

To cite this article: Iis Elisah, Tumik Kristianingsih and Wilhelmus Hary Susilo (2023). The Impact Of Collaborate To Open New Opportunities For Business Development: Insights In Strategic Choice Theory. International Journal of Education, Business and Economics Research (IJEER) 3 (4): 182-189

THE IMPACT OF COLLABORATE TO OPEN NEW OPPORTUNITIES FOR BUSINESS DEVELOPMENT: INSIGHTS IN STRATEGIC CHOICE THEORY

Iis Elisah, Tumik Kristianingsih and Wilhelmus Hary Susilo*

Postgraduate Program, FEB University of Persada Indonesia Y.A.I

<https://doi.org/10.59822/IJEER.2023.3414>

ABSTRACT

This study aims to determine and analyze within strategic choice to make renewal and repositioning for the success of scientifically based companies with cornerstone of the Strategic Choice Theory. This research is in the form of a proposal for the formation of alternative business models in state-owned enterprises (SOEs). A business collaboration activity can improve and open new business opportunities to achieve sustainable and highly competitive business development and success rates.

KEYWORDS: Collaboration, renewal, repositioning, the strategic choice.

© The Authors 2023
Published Online: Aug 2023

Published by International Journal of Education, Business and Economics Research (IJEER) (<https://ijeber.com/>) This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at: <http://creativecommons.org/licenses/by/4.0/legalcode>

1. INTRODUCTION

The growing industry in Indonesia has competition to get as many the global relationships and more supply chain collaboration in the State-owned Enterprise's in Indonesia.

It challenges the state-market dichotomy and market primacy assumptions, by which developing economies promote their overseas interests and how a wide range of stakeholders and institutions collaborate and compete with one another in infrastructure development, distinguishing itself from earlier studies that focus on financial institutions investment in emerging market equities and investments abroad. The transnational state capitalism with three key characteristics is emerging of the major decision-making and resources allocation come from the government and/ or state-owned enterprises (SOEs); it is driven by both an economic logic of expanding market share and profits and a geopolitical agenda that are exacerbated by the host economy's politics. (Liu & Lim, 2023)

At PT Pegadaian (Persero) in collaboration with 10 State-Owned Enterprises (SOEs), to open new opportunities in business development as well as PT Finarya (LinkAja), PT Sang Hyang Sari (Persero), PT Asuransi Jasindo (Persero), State Film Production Corporation, PT BGR (Persero), PT Pupuk Indonesia (Persero), and Perum Bulog.

This collaboration is part of a strategy to build strong, efficient, and competitive SOEs. Through this collaboration, it can build added value on SOE products and services. Similarly, the collaboration between Pegadaian and 10 SOEs will include the utilization of resources, products, services and network development for superior services and products. The cooperation is also supported by each company affiliated with its subsidiaries. Through this collaboration, each company can utilize the capacity and capability in implementing, developing, and improving each company's business, with a business collaboration strategy to be more comfortable achieving targets from SOEs.

Furthermore, with the collaboration between Pegadaian, Telkomsel, and Telkom, it can optimize the potential resources of the three companies. This collaboration will be a forum in making a positive contribution to the country. For this reason, it is based on optimizing the potential of company resources and with many SOEs to collaborate in the marketing and product sales sector.

The collaboration between Pegadaian and the ten SOEs includes the utilization of resources, products, services and network development for superior services and products. Furthermore, with solid cooperation and alignment supported by each company affiliated with subsidiaries. The companies partnered by Pegadaian, namely PT Telekomunikasi Indonesia (Persero) Tbk, PT Telekomunikasi Selular Tbk, PT Bank Rakyat Indonesia (BRI) (Persero) Tbk, PT Finary (LinkAja), and PT Sang Hyang Seri (Persero). In addition, it is also with PT Asuransi Jasindo (Persero), State Film Production Corporation, PT BGR (Persero), PT Pupuk Indonesia (Persero), and Perum Bulog.

In a corporate synergy, state-owned enterprises increase added value for the benefit of the state and society. For this reason, PT Pegadaian (Persero) is intensively collaborating with a number of SOEs in line with the sharing economy trend in building strong, efficient, and competitive SOEs in the era of business disruption 4.0. For this reason, companies can utilize the capacity and capability in implementing, developing, and improving the business of each company so that it can realize One Family, One Nation, and One Vision to Excellence. Business cooperation is a manifestation of the efforts of state-owned companies to strengthen synergy and increase the added value of services and complement each other in running a business that allows work in the use of technology to improve services to the community, so that SOEs can add value to SOEs. (<https://www.liputan6.com/bisnis/read/4075239/tujuan-pegadaian-gandeng-10-bumn-kolaborasi-kembangkan-bisnis>, 2023)

Furthermore, the view of Chen, (2022) states that Innovation is considered as one of the important means to drive the sustainable development of enterprises and maintain competitive advantage and foundation in strong competition, to continuously innovate in business practices, and thus to overcome development barriers through innovation and generate sustainable competitive advantages.

Indeed, an innovation by maximizing the utility of available resources to cover capital shortfalls. The forms of innovation are diverse, not limited to innovations in products and processes, but also combining marketing and organizational innovations. (Donbesuur et al., 2020; Lee & Rodriguez-Pose, 2013)

Innovation plays an important role in increasing the production productivity and GDP growth of the country, and is conducive to increasing market share and providing a competitive advantage in competition. However, innovation may also have different effects on the sustainable development of companies with different ownership. There are four types of ownership; corporate, state, collective, foreign ownership, and private ownership. (Chen et al., 2022)(Findsrud, 2020; Zhang & Chen, 2019)

Furthermore, the company's ownership structure will determine a series of corporate governance issues such as internal resource allocation, cooperation between owners and operators, and internal collaborative control and have different effects on the company's technological innovation and operating performance. State-owned enterprises have low profitability and operating performance due to inefficiencies, while privatization is significantly positive for improving profitability, operational performance, and efficiency. (Chen et al., 2022)

Furthermore, gap research based on organizational theory is in a condition in which many of the decisions managers make can no longer play a tremendous role in the success rate of the business or the condition of failure, with the central issue being the condition of inability to effort Strategic renewal and repositioning The basic assumption is that companies can enact and actively shape the business environment within an in negated ecosystem.

For this reason, the importance of building a new empirical research model based on collaboration, resource allocation, technology, innovation, renewal, repositioning, based on the strategic choice theory. (Eggert et al., 2015; Michalski, 2021; Varadarajan et al., 2022)

2. LITERATURE REVIEW AND THE HYPOTHESIS

Furthermore, gap-based empirical research on organizational theory is in a condition in which many of the decisions managers make can no longer play an extraordinary role in the level of business success or failure conditions, with the central issue being the condition of inability to effort Strategic renewal and repositioning The basic assumption is that companies can enact and actively shape the business environment in an in negated ecosystem, so the approach is to explore an organizational theory The Strategic Choice Theory(Hult, 2011)(Cohn, 2017; Sjödin1 et al., n.d.).

In this study, namely the strategic choice theory, that argues that managers' decisions play a tremendous role in a business's success rate or failure conditions, with the central issue being strategic renewal and repositioning the basic assumption being that firms can enact and actively shape their environment. Marketing managers play a tremendous role in the ongoing success or failure of a marketing organization's presence in the market, in product development efforts, and/or in market positioning and segmentation. (Floh et al., 2014; Susilo, 2016; Weaver et al., 2017)

Strategic choice analysis concerns (1) the relationship between marketing managers and their choices, (2) market dynamics, and (3) the relationship between marketing managers and the market. Strategic marketing decisions are often made with the marketing organization in mind as the primary driver, rather than a marketing channel or market partner. Marketing organizations can adopt and adhere to certain types of marketing strategies that correspond to core marketing competencies. Strategic choice articulates the political process, which brings agency and structure and places it then in context on the agency's relationship with structure and environment as dynamic. The strategic choice approach not only bridges several competing perspectives but also adopts a non-deterministic and potentially evolutionary position. (Hult, 2011; Putra Pratama et al., 2023; Sanderson, 2004)

The Framework and Hypothesis Development

Importantly, the research framework is very important in this research. The analytical (Malhotra et al., 2017) model is a series of variables and their interrelationships, designed to represent a whole or part, some real system or process.

Furthermore, gap research based on organizational theory is in a condition in which many of the decisions managers make can no longer play a tremendous role in the success rate of the business or the condition of failure, with the central issue being the condition of inability to effort Strategic renewal and repositioning The basic assumption is that companies can enact and actively shape the business environment within an in negated ecosystem.(Alaimo et al., 2020; Holgersson et al., 2022; Milwood & Maxwell, 2020; Sjödin1 et al., n.d.; Spigel, 2017; Wurth et al., 2022) (Hult, 2011)Indeed, the importance of building a new empirical research model based on collaboration, resource allocation, technology, innovation, renewal, repositioning, based on the strategic choice theory. (Eggert et al., 2015; Michalski, 2021; Varadarajan et al., 2022) (Hult, 2011)

Moreover, the development of a Framework and Hypothesis Development can be seen in figure 1 below:

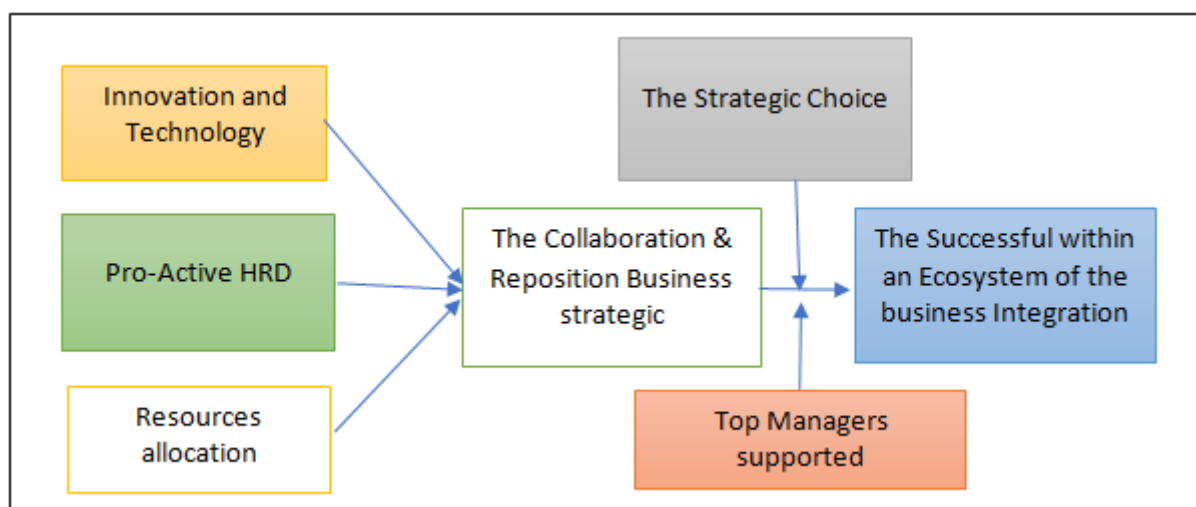


Figure 1. Development of a the Framework

The hypotheses:

H_A: The antecedent within factors could positively and significantly leads to the successful-ecosystem business development and sustainable that conducted within the strategic choice and top managers supported as the moderation.

3. RESEARCH METHOD

This study used a descriptive- quantitative method. (Malhotra et al., 2017) Descriptive research is a type of conclusive research that has as its major objective the description of something, usually market characteristics or functions.

The research design would conduct within survey and the secondary data involvement to make some enrichment the narration and argumentation to the discussion results research design (Hernaus et al., 2021; Turnbull et al., 2021; Vink et al., 2021; Waiser, 2021).

4. DATA ANALYSIS, RESULTS & DISCUSSION

The technique of studying the data and information collected uses a structural equation model in addition to descriptive analysis. The suitability of the structural equation model (SEM) to confirm empirical data distribution patterns needs to be examined. The developed model is also used for predictive purposes. (Chang et al., 2016a; Dhiman & Sharma, 2021)

Indeed, the SmartPLS V3 would conduct to data analysis and make to predict to the result's research within two approaches such as; the outer- model to assessment of the validity and reliability each item and among latent variable of the research model. Moreover, to test of the hypothesis significantly within the inner-model testing (Chang et al., 2016b; Dhiman & Sharma, 2021; Hair et al., 2011).

5. CONCLUSIONS AND RESEARCH CONTRIBUTION.

Importantly, our research result could have the successfully to predict among hypotheses and the priority to make a conclusion's within main problem as the new model development.

The superiors increase of the Collaboration & Reposition Business strategic and attempt the Successful within an Ecosystem of the business Integration as an essential of the Eta1 and Eta2 variables.

Moreover, to answers the gap research based on organizational theory is in a condition in which many of the decisions managers make can no longer play a tremendous role in the success rate of the business and the Strategic renewal and repositioning The basic assumption is that companies can enact and actively shape the business environment within an ecosystem of the sustainable business.(Alaimo et al., 2020; Holgersson et al., 2022; Milwood & Maxwell, 2020; Sjödin1 et al., n.d.; Spigel, 2017; Wurth et al., 2022) (Hult, 2011)Furthermore, the importance of building a new empirical research model based on collaboration, resource allocation, technology, innovation, renewal, repositioning, based on the strategic choice theory. (Eggert et al., 2015; Michalski, 2021; Varadarajan et al., 2022) (Hult, 2011)

Acknowledgement

Thank you so much to Postgraduate Programme within the Faculty of Economic and Business, University of Persada Indonesia Y.A.I.

Declaration of conflicting interests

The scholar declared no potential conflicts of interest with respect to the investigated, authorship, publication within this manuscript.

REFERENCES

- Alaimo, C., Kallinikos, J., & Valderrama, E. (2020). Platforms as service ecosystems: Lessons from social media. *Journal of Information Technology*, 35(1), 25–48. <https://doi.org/10.1177/0268396219881462>
- Chang, S. E., Shen, W. C., & Liu, A. Y. (2016a). Why mobile users trust smartphone social networking services? A PLS-SEM approach. *Journal of Business Research*, 69(11), 4890–4895. <https://doi.org/10.1016/j.jbusres.2016.04.048>
- Chang, S. E., Shen, W. C., & Liu, A. Y. (2016b). Why mobile users trust smartphone social networking services? A PLS-SEM approach. *Journal of Business Research*, 69(11), 4890–4895. <https://doi.org/10.1016/j.jbusres.2016.04.048>
- Chen, F., Li, H., Wei, H., & Nelson, W. (2022). The Ownership, Innovation, and Sustainable Development of Micro and Small Enterprises: Evidence of China. *SAGE Open*, 12(4). <https://doi.org/10.1177/21582440221134516>
- Cohn, A. (2017). Leveraging Climate Regulation by Ecosystems for Agriculture to Promote Ecosystem Stewardship. *Tropical Conservation Science*, 10. <https://doi.org/10.1177/1940082917720672>
- Dhiman, D., & Sharma, H. (2021). Does Organizational Trust Mediate the CSR–OCB Relationship? A PLS-SEM Analysis. *Vikalpa*, 46(4), 223–235. <https://doi.org/10.1177/02560909211062592>
- Donbesuur, F., Ampong, G. O. A., Owusu-Yirenkyi, D., & Chu, I. (2020). Technological innovation, organizational innovation and international performance of SMEs: The moderating role of domestic institutional environment. *Technological Forecasting and Social Change*, 161. <https://doi.org/10.1016/j.techfore.2020.120252>
- Eggert, A., Thiesbrummel, C., & Deutscher, C. (2015). Heading for new shores: Do service and hybrid innovations outperform product innovations in industrial companies? *Industrial Marketing Management*, 45(1), 173–183. <https://doi.org/10.1016/j.indmarman.2015.02.013>
- Findsrud, R. (2020). An Agile Approach to Service Innovation: Creating Valuable Service Innovation with Agile Resource Integration. *Journal of Creating Value*, 6(2), 190–207. <https://doi.org/10.1177/2394964320961886>
- Floh, A., Zauner, A., Koller, M., & Rusch, T. (2014). Customer segmentation using unobserved heterogeneity in the perceived-value-loyalty-intentions link. *Journal of Business Research*, 67(5), 974–982. <https://doi.org/10.1016/j.jbusres.2013.08.003>
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), 139–152. <https://doi.org/10.2753/MTP1069-6679190202>

- Hernaus, T., Juras, A., & Matic, I. (2021). Cross-echelon managerial design competencies: Relational coordination in organizational learning and growth performance. *BRQ Business Research Quarterly*. <https://doi.org/10.1177/23409444211022749>
- Holgerson, M., Baldwin, C. Y., Chesbrough, H., & Marcel, M. L. A. (2022). The Forces of Ecosystem Evolution. *California Management Review*, 64(3), 5–23. <https://doi.org/10.1177/00081256221086038>
- Hult, G. T. M. (2011). Toward a theory of the boundary-spanning marketing organization and insights from 31 organization theories. *Journal of the Academy of Marketing Science*, 39(4), 509–536. <https://doi.org/10.1007/s11747-011-0253-6>
- Lee, N., & Rodríguez-Pose, A. (2013). Original Innovation, Learnt Innovation and Cities: Evidence from UK SMEs. *Urban Studies*, 50(9), 1742–1759. <https://doi.org/10.1177/0042098012470395>
- Liu, H., & Lim, G. (2023). When the state goes transnational: The political economy of China's engagement with Indonesia. *Competition and Change*, 27(2), 402–421. <https://doi.org/10.1177/10245294221103069>
- Malhotra, N. K., NuNaN, D., & BirKs, D. F. (2017). *Marketing Research An Applied Approach* (Fifth edit). Pearson Education Limited.
- Michalski, T. (2021). Innovation, risk and finance paradigm from the polish perspective. *International Journal of Innovation Studies*, 5(3), 107–112. <https://doi.org/10.1016/j.ijis.2021.07.002>
- Milwood, P. A., & Maxwell, A. (2020). A boundary objects view of Entrepreneurial Ecosystems in tourism. *Journal of Hospitality and Tourism Management*, 44, 243–252. <https://doi.org/10.1016/j.jhtm.2020.06.008>
- Putra Pratama, R., Dan, Y., & Susilo, W. (2023). *AN ATTEMPT AN INVESTMENT TO THE POST-GLOBAL PANDEMIC MANUFACTURING INDUSTRY SECTOR IN INDONESIA AS A MODEL: THE PROPOSE INSIGHT ON HI-ORGANIZATION'S RESOURCES WITHIN THE R-A THEORY, GST AND THE STRATEGIC CHOICE THEORY*. <https://ijeber.com/>
- Sanderson, J. (2004). Opportunity and constraint in business-to-business relationships: Insights from strategic choice and zones of manoeuvre. *Supply Chain Management*, 9(5), 392–401. <https://doi.org/10.1108/13598540410560775>
- Sjödin1, D., Paridal, V., & Visnjic, I. (n.d.). *A Framework for Orchestrating Industrial Ecosystems*.
- Spigel, B. (2017). The Relational Organization of Entrepreneurial Ecosystems. *Entrepreneurship: Theory and Practice*, 41(1), 49–72. <https://doi.org/10.1111/etap.12167>
- Susilo, W. H. (2016). An Impact of Behavioral Segmentation to Increase Consumer Loyalty: Empirical Study in Higher Education of Postgraduate Institutions at Jakarta. *Procedia - Social and Behavioral Sciences*, 229, 183–195. <https://doi.org/10.1016/j.sbspro.2016.07.128>
- Turnbull, D., Chugh, R., & Luck, J. (2021). The Use of Case Study Design in Learning Management System Research: A Label of Convenience? *International Journal of Qualitative Methods*, 20. <https://doi.org/10.1177/16094069211004148>
- Varadarajan, R., Welden, R. B., Arunachalam, S., Haenlein, M., & Gupta, S. (2022). Digital product innovations for the greater good and digital marketing innovations in communications and channels: Evolution, emerging issues, and future research directions. *International Journal of Research in Marketing*, 39(2), 482–501. <https://doi.org/10.1016/j.ijresmar.2021.09.002>

- Vink, J., Koskela-Huotari, K., Tronvoll, B., Edvardsson, B., & Wetter-Edman, K. (2021). Service Ecosystem Design: Propositions, Process Model, and Future Research Agenda. *Journal of Service Research*, 24(2), 168–186. <https://doi.org/10.1177/1094670520952537>
- Waiser, R. (2021). Involving Sales Managers in Sales Force Compensation Design. *Journal of Marketing Research*, 58(1), 182–201. <https://doi.org/10.1177/0022243720969174>
- Weaver, D. B., Kwek, A., & Wang, Y. (2017). Cultural connectedness and visitor segmentation in diaspora Chinese tourism. *Tourism Management*, 63, 302–314. <https://doi.org/10.1016/j.tourman.2017.06.028>
- Wurth, B., Stam, E., & Spigel, B. (2022). *Toward an Entrepreneurial Ecosystem Research Program* (Vol. 46, Issue 3).
- Zhang, H., & Chen, W. (2019). Crowdfunding technological innovations: Interaction between consumer benefits and rewards. *Technovation*, 84–85, 11–20. <https://doi.org/10.1016/j.technovation.2018.05.001>