends to be higher than the buyer that creates conflicts. **Novelty:** This research used division profits as a basis for determining manager compensation whereas previous research found that the use of performance evaluation schemes based on company profits could not mitigate the influence of supportive leadership style on transfer price. **Research Methods:** This research used an experimental method 2x2 factorial design consisting of two treatments of leadership style (supportive and non-supportive) and two treatments of compensation schemes (low bonus percentage and high bonus percentage). **Finding / Results:** The results of the research show that seller's transfer price is closer to equal profit price when work environment is supported by supportive leadership style and has lower percentage of bonus compensation. Another finding for this research is under a supportive leadership style, the effect of a lower percentage of bonus compensation on the seller's transfer price is greater. **Conclusion:** The results indicate that supportive leadership style and lower percentage of bonus compensation based on divisional profit can mitigate seller's self-interest. This research has theoretical implications through the perspective of social exchange theory which concerns the importance of social motivation to mitigate self-interest on managers. Research provides practical implications that strategic business unit in firms could adapt leadership style and compensation scheme to manage negotiation conflicts.

Keywords: Seller's Transfer Price, Supportive Leadership, Non-Supportive Leadership, Low Bonus Percentage, High Bonus Percentage

JEL Classification: D13, I31, J22, K31

Exploring Real Aspects of Citizen Satisfaction on Local Seaport Service (A Study from Ternate, North Maluku)

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ABSTRACT

Main objective: This current research was aimed at exploring the aspects of citizen satisfaction toward government basic infrastructures, using a specific seaport as the researched site. **Background problems:** Basic infrastructures are built to accelerate the development of a country. The Indonesian government has been intensively building a nation's basic infrastructures, including seaports across the country. These infrastructures should also be measured their impacts on people's lives. The impacts can also be determined through how satisfying the infrastructures to fulfill citizen's needs. Very limited studies have employed a qualitative approach to deeply explore the use of customer satisfaction to measure of maximum benefits of a product or a service. In more specific, limited studies on public satisfaction have been used a qualitative approach to emphasize a subjective aspect. This current research took a specific stance by exploring citizen satisfaction factors by using the grounded theory approach. **Novelty:** This current research offers a theoretically grounded and real aspects of citizen satisfaction that lead to a testable model to enrich a wide conversation of customer satisfaction in public sector. **Methods:** This research used grounded theory approach to deeply explore the aspects and their real definitions of satisfactions perceived by citizens as the customers, who frequently used the seaport to serve their mobility between the islands. **Results:** the results identify five main aspects of citizen satisfaction in using local seaports. These aspects were used to revisit the dimensions on SERVQUAL. Sentiments of the users were also recognized and analyzed as a part of an overall judgment to the satisfaction. **Conclusion:** while early studies have provided breadth evidence on citizen satisfaction, the results of this current deeply explore those earlier pieces of evidence, including their emotions and sentiments. Future studies are also recommended to overcome several limitations of this current research.

Keywords: citizen satisfaction, grounded theory

JEL Classification: D91, M38, O18

Employee Performance Seen from the Transformational Leadership Perspective and Internal Communication

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ABSTRACT

Introduction/Main Objectives: The aim of this study is to analyze employee performance at PT. Laksana Karis Industri as seen from transformational leadership and internal communication. **Background Problems:** Transformational leadership is the most influential factor in the progress of organization. To be able to run a successful leadership needs to be supported by a good communication process. The process of internal communication that occurs in an organization, especially communication that exists between leaders and employees is the most important factor and is the key to success in achieving goals in an organization. So, the problems to be solved is how transformational leadership and internal communication work on employee at PT. Laksana Karis industry. **Novelty:** Different from previous research that conducted the research with independent variables, this research seen the employee performance from transformational leadership and internal communication variables simultaneously. **Research Methods:** The research method used is quantitative descriptive and explanatory survey design. Data was collected from a company's employee population of 34 people. Data collection techniques using questionnaires, analyzed by four tests namely: a test of normality, a test of simultaneous, a test of partial hypothesis, and a determination coefficient. **Finding/Results:** The result of this study shows that from 82.5% of employee performance and the remaining 17.5% is affected by other variables, not examined in this research model which means that higher transformational leadership and internal communication provide higher levels of employee performance at PT. Laksana Karis Industri. **Conclusion:** It is concluded that transformational leadership and internal communication simultaneously work significantly on employee performance.

Keywords: employee performance, internal communication, transformational leadership.

JEL Classification: D13, I31, J22, K3

The Role of Antecedents Receiving Technology on Employee Performance: Work Satisfaction as Mediation

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ABSTRACT

Introduction: The development of information technology today has resulted in the acceptance of technology being strongly influenced by transformational leadership, system quality, and facilitating conditions as well as influencing employee performance and job satisfaction. **Background Problem:** research on job satisfaction mediates the relationship amongst employee performance and technology acceptance is still very limited. This research discusses transformational leadership, facilitating conditions, and system quality in shaping technology acceptance, and employee performance, which is largely determined by job satisfaction. This study considers the impact of mediation which is influenced by job satisfaction. Specifically, the study discusses the mediating effect of job satisfaction on the relationship between technology acceptance and employee performance as well as antecedents of technology acceptance, namely transformational leadership, facilitating conditions, and system quality in shaping technology acceptance. **Research Method:** A total of one hundred and seventeen respondents who were involved in this study were State Civil Servants within the Regional Apparatus Organization (OPD) of Ternate City who worked in the Division and Financial Units in 33 OPDs. The data was analyzed using Partial Least Square (PLS) version 3. Seven hypotheses was proposed in this study. **Findings:** The results of research findings indicate that system quality and facilitating conditions can predict technology acceptance and employee performance can also predict job satisfaction. Also, the results of this study confirm the indirect mediating function of job satisfaction in the relationship amongst technology acceptance and employee performance. **Conclusion:** after finding the relevant problems, the Municipal Government of Ternate must improve the system of the system and offer even better-facilitating conditions for implementation, to increase the acceptance of the technology. So that indirectly it will affect on employees' performances through job satisfaction.

Keywords: transformational leadership, quality of system, enabling conditions, technology acceptance, job satisfaction, performance

Does the Employee Stock Ownership Program Contribute Towards Profitability

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ABSTRACT

Introduction/Main Objectives: This study intends to determine the effect of the ESOP on profitability in relation to the decrease of profitability average in all sectors listed on the IDX. **Background Problems:** Fluctuations might occur to profitability but decreasing trends of a company's profitability means inability of a company to provide return of investment and can result in investors running away to other companies that are deemed more profitable. One of the strategies in improving company's profitability is to implement the Employee Stock Ownership Program (ESOP)—an alternative corporate action that can reduce conflicts of interest between agents and owners. The question in this study was whether ESOP affects profitability. **Novelty:** Different from some previous studies, this research used firm size and leverage as control variables. **Research Methods:** This research employed descriptive and verification approach with 54 observational data from 9 companies listed on Indonesian Stock Exchange in the 2012- 2017 period. The statistical analysis used in this study was panel data regression analysis. **Finding/Results:** Based on the results, ESOP was proven effective to increase profitability and reducing conflicts of interest between agents and owners. In addition, ESOP will increase employee motivation and commitment to the company because they are also the owner of the company so that it is expected to increase company productivity and performance. **Conclusion:** In conclusion, ESOP contributes positively to profitability and remain effective in reducing conflicts of interest within a company. Therefore, ESOP needs to be an important concern for companies to become a program that can be implemented as an alternative to increasing profitability.

Keywords: employee stock ownership program, firm size, leverage, profitability

JEL Classification: D13, I31, J22, K31

Contribution of CO² Emissions: An Empirical Study of Environment Kuznets Curve in G20 Countries

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ABSTRACT

Introduction/Main Objectives: The G20 countries are the largest contributing clusters of CO₂ emissions in the world. They are committed to reducing around 1 GtCO₂e per year at the Conference of the Parties (COP) United Nations Framework Convention on Climate Change (UNFCCC) "the Paris Agreement. **Background Problems:** Approximately 41 percent of G20 countries' CO₂ emissions come from the industrial sector and 17 percent from the agricultural sector due to deforestation. Our study aims to prove the Environment Kuznets Curve (EKC) hypothesis in G20 member countries from 1960-2018 associated with increased CO₂ emissions. **Novelty:** The novelty of our study is to consider the different economic characteristics between developed and developing countries with a dummy proxy to determine which category contributes to the greatest CO₂ emissions so that we can see the fundamental implications of these considerations. **Research Methods:** We used the Auto-Regressive Distributed Lag (ARDL) approach with the Feasible Generalized Least Square (FGLS) transformation to eliminate the heteroscedasticity effect on observations. **Finding/Results:** The estimation results with intact samples show that the EKC "new toxics" are valid. However, the subsample estimation of developing and developed countries separately shows that developed countries are more compatible with the inverted EKC "U" hypothesis while developing countries are more likely to "revised" EKC or an overly optimistic view of improving environmental quality. **Conclusion:** Even so, the fact is that the industrial added value per capita in developing countries is the biggest contributor to CO₂ emissions. Meanwhile, the added value of agriculture per capita in developing countries and developed countries shows the potential to reduce emissions. Then, energy consumption and urbanization are also reasons for the increasing levels of CO₂ emissions in developing countries. Finally, the G20 member countries must pay more attention to the threat of environmental degradation rather than efforts to increase economic growth that has the potential to destroy the hopes and aspirations of future generations.

Keywords: CO² emissions, EKC, G20

JEL Classification: D13, I31, J22, K31

The Influence of Economic Expectations and Behavioral Bias on Investment Decision Making

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ABSTRACT

Introduction/Main Objectives: This study examines the effect of economic expectations and behavioral biases on student decision making in investing in the Indonesian capital market. **Background Problems:** The capital market is unstable due to the Covid-19 outbreak, which requires investors to be wiser in making decisions. **Novelty:** This study uses variables that have rarely been studied in previous studies, besides the phenomenon of black swan which is rarely studied. **Research Methods:** This research is a causal relationship study using quantitative data. The investment decision making variable is the dependent variable in the study. While economic expectations and overconfidence bias are independent variables in the study. The sample in this study is student investors who have attended the capital market school of the Faculty of Economics, Jakarta State University. The questionnaire was distributed to the respondents. Research data processing using multiple regression methods through SPSS software. **Finding/Results:** Based on the results and conclusions of the study, economic expectations have a significant influence on student investment decision making in the capital market. Respondents who have economic expectations will increase decision making in the capital market. Behavioral Bias has a significant influence on student decision making in the capital market. **Conclusion:** Respondents who feel overconfident about their investment plans can influence decision making because they feel able to predict and identify stocks that will benefit in the future.

Keywords: covid-19, decision making, economic expectations, overconfidence bias

JEL Classification: D13, I31, J22, K31

Involvement and Consumer's Outcomes: The Mediating Role of Consumer-Brand Identification and Psychological Ownership

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ABSTRACT

Introduction/Main Objectives: This study investigates the role of affective and cognitive involvement in individuals that reflect psychological ownership and brand-consumer-brand identification in the use of video conference applications. **Background Problems:** The Zoom application was proposed because of the increasing popularity of this application amid the Covid-19 pandemic. The selection of the zoom meeting application is the right way to find out how much the user wants to continue this application both for himself and promotions to others by word of mouth (WOM). **Novelty:** This study examines the relationship between cognitive and affective involvement on continuance intention to use and WOM by examining the mediating role of consumer's psychological ownership and consumer-brand identification. **Research Methods:** A total of 200 responses were analyzed through structural equation modeling (SEM) approach using AMOS Graphics to test study hypotheses. **Finding/Result:** The results show that the effect affective involvement on consumer's psychological ownership and consumer-brand identification are supported. In contrast, the relationship between cognitive involvement and continuance intention to use and consumer-brand identification are not supported. Finally, the findings support the mediating role of the extent of consumer's psychological ownership in describing the relationship between affective involvement and continuance intention to use of a brand. In addition, the findings support the mediating role of the extent of consumer-brand identification in describing the relationship between affective involvement and continuance intention to use and WOM of a brand. **Conclusion:** These findings expand and unite existing theory on involvement to continuance intention to use and WOM.

Keywords: affective involvement, cognitive involvement, psychological ownership, consumer consumer-brand identification, continuance intention to use, WOM.

JEL Classification: L22

The Future of Banking Institutions with the Rise of Financial Technology: A Content Analysis

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ABSTRACT

Introduction/Main Objectives: The purpose of this study is to identify the risks and benefits of fintech and interpreting the predicted future of banks with the rise of fintech by scrutinizing the contents of the Big 4 and consulting firms' annual fintech and banking industry reports and the contents of blog posts from global and Indonesian platforms to better represent the market. **Background Problems:** Over the past few years, fintech has proven themselves to break the entry barrier of the banking industry as their adoption rate continued to grow rapidly and it has triggered the discussion of banking industry's future as fintech competitor. **Novelty:** Thus far there is little to no independent study that explores this issue except the annual reports released by the Big 4 or notable consulting firms to which the methodology is undisclosed and carry a potential of conflict of interest. This study combines the reports with the voice of the consumers from blog posts to minimize biases in predicting the future of the banking industry. **Research Methods:** This study utilized content analysis method and the contents are drawn from the reports published no later than 2014 to maintain relevancy of findings and from blog posts by utilizing Google SEO. The contents are then analysed through NVivo 12 software. **Finding/Results:** The result identified convenience as the most important benefit to fintech adopters and they viewed operational risk as the most threatening one. The possible futures that banks can explore are digitalizing their products and service and partnership, acquisition, or investment to fintech companies. **Conclusion:** Despite the rise of fintech, the final finding of this study reveals that banks will not cease to exist in many years to come. This study, although limited in scope, will be of interest to any academic researchers and industry practitioners who are seeking to better understand the nature of banks and fintech.

Keywords: Bank, Fintech, Content Analysis, Disruption

JEL Classification: G20, M13

The Kano Model: How Pandemic Influence Customer Satisfactions through Digital Wallet Services in Indonesia

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ABSTRACT

Introduction/Main Objectives: The understanding of customer needs and satisfaction is essential and crucial for the design and the development of products and services. **Background Problem:** During New normal era, it is predicted that society will shift their payment method to digital wallet, in order to improve the quality of digital wallet, the company should understand customer needs and satisfaction. In this study, the authors used Kano Model to analyze customer needs and satisfaction for two of digital wallet that mostly being used for online shopping transaction during outbreak which is OVO and ShopeePay. **Novelty:** There are few studies related with the implementation of Kano Model towards e-commerce, but there are no specific studies that implemented Kano Model in terms of digital wallet payment during pandemic of COVID 19 in the developing countries. **Research Methods:** In this study, the Kano Model being implemented since in the previous studies, Kano Model suggested as one of the strongest and relevant method to measure customer satisfaction because this model measured and adjust the rate of customer satisfaction based on customer needs and wants by assess each quality of product and services attributes. In few literatures, Kano Model have few advantages since the method provide the detail measurement of each attribute quality using the customer satisfaction map that measured based on the customer wants and needs which reliable for the design and the development of product and service. **Finding/Results:** Based on the findings, it is indicated that most of the features that provided by ShopeePay and OVO mainly categorized into 'must-be' category and 'one-dimensional' category. In addition, the result of satisfaction map showed that most of the items placed in the indifferent quadrant based on the satisfaction category which means it does not meet customer expectation. **Conclusion:** According to this result, OVO and ShopeePay should prioritized the items that placed in the indifferent quadrant to be improved nor developed at first based on the customer requirements and needs based on the categories that has been justified earlier by Kano Model. This study will contribute empirically and theoretically by emphasize the use of Kano Model for digital wallet services that never been done by prior study and to give a new insight to the digital wallet companies as well the government due to the Indonesia society behavior used digital wallet towards new normal era.

Keywords: Digital wallet, CoVid 19, Kano Model, Customer Satisfaction

The Effectiveness of Audit Committee on Earning Management with External Audit Quality as Moderation

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ABSTRACT

Introduction/Main Objectives: Financial statements which describe the company's performance, are made by management and used by stakeholders to make decisions. The audit committee and external auditor as part of good corporate governance are expected to be able to prevent earnings management to avoid stakeholders making wrong decisions. **Background Problems:** Many large companies went bankrupt even though they had been audited by external auditors. Researchers found that earning management decrease after good corporate governance was applied. **Novelty:** This study uses external audit quality as a moderating variable between the audit committee to earnings management. Also, the effect of the gender of women of audit committee to earning management. **Research Methods:** This study aims to examine the effect of the number of audit committee, education of audit committee chairman, and gender of audit committee to earning management with external audit quality as moderation. The research was conducted at manufacturing companies listed on BEI 2016-2018, the method of determining the samples using purposive sampling method with total sample of 391. Data analysis using multiple linear regression analysis. **Finding/Results:** Audit committees can work effectively when working with quality external auditors. **Conclusion:** The result of the research shows that the number of audit committee and education of audit committee chairman have negative effect to earning management when moderated by external audit quality. But gender of audit committee has no significant effect towards earning management.

Keywords: Earning Management, auditor quality, number of audit committee, education of audit committee, and gender of audit committee

JEL Classification: D13, I31, J22, K31

Property Price, Capital Inflows, and Financial System Stability in Asean-5 Economy: A Simultaneous Analysis

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ABSTRACT

Introduction/Main Objectives: This study aims to estimate the impact of capital inflows on property price and financial system stability (FSS) in ASEAN-5 and the simultaneous relationship between the two dependent variables. **Background Problems:** This study indicates the simultaneous relationship between two dependent variables. In fact, using only a single equation for variables that have a simultaneous relationship can cause endogeneity problems, so that the results obtained become unreliable / biased. **Novelty:** The novelty of our research is we are filling the gap in the previous studies with examine how the relationship of property prices and financial system stability with the simultaneous method so as to solve the endogeneity problem that exists. **Research Methods:** We are using the 2SLS simultaneous panel model to solve endogeneity problems. **Finding/Results:** The results show that the massive capital inflows to the ASEAN-5 caused a significant increase in property price. **Conclusion:** This study confirmed that property price and financial system stability were shown to have simultaneous relationships. On the one hand, the impact of property price on the financial system stability is positive and significant. On the other hand, the effect of the financial system stability on property prices did not show significant results.

Keywords: Property Price, Financial System Stability, Capital Inflows, 2SLS, Simultaneous Analysis.

JEL Classification: C15, G01, G12

Bringing Effective Online Lecturing in Islamic Business School at a New Normal

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ABSTRACT

Introduction / Main Objectives: The purpose of this study was to assess platform preservation in online learning based on subject type and skills to be achieved. **Background Problems:** a challenge in the new normal era that requires online learning, but internet access is still considered expensive to reach financially. **Novelty:** The new in this research is a topic that examines online learning for Islamic business schools under the ministry of religion, which, of course, has different characteristics from other business schools in Indonesia. **Research Methods:** using a mixed-method. Descriptive statistics using 86 respondents were used to explore the right platform to improve competence. Qualitative methods are used to find out the reasons for the preference for platforms and explore the problems that exist in using learning platforms. **Findings / Results:** The use of digital platforms as online learning media in Islamic business schools needs to pay attention to the conditions of the ability to access the internet and gadgets, interactions, features that help to learn, and human factors. **Conclusion:** Necessary to collaborate with several learning media according to the needs and learning objectives

Keywords: Online Learning, Media, Platform, Digital

JEL Classification: D13, I31, J22, K31

Does Monetary Policy Matter on Indonesian Sector Development? ADRL Approach

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ABSTRACT

Introduction/Main Objectives: This study aims to examine the effect of monetary policy by the government or central bank on the performance of the financial sector in Indonesia. **Background Problems:** Based on the Indonesian Central Statistics Agency in 2019, the banking sub-sector contributed 59.54% to the GDP of the financial sector in aggregate, while the rest consisted of the non-banking sub-sector. **Novelty:** The use of ROA and ROE as proxies for the performance of the banking sector using the instrumental variable (IV) model to solve endogeneity problems and the autoregressive distributed lag (ARDL) approach to see changes in the short and long term. **Research Method:** This study uses ARDL estimation to examine the short and long-term effects of monetary policy on the financial sector development in Indonesia. The financial sector development is measured from the ROA and ROE, while the monetary policy variables used are the exchange rate, money supply, inflation, interest rates, and reserve requirement (RR). Furthermore, this study also uses the IV estimation to overcome the endogeneity problem contained in the exchange rate variable. **Findings/Results:** Short-term ARDL estimates explain that exchange rates, interest rates, money supply, and reserve requirements influence changes in the banking sector. Meanwhile, the long-term ARDL estimate explains that the exchange rate, interest rates, money supply, and reserve requirements influence the performance of the banking sector. the use of model IV also overcomes underestimation due to the exchange rate. **Conclusion:** Monetary authority policies in terms of exchange rate stability, interest rates, money supply, and reserve requirement ratio affect banking performance, while monetary authority policies in determining inflation do not affect banking performance.

Keywords: Monetary Policy, Financial Sector Performance, Instrumental Variable, ARDL

JEL Classification: E52, E58, C36

The COVID-19, Policy, and Capital Market: Empirical Evidence from Indonesia

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ABSTRACT

Introduction/Main Objectives: This paper aims to examine the impact of Covid-19 on the Indonesian capital market. Second, we test whether any policy from regulators could mitigate its effects. **Background Problems:** The Covid-19 brings devastated impacts globally, including Indonesia, on many aspects entailing economics like the financial markets. **Novelty:** This study is among the first paper that empirically examine Covid-19 effects on Indonesian capital markets and whether and from whom policies effectively could alleviate it. **Research Methods:** By using daily time-series data from January to July, we propose the simplest regression model (ordinary least squares) to test its effect. We also conducted some robustness with various sectors and splitting samples to make sure that our findings are robust and consistent. **Findings/Results:** We find that Covid-19 (proxied by new cases, cumulative cases, new deaths, and cumulative deaths) has a negative effect on stock price in all indexes, i.e., composite, Islamic, and all sectors (the worst in the financial sector). In other words, a higher number of Covid-19 leads to a lower stock price in Indonesia. Second, the regulations from the government (the President, Financial Service Authority, Central Bank of Indonesia, and Indonesian Stock Exchange) could reduce its negative impact. It means that the negative effect of Covid-10 on the Indonesian stock market is becoming lower after including policies from all regulators. **Conclusion:** Hence, measuring Covid-19's drawbacks on the capital market by relevant policies in Indonesia. It is also quite pivotal to explore which one policy either effective or ineffective to mitigate Covid-19.

Keywords: Covid-19, policy, capital market, Indonesia

JEL Classification: F45, G10, G18

The Rising of Financial Connectedness in Emerging And Developed Countries During COVID-19 Outbreak

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ABSTRACT

Introduction/ Main Objectives: This study examines the dynamic financial connectedness in emerging and developed countries using the Diebold-Yilmaz connectedness index during the pandemic of COVID-19. **Background Problems:** The capital market reaction during the pandemic of COVID-19 provides the new insight into how the exogenous shocks drive the volatility across countries and make them more interconnected. **Novelties:** This study is one of the first study to investigate the dynamic interconnectedness from emerging and developed countries during the pivotal dates of COVID-19. **Findings/ Results:** The connectivity between capital market in developed and emerging countries has converged in the earlier 2020. Before the WHO announced the COVID-19 pandemic, the Shanghai Stock Exchange played a crucial role in becoming an epicentre of the connectedness of shocks. After WHO announced COVID-19 as a pandemic, two new epicentres have emerged, namely the capital markets in Brazil and Hong Kong. **Conclusion :** Finally, the empirical results show that countries with high idiosyncratic risk (as shown in the high average log volatility before the COVID-19 outbreak) will be amplified during COVID-19 period.

Keywords: Connectedness, Dynamic, COVID-19, Financial Market, Contagion, Developed Countries, Emerging Countries.

JEL Classification : F62, G01, G15, G32

Obedience Pressure vs. Peer Pressure: An Explanation from Religiosity Role in Budgetary Slack

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ABSTRACT

Introduction/Main Objectives: The performance of individuals in organizations is generally evaluated based on their success in achieving targets. Furthermore, the role of the budget has a major effect on individual behavior in the preparation of the budget by allowing unethical action (budgetary slack). **Background Problems:** There are few studies that measure the difference in the influence of social pressure between superiors and peer on individual behavior in the organizational budgeting process. On the other hand, there are inconsistencies in the results of research between the role of religiosity on the creation of budgetary slack. **Novelty:** We use Psychological Reactance Theory to explain why people did not influence by social pressure. We argue that religiosity is one of the factor that influence people in making decision on participative budgeting. Religiosity is believed to be able to influence one's personal values, so it impacts on one's judgment on the determination of whether a thing is good or bad. **Research Methods:** This study uses experimental research method on 65 undergraduate accounting students and uses 2x2 factorial design consisting of two factors, social pressure (obedience pressure and peer pressure) and religiosity (high and low). **Finding/Results:** The results showed that religiosity was proven to play an important role in the budget decision making process, furthermore minimize the occurrence of budgetary slack. **Conclusion:** Individuals who have high religiosity are proven to be better able to avoid creating budgetary slack compared to individuals who have low religiosity both when receiving pressure from superiors and peer. This result has implications for organizational stakeholders in employee recruitment or in the organization's management control system to take into account religiosity as an important factor that must be prioritized.

Keywords: budgetary slack, religiosity, psychological reactance theory, social pressure

JEL Classification: D13, I31, J22, K31

**Exploring the Existence of Innovative Work Behavior among Government Employee:
Have Been There?**

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ABSTRACT

Introduction: The quality of individual employees becomes sacred in the quality of the organization. Government workers must endure in work life within the limits of established government rules and regulations. The ability of their employees who are different and have to run in the same system will undoubtedly produce different also possibly produce results that are less than expected. **Background problems:** This study is having a purpose to determine the existence of innovative work behavior ecosystem in Indonesia's government employees, the government's employee phenomena with their well-being and behavior issues. **Research Method:** This study examines the relationship among these variables using structural equation modelling (SEM) with Lisrel 8.8 for the statistical tool. The total respondents are 383 respondents and just 347 respondents confirming as research criteria. **Result:** This study found that Transformational Leadership and work engagement show positively influence to innovative work behavior. Unexpected, this research shows insignificantly relationship between Organizational Justice and innovative work behavior among government employee. The role of work engagement shows positively, this study found that Transformational leadership and organizational justice have an impact toward work engagement. Furthermore, Work engagement become mediate variable between transformational leadership and innovative work behavior link, this indicate that work engagement can strengthen work behavior among government employee. **Conclusion:** This study gives an assist to employee behavior literature as well, notably in Indonesia, as object research. Additionally, this finding provides managerial implication to strengthen employee innovative work behavior within the organizational continuity. The findings prove that innovative work behavior in government employees supported by inventions such as leadership style and work engagement.

Keywords: Innovative Work Behavior, Organizational Justice, Transformational Leadership, Work Engagement, government employee

JEL Classification: D23, J24, O15

Factors Affecting Auditor Switching (Empirical Study on Services Company Listed on BEI 2015-2018)

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ABSTRACT

Introduction/ Main Objectives: This study aims to discuss and obtain evidence on the influencing factors of public companies in switching auditors. The factors include managerial ownership, management turnover, board of commissioners composition, audit opinion, and financial distress. **Background Problems:** This research was conducted to re-examine and identify the factors causing company management to switch from one auditor to another. The existence of research gap occurred in several previous researches regarding the factors influencing management to conduct audit switching is interesting to study. **Novelty:** The populations of the study are companies listed on the IDX in 2015-2018 which are classified by the Jakarta Stock Industrial Classification (JASICA). The last four years are assumed to be able to represent current conditions, thus it is expected to obtain valid results. **Research Methods:** Auditor switching as dependent variable is measured by a dummy variable. Code 0 indicates the company does not do auditor switching and code 1 means the company do auditor switching. Management Ownership can be measured by dividing the number of shares owned by management by the total shares of the company. Management turnover is measured using a dummy variable. Code 0 indicates companies that does not do management turnover and code 1 means companies does management turnover. Board of commissioners composition can be measured by dividing total independent board of commissioner by total board of commissioners in company. Audit opinion is measured using a dummy variable. Unmodified opinion is shown by 0 code and Modified opinion given code 1. Financial distress can be measured by Debt to Equity Ratio. Samples used in this study were 89 companies/period. Hypothesis testing is performed using logistic regression. **Finding/Results:** Multicollinearity test shows absence of coefficient values correlation between independent variables which are the value is more than to 1,000 and VIF value ≤ 10 or equal to Tolerance ≤ 0.10 so the multicollinearity test was fulfilled. Hosmer and Lemeshow's Goodness of Fit Test indicates that chi-square value shows 5,948 with a significance value 0.653 are more than $\alpha=5\%$ so it was accepted, and the regression model was feasible to be used in subsequent analysis as the model fitted the data. Cox and Snell R² is equal to 0.12 with the Nagelkerke R² 0.16. This shows that amounting to 16% of the independent variables have an effect on dependent variable. **Conclusion:** The results of this study indicate that managerial ownership, management turnover, board of commissioners composition, audit opinion, and financial distress are not affected on auditor switching in service companies listed on the IDX.

Keywords: auditor switching, managerial ownership, management turnover, board of commissioners composition, audit opinion, financial distress.

JEL Classification: D13, I31, J22, K31

Personality Traits and Their Influence on Individual Investor Sentiment in Indonesia

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ABSTRACT

Introduction/Main Objectives: This study aims to investigate the relationship between personality traits and behavioral bias of individual investors when making investment decisions on the Indonesia Stock Exchange. **Background:** Investors show irrational behavior in the market when they trade excessively, buy stocks regardless of their fundamental value, buy shares that their friends bought, base their decisions on past performance, sell winning stocks early, and hold losing stocks for longer. When making investment decisions, individuals are likely to be influenced by the potential and emotional outcome so that making the market inefficient. **Problems:** The problem in this study is whether personality traits and behavioral bias influence disposition, herding, and overconfidence of individual investors when making investment decisions on the Indonesia Stock Exchange. **Novelty:** To the best authors' knowledge, no previous research has examined the impact of the Big Five model of personality traits on individual Indonesian investors' biased behavior. **Research Methods:** This study uses a questionnaire collected from 205 individual investors in Indonesia. Structural equation modeling (SEM) use to examine personality traits' effect on component behavior bias. **Finding/Results:** This finding shows a significant relationship between the characteristics of neuroticism, extraversion, and openness with various biased behavior of individual investors on the Indonesia Stock Exchange. **Conclusion:** This research provides evidence that there is a relationship between individual investors' personality traits and behavioral bias when making investment decisions.

Keywords: Personality Traits, Psychology, Investment, Finance, Individual Investors

JEL Classification: G4, M10

Customer Perception, E-Service Quality, and Purchase Intention: Mediation Customer Satisfaction

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ABSTRACT

Introduction: In today's era, customer satisfaction has experienced changes in customer perception and e-service quality (web design, responsiveness, reliability, trust, and personalization) on purchase intention. This change is based on a traditional business change to an internet-based business model (e-business or e-commerce model) and this will have an impact on purchase intention. **Background Problem:** Research on customer satisfaction can mediate the relationship between customer perception and purchase intention and e-service quality (web design, responsiveness, reliability, trust, and personalization) and purchase intention on online shopping is still very limited. This study discusses customer perception and e-service quality informing purchase intention which is also largely determined by customer satisfaction. This study considers the impact of mediation which is influenced by customer satisfaction. In particular, this study discusses the mediating effect of customer satisfaction on the relationship between customer perception and purchase intention and e-service quality and purchase intention. **Research Method:** As many as three hundred eighty-six respondents are consumers who have done online shopping at Shopee, Tokopedia, Bukalapak, and Lazada. The data analysis tool used in this study was Partial Least Square (PLS) version 3. Nineteen hypotheses were proposed in this study with 13 hypotheses of the influence between customer perception, e-service quality, customer satisfaction, and purchase intention and six mediation hypotheses of customer satisfaction on the relationship between customer perception, e-service quality on purchase intention. **Findings:** The research findings show that e-service quality is a predictor of customer satisfaction and purchase intention and customer perception is a predictor of customer satisfaction. Besides, the results of this study also confirm the mediating role of customer satisfaction on the relationship between e-service quality and purchase intention directly and indirectly as well as indirect customer perception and purchase intention. **Conclusion:** after finding a relevant problem, the supervisor should consider customer perception and e-service quality in increasing customer satisfaction, thus having an impact on purchase intention.

Keywords: Customer Perception, E-Service Quality, Customer Satisfaction Purchase Intention

Analysis of Regional Development and Fiscal Decentralization: Do Village Funds Matter?

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ABSTRACT

Introduction/Main Objectives: Development challenges in the regions have always been the concern of the government. The breadth of the landscape and the large number of regions make it evenly difficult to resolve regional distribution. In the early 2000's, the central government implemented a policy of fiscal decentralization that emphasized the regions to manage their own regions. The effectiveness of village funds are in regional development needs to be analyzed carefully using relevant indicators. **Background Problems:** Most studies aimed to analyze the effect of village funds on poverty. Yet, This study attempts to fill that gap by employing human development index (HDI) and growth as outcomes. **Novelty:** By employing HDI and growth as outcomes, the impact of village funds can be more holistics to be analyzed as well as using some control variables. **Research Methods:** This study used panel data as the estimation technique. The data used 33 provinces and time series data for 2015-2018. **Finding/Results:** The results revealed empirically that village funds contribute positively with a small magnitude on HDI. On the other hand, village funds contribute positively more to economic growth. It implied that the effectiveness of village funds tend to attain output rather than human development investment. **Conclusion:** village funds have an impact on human development, although with a small elasticity magnitude, while village funds have a better impact on economic growth. The orientation of basic infrastructure development using village funds must be immediately evaluated so that the use of village funds can shift to something more substantive namely human development as the main capital driving the national economy.

Keyword: Village Funds, HDI, Growth, Panel Data

JEL Classification: H10, H30, R11, R58

The Role of Trusting Beliefs to Online Users' Intention to Purchase in Social Commerce

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ABSTRACT

Introduction/main objectives: It is important for online sellers to understand more that social networks also have a contribution to online trading by using social commerce as the platform. Trusting beliefs is a concept of the extent to which a person believes and feels confident of others in a situation. It will explain the perception of online users' trust in social commerce. **Background problem:** The goal of this research is to investigate the role of trusting beliefs to online users' intention to purchase in social commerce. In 2019, Indonesia is in the top five for most active online users in social media. This achievement is interesting for us to do research by observing their behaviors. **Novelty:** There are no previous studies especially in Indonesia that have investigated online user's behavior by using Trusting beliefs variables. Thus, our research is becoming a new one that examines trusting beliefs concepts to online users in social commerce. **Research methods:** Purposive sampling method is used in this study. It required online users who actively use their social media as social commerce. They are included if they have purchased at least once in social commerce. This research adopted three theoretical lenses to develop hypotheses: Theory of Planned Behavior, Theory of Trust in Networks of Humans and Computers, and Trusting Beliefs. The research model is developed from some previous studies. The research uses Structural Equation Modelling (SEM) as a measurement software for this study. **Findings:** The results of this study shown that H1, H2, and H3 are supported and significant. H4 is not supported. It empirically indicates that active users are not necessarily doing online shopping using their social media. In contrast, H5 is supported that shown online users' must have experience first to shop in social commerce before having trust in it. **Conclusion:** The findings of the research shown that three elements of Trusting beliefs were found to have significant impacts on intention to purchase and sustaining the user's intention to repurchase in social commerce. Trusting intentions and trusting beliefs are linked to become a construct and build trust-related Internet behaviors. This study also gives a point of view that trusting beliefs has a role in building trust and intention to purchase in social commerce. Our suggestion is the online sellers should give customers-to-be more information about their products and reviews so they can get broader insights to build their trust to purchase in social commerce.

Keywords: trusting beliefs, intention to purchase, online users, and social commerce.

JEL Classification: D70, M31, E81

The Effect of Political Contestation on Investor Reaction: Evidence from Indonesia Islamic Stock

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ABSTRACT

Introduction/Main Objectives: Political events can cause uncertainty in the business environment and can affect stock returns. This study aims to examine the reaction investor of sharia stock portfolios to political events from 2018 to 2019. **Background Problems:** Some previous studies found that the influence of political events in Indonesia on investors' reactions is not yet conclusive. Also, it was only an event tested. **Novelty:** We utilize five political events during the general election in 2019. The five political events that we tested in this study were the inauguration of the presidential and vice presidential candidates, the final debate on the candidates, the announcement of a quick count, the decision of the plenary session by the KPU, and the decision of the Constitutional Court. **Research Methods:** The sample used in this study is actively traded stocks listed on the Indonesian Sharia Stock Index (ISSI) from 2017 to 2019. This research use cumulative average abnormal return (CAAR) and average abnormal return (AAR) values as indicators in detecting investor reactions. **Finding/Results:** The results of this study indicate that there is a negative reaction on t-1 before the debate of presidential and vice presidential candidates. Furthermore, the opposite results occurred during the announcement of the presidential election results conducted by the General Election Commission. **Conclusion:** These results indicate variations in investor reaction at each political event in Indonesia. This research shows that investors can quickly obtain information regarding political uncertainty. The implication of our research is political event consist of relevant information for aset pricing in Islamic share.

Keywords: Islamic Stock; Abnormal Return; Political Event

JEL Classification: G10, G14, G1

**Performance Analysis of Sharia Mutual Fund in Indonesia Using Sharpe Method
(Study on Sharia Equity Mutual Funds Registered in the Financial Services Authority
(OJK) for the 2013-2019 Period)**

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ABSTRACT

Introduction/Main Objectives: Sharia Equity Mutual Funds are a platform used to raise funds from investors to be invested in securities portfolios by Investment Managers according to the provisions and principles of Islamic law. Behind the very rapid development and growth of Sharia Equity Funds, there are some active products and some passive products. **Background Problems:** Because there are several active and passive products therefore this study aims to analyze the performance of Sharia Equity Funds in Indonesia measured using risk adjusted return, a concept that combines return and risk based on the Sharpe method for the period 2013- 2019. **Novelty:** The novelty in this research lies in the research period, namely in 2013 to 2019 using the Sharpe method, which no researcher has studied in that period. **Research Methods:** This type of research is descriptive quantitative, The data source used in this study is secondary data with 11 samples of Sharia Equity Mutual Funds. The sampling technique in this study was using purposive sampling technique. The performance measurement method used is the Sharpe method. **Finding/Results:** Based on the results of data analysis using the Sharpe method, the results showed that in the period March 2013-February 2014, March 2015-February 2016 and March 2018-February 2019 there were no Sharia Equity Funds with positive performance. In the period March 2014-February 2015 all Sharia Equity Funds performed positively. For the period March 2016-February 2017 there were 10 Sharia Equity Funds that performed positively. In the period March 2017-February 2018, there were 6 Sharia Equity Funds that performed positively. Based on the results of the comparison of the performance of Sharia Equity Funds, using the Sharpe method as the benchmark, there were no outperform performance for the Sharia Equity Mutual Funds in the period of March 2013 to February 2014, March 2015 to February 2016 and March 2018 to February 2019. In the period of March 2014- February 2015 all Sharia Equity Funds performed outperform. In the period March 2016- February 2017 there were 2 Sharia Equity Mutual Funds that had outperform performance. In the period March 2017-February 2018 there were 4 Sharia Equity Mutual Funds that had outperform performance. **Conclusion:** There are no products Sharia Equity Mutual Fund that has positive performance and outperform consistently during the research period on benchmark performance, but the best Sharia Equity Funds use the method Sharpe is TRIM Sharia Equity and MNC Dana Syariah Equity.

Keywords: Sharia Equity Fund and Sharpe

JEL Classification: D13, I31, J22, K31

Challenges and Solutions in Attracting and Retaining Millennial Employees during Environmental Disruption: A Developing Country Perspective

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ABSTRACT

Introduction/Main Objectives: This study explored what can be done to attract and retain millennials employees in different positions of the ready-made garments factories of Bangladesh during the environmental disruption period i.e. during the COVID-19 pandemic. **Background Problems:** During the pandemic purchase orders from western buyers have been increased dramatically especially after the withdrawal or reduction of lockdown rules and regulations in Bangladesh and other countries. Therefore, to cope with extra works in RMG factories due to increased orders from buyers, the factories have to attract and retain the millennials, who are already confused to join in the industry from where many of them were forced leave. **Novelty:** Existing literature is mainly dearth about the processes and arrangements that can attract skilled millennials and retain them during current and post environmental disruption especially in a country with more millennials workers in the total workforce. **Research Methods:** Based on the qualitative approach, online semi-structured interviewes were conducted to collect empirical data from 16 millennials and two online focus group discussions with 8 and 6 managers respectively were also conducted. **Finding/Results:** found strict government rules about job security, partnership and collaborative arrangements, work-life balance, updated technological set-up, breaking down organizational hierarchical barriers, continuous training, regular motivation and green HRM practices can be effective to attract and retain millennial employees in the RMG industry of Bangladesh during and post the environmental disruption period. **Conclusion:** The findings of the study would be effective for the theoretical justification for academicians and researchers to conduct research while managers of the different industry as well as and government officials would also be benefited to prepare strategic decisions in relating to millennials.

Keywords: Environmental Disruption, COVID-19, Millennial Employee Retention, RMG Industry, Bangladesh

JEL Classification: M12, O15, E24, Q56

The Impact of Employee Job Satisfaction on the Relationship between HRM Practices and Organizational Commitment: A Conceptual Study on RMG sector of Bangladesh

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ABSTRACT

Introduction/Main Objectives: “Job satisfaction” is a pleasant or encouraging state of expression which is consequential from the valuation of one’s “organizational commitment”. The gladder the employee, the higher is the mindset of “job satisfaction”. **Background Problems:** It is presumed that “quality of work-life” and “compensation benefits” enhances “job satisfaction” which in reappearance increases employee’s “organizational commitment”. This research determines to inspect the underlying relations among HRM practices and organizational commitment on job satisfaction in the RMG sector in Bangladesh. **Novelty:** This study will explore the impact of employee job satisfaction on the relationship between organizational commitment and HR practices. **Research Methods:** Study data will attain from the RMG sector, at least 385 responses will be analyzed by using SEM (Structural Equation Modelling). Data will accumulate through a detailed structured questionnaire from the respondents. Simple random sampling method will be used to procure the respondents. **Finding/Results:** An experimental investigation will be presented in what manner HRM determinant impact organizational commitment and job satisfaction for the RMG sector’s employee in Bangladeshi circumstance. **Conclusion:** This will also useful for developed countries because investors see developing countries (like Bangladesh) as an attractive investment spot due to wide markets and cheap, skilled workers.

Keywords: HRM practices, Job satisfaction, Organizational commitment, Social exchange theory, SEM-AMOS

JEL Classification: M5, M12

The Effect of Incentives and Leadership Styles on Creative Performance

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ABSTRACT

Introduction/Main Objectives: This study investigates whether incentive types and leadership styles interact to affect creative performance. **Background Problems:** Creativity is highly needed by companies to survive in volatile business environment. Prior research found that management control systems and leadership style able to stimulate creativity. It still unclear which type of incentive and leadership style that able to stimulate it. Therefore, this research propose a research question, what kind of management control systems and leadership style can improve creative performance? **Novelty:** This research focus on comparing monetary and non-monetary incentives based on competition to produce the most creative ideas, in which the empirical studies in creativity context is still limited. Furthermore, this study investigate two different leadership style and it sheds light that leadership style needed in creative environment different from leadership style in non-creative environment. **Research Methods:** This study is conducted using 2x2 between subjects experimental design with two incentive treatments (tournament and recognition) and two leadership style treatments (directive and empowering). **Finding/Results:** Consistent with Lourenco (2016), monetary incentives (including tournaments) and non-monetary incentives (recognition) are substitutive. Furthermore, the empowering leadership style lead to greater creative performance than the directive style. The results indicate that in the condition of tournament incentive, empowering leadership able to produce higher creative performance than the directive leadership. **Conclusion:** There is no significantly difference between monetary incentives and non-monetary incentives on creative performance. This study consistent with situational leadership theory, certain leadership is appropriate for certain environmental condition. In creative performance, employees need to be empowered because they need authority and freedom to develop ideas. This study provides knowledge about the impact of incentive and leadership style on creative performance. Furthermore, this study practically provide knowledge for companies how to improve creativity in work environment using certain incentives and leadership style.

Keywords: creative performance, incentives, leadership styles

JEL Classification: J53, M41, M52, O31

Analysis of the Effect of Disclosure Tax Uncertainty, Characteristics of the Boards of Directors and Commissioners, and Remuneration of Key Management on Corporate Tax Avoidance

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ABSTRACT

Introduction: This research was conducted for determining the effect of financial reporting, the characteristics of the board of directors and commissioners, and remuneration of key management to the corporate tax avoidance. **Background Problems:** Financial reporting can be seen from the disclosure of tax uncertainty and the capability and the opportunism behavior of management in the form of tax expertise and tax affiliation. **Novelty:** Taylor and G. Richardson in 2014 has analyzed the effect of tax uncertainty, tax expertise, tax affiliation, and key management remuneration to the corporate tax avoidance in Australia. Whilst, in Indonesia, there has been no similar research. **Research Method:** Incentives are calculated from performance-based remuneration given to the key management. The company's tax avoidance is calculated from four proxies, those are Accounting Effective Tax Rate (Cash ETR), Cash ETR, Total Book-Tax Difference (BTD Total), and Residual Book-Tax Difference (BTD Residual). The purposive sample of this research consists of 370 observations from 74 companies listed in IDX within five years (2012-2016). **Finding:** The results showed that the tax expertise of the board of directors and commissioners had an effect on corporate tax avoidance, the tax affiliation of the board of directors and commissioners had a negative effect on corporate tax avoidance, while key management remuneration had a positive effect on corporate tax avoidance. Furthermore, the disclosure of tax uncertainty did not affect the company's tax avoidance. **Conclusion:** Considering to the limited resources in DGT, this research will be valuable for DGT to prioritize the risk related to the tax avoidance motivation revealed from the financial report.

Keywords: Tax Evasion and Avoidance, Accounting

JEL Classification: H26, M41

The Intervening Role of Management Control System on Business Strategy and Firm Performance (An Empirical Study on BPJS Ketenagakerjaan in Central Java and Special Region of Yogyakarta)

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ABSTRACT

Introduction/Main Objectives: This research has two objectives. First, to investigate the influence of business strategy on management control system. Second, to investigate the influence of business strategy on management control system through management control system as the intervening variable. **Background Problems:** In previous research the business strategy have been tested from the effect of management control system only, not tested to firm performance. Meanwhile, management control system is an implementation of the business strategy conducted by the firm in achieving their goals. The major firm goals is increasing the performance. This research formulated through questioning does business strategy have positive effect on firm performance through management control system as the intervening variable. **Novelty:** This research examines the influence of business strategy on management control system through management control system as the intervening variable with insurances company as the object. **Research Methods:** The object of this research was the BPJS Ketenagakerjaan in Central Java and Special Region of Yogyakarta. The subjects in this research was top management. Research data was primary data which obtained from questionnaire instrument. 67 questionnaires were able to use for data processing in this research. Statistical Package for the Social Sciences (SPSS) was used to analysis the survey results. **Finding/Results:** The results of the research show that business strategy does not have positive effect on the firm performance while business strategy has positive effect on the firm performance through management control system as the intervening variable. **Conclusion:** According on the analysis, this research demonstrates that the firm implement management control system in their business strategy impacts positive in increasing their performance than implement business strategy only to increase their performance.

Keywords: Business Strategy, Firm Performance, Management Control System

THE 8TH GAMAICEB 2020

Yogyakarta, Indonesia

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