

# The Institutional Capacity Building on MSEs - SOEs Partnership Program in Indonesia: A Case Study on Partnership Program at PT. Telekomunikasi Indonesia, Tbk

Ida Nurnida Relawan

Head of Bachelor Program in Business Administration, School of Communication & Business – Telkom University, Indonesia

**Abstract:** *The MSEs development in Indonesia is still a significant issue, related with that contribution to the number of business unit and the development which has not been optimal. One of the development program of MSEs by the government is conducted through the Partnership Program (PP) between MSEs Partners with State-Owned Enterprises, base on the PER-05/2007. PT. Telkom is one of SOEs that has been realizing the PP through institutional capacity building since 2001, and got success with the average performance more than 98% (during the study in period 2010-2012). The purpose of this study is to explore the implementation the institutional capacity mentioned. This research conducted by qualitative method with the case study strategy. The result of this research showed that the institutional capacity building on this PP conducted through tangible & intangible factors: 1) Building competencies in managing MSEs institutional; and 2) Social interactions arrangements in a business entity, both realized by three programs: Dropping, Collecting, and development program for MSEs governance and integrity. The result of this research also showed that there are three important factors that support the successful of this program: the funding, the internal & external support, and using two application systems based on information technology.*

**Keywords:** Institutional, Capacity, Tangible, Intangible, Partnership

## 1. Introduction

The discussion of the development of Micro and Small Enterprises (MSEs) in Indonesia are still very interesting. Nationally, the Indonesian economy will still be heavily influenced by the performance of Micro and Small scale Enterprises (MSEs). This happens, because until now, MSEs still plays an important role on the national economy as indicated by very significant contribution to the number of business units and labor absorption ( each has achieved 99,91% and 94.31%)[2]

The central role of MSEs in the national economy proven during and after Indonesia's economic crisis that occurred in 1997 when the government is in the "Orde Baru" era. Among the economic policy during the reign of the "Orde Baru" era is that the orientation of national economic growth relies on the development of large-scale enterprises and business conglomerates. In that era, the government hopes that the advancement of large-scale enterprises will encourage and leverage the growth of MSEs. In fact, government expectation is different with reality, because the crisis has stopped the advancement of Indonesia's economic development, with a number of large-scale enterprises and business conglomerate bankruptcies. [3] The bankruptcy of the large-scale and conglomeration businesses, causing massive termination of employment (FLE), which resulted in the increasing of people who do not have jobs [4]

The speed of recovery of large-scale and conglomeration business after the crisis was not as easy as MSEs. MSEs recover more quickly from the crisis, so that the labor affected by layoffs from the large-scale and conglomeration business, absorbed into the MSEs. The speed of MSEs

recovery and endurance in addressing economic crisis, led to a lot of new MSEs, and since that time, the orientation of the development of micro and small-scale enterprises become attention from the various parties. [5]

The Government through the Minister of Coordinator for Economic Affairs in the journal of Small and Medium Enterprises, September 11<sup>th</sup>, 2010, acknowledged that the strength of the Indonesian economy is supported by micro, small and medium enterprises. On the occasion, he said that in times of crisis, Indonesia's exports minus 13%, but nationally Indonesian economy is still supported by micro, small and medium-scale enterprises. [6]

The Government consciousness about the importance of the role of micro, small and medium-scale enterprises to support the national economy has not been counterbalanced by the success in developing business people on these scale enterprises. In "Rakornas Kadin Indonesia" in SMEs sector and Cooperation at the Jakarta Convention Center (JCC) on September 3<sup>rd</sup>, 2010, the Minister of Coordinator for Economic Affairs asking the question: "What is the mistake? Why Indonesia that statistically shows that the numbers of business people are more than 4%, but the Indonesian economy cannot be said developed countries? [7] "The statement indicates that the government itself has not understood exactly, about the real problem of micro, small and medium-scale enterprises in Indonesia. The extent of the territory of Indonesia, the government consciousness that the development of SMEs in Indonesia has not optimal, [8] and the limited ability of the government, prompting the government to involve the various parties [9] In addition to the establishment of the Ministry of Cooperation & SMEs, the government also encouraged the active participation of the State-Owned Enterprises (SOEs), through the Minister of

State-Owned Enterprises regulation No. PER-05 / MBU / 2007[10] PT. Telekomunikasi Indonesia, Tbk. (PT. Telkom) is one of the SOEs which, according to that Minister regulations is obliged to participate actively in the development of MSEs through Partnership Program ("Program Kemitraan"/"PK"). PT. Telkom has established Unit Telkom Community Development Center (Telkom CDC) to realize that program.

## 2. Literature

### 2.1 Capacity Building

Generally, the term of 'Capacity Building' is often defined as a process of change, that is the development which allows a person as an individual, organizational, institutional, and social or community, improve their competence and ability to carry out all activities presses more effective, efficient, and sustainable." In the process, capacity building will change the standards of behavior, the structure, the systems, and or the rules, to improve the ability to mobilize all available resources.

A similar definition put forward by the Australian Volunteers International, which states that "Capacity building is essentially about change. Change that enables individuals, organization, networks/sectors and broader social systems, to improve their competencies and capabilities to carry out functions, and more effectively manage the development processes over time. Capacity building is a 'strengths' or 'asset based' approach to development," [11] Mili stated capacity building as capacity development, and argued that: "Capacity building can be understood generally as an endogenous process through which a society changes its rules, institutions and standards of behavior, increases its level of social capital and enhance its ability to respond, adopt and exert discipline on itself," [12] and United Nations Development Program (UNDP) defines it more clear as: "The process by which individuals, groups, organization, institutions and countries develop their abilities individually and collectively to perform functions, solve problems and achieve objectives" [13]

Conceptually, capacity building is a development approach processes focused on understanding the problems that become obstacles in their efforts to carry out the duties, responsibilities, and functions. Understanding the problem to those obstacles is very important to realize the goal of development-oriented changes, i.e. improve the ability. This was pointed out by Sethi, et al, which defines capacity building as: "a conceptual approach to development that focuses on understanding the obstacles that inhibit people, governments, international organizations and non-governmental organizations from realizing reviews their developmental goals while enhancing the abilities that will allow them to achieve the measurable and sustainable results," [14] and further Sethi et al stated that: "capacity building support individuals, groups, organizations, institutions and systems to develop themselves and reviews their social and methodological competencies." [15] Sethi also stated that the capacity building includes human resources development, organizational development, and institutional and legal framework development [16]

### 2.2 Institutional Capacity Building (ICB)

Mili argued that institution building and institutional capacity building may have distinctive connotations by their terminological explanation. But when the subject matters of these respective areas are studied deployed in different literature, conceptual similarities between institutional building and institutional capacity building are found. [17]

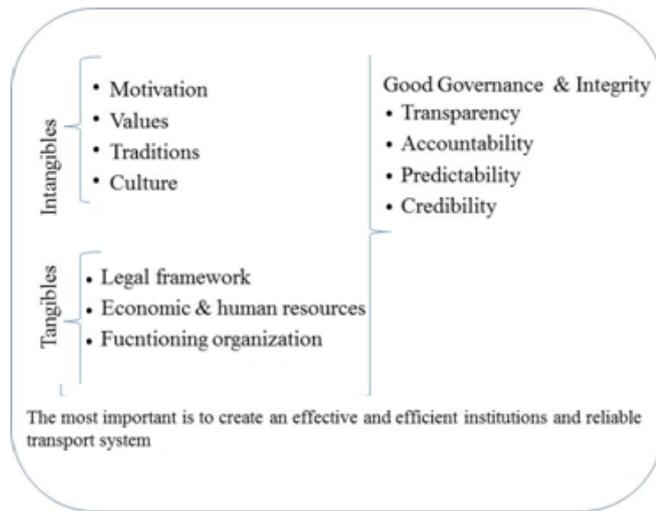
Generally, some have argued that basically institutional capacity building is discussing about the change and or development an institution to become more effective and efficient.

Horen stated that in the institutional capacity building, context-oriented of development is on institutional capacity that it describes in three dimensions: knowledge resources, relational resources, and capacity for mobilization – all interrelated and mutually supportive. [18] According to Horen, the use of the resources of knowledge and relational resources – optimally – will form the capacity to mobilize the public sector decision makers in an effort to build a social based and a healthy economy are required to drive the sustainable development. [19]

Katz argued that institutional development is: A concept of the major assessment in the development of institutions, and there are three indicators are given about it. The first is the ability of an organizations to survive, especially is to know, how the renewal objectives can be sustained, although the goals were not the same and there may be conflicting; the second is to know, how far the organization is considered have intrinsic value by the environment, which can be showed by the level of autonomy and influence; and the third is the area of influence, that is to know, how far the typical relationship and patterns of activity in the organization can become normative (binding) for other society entity. [20] Katz argument in line with others, who generally expressed about the rules made by human in the society to give binding boundaries in social interactions that they do in the community such as a value to achieve the goals. [21]

Other definition stated by Odeck that the institutional capacity building is: "About creating efficient and effective institutions, hence it pursues the objectives of good governance and integrity[22]" While capacity itself divided by Odeck into two factors: **Tangible factors**, is the physical assets which easily measurable for both physically and indexes, including infrastructure, machinery, training, economic resources, legal framework, etc; and **intangible factor** (soft factors, but as important as tangible factors), there are: social skill, experience, creativity, bonding/social cohesion, values and motivations, habits and traditions, cultural institution, et[23] Briefly, Odeck explained that the institutional capacity building is about integrating tangible and intangible factors, and cannot be separated from good governance and integrity[24] In the context of institutional capacity building, the most frequently performed is covering three main activities: skill upgrading, procedural improvements, and organizational strengthening [25]

The following figure is a relationship between good governance and integrity with tangible and intangible factors in the institutional capacity building.



Source: Odeck, James. 2007 p 9.

**Figure 1:** Relationship between ICB and Good Governance & Integrity

### 2.3 Institutional and Organization Concept

Generally, many experts argued that the institution formed for reducing risk and uncertainty that occur in social life due to the bounded capacity (limited capacity) of human beings which can be divided into two terms: bounded of rationality and bounded of information/asymmetric information/lack of information. In the process, reducing risk and reducing uncertainty will drive humans to interact with each other, and in the process of this interaction is needed 'rule of the game' are made to provide clarity of rights and responsibilities of each, in human interaction. It is as stated by Schmid, who defines institutions as "are human relationships that structure opportunities via constraints and enablement. A constraint on one person is opportunity for another. Institutions enable individuals to do what they cannot do alone". [26]

North stated that institutions are rules of the game that exist in society, or more formally, are the constraints that humans made to interact between them in a community, in terms of political, social, and economic. North also explained that institutions reduce uncertainty by providing a structure to everyday life. This structured rule of the game that guide the interaction between humans, for example: say hello to friends in the street, driving a car, buy something, borrow money, establish a business, burying the dead, or anything else in our lives, so that with the structured rule of the game, we can easily learn to do it. [27] North also argued that the institutions, including various forms of constraints, are designed or created by humans for their interactions. The draft can be formal, such as rules or legalities are human arranged, or informal, such as conventions or code of behavior (behavior-code). It also is able to contain both the formal and informal rules [28]. The same opinion stated by Ollila, that institution is the rule. But the rule that argued by Ollila, tend to aspects of economic interactions (transactions), as institutional definition stated by Ollila that:

"Institutions are the rules. The rules are made for saving interactions (transactions). The rules predict the behavior of the other things in different situations." [29]

Another opinion, Young, stated about institutions that in general, institutions are constellation of rules, decision-making procedures, and programs that define social practices, assign roles to the participants in the social practices and regulate the interactions between role holder. [30] To clarify the definition, further Young stated that: marriage is a social institution that regulates the relationship between family members; the market is the economic institutions that deal with the interactions between buyers and sellers of goods and services; and the electoral system is a political body that guides the interactions of voters and elected officials. [31] While Ferriero and Serrano stated that "An institution can be defined as a set of formal and informal rules, including their enforcement arrangements." [32]

On the other side, North explained that the institutional are institutions that already have the goals (objectives) and the obvious place. Institutional boundaries include what should not to be done individually, but under certain conditions, there are individual who are allowed to do so. Therefore, the institutional framework is defined also as human beings to interact in a certain place. Institutional consists of a written formal rules or codes of conduct, which are usually not written that underlies and complements to the formal rules. Both formal rules and codes of conduct is sometimes violated, therefore an important part of the functions of an institutional is also to make sure the shape violations and penalties." [33]

The diversity of defining institutions is caused by the difference in perspectives is used, related with the context of issues (problems) that they discussed. In this study, reference that used by researcher is the definition of institutions in its capacity for reducing risk and uncertainty in conducting business activity and the institutions as a 'rule of the game' of human social interaction in business activity. Furthermore, about the understanding of the organizations and its relationship with institutions. North explained that: "Like institutions, organizations provide a structure to human interaction. Indeed when we examine the costs that arise as a consequence of the institutional framework we see they are a result not only consequence of that framework." [34]

Conceptually, the difference between institutions and organizations are described by the North that the institutions is "Rule of the game" or the rules made by human with the intent "to define the way how the game is played." The organizations is "Role from the players," that regulate the action of people who get together and interact in a group that has the same goals [35]

### 2.4 Institutional of Micro & Small Enterprises in Indonesia

There are several institutional grouping of enterprises in Indonesia, depending on the perspective of that grouping. One is based on the Act No.20/2008 which breaks it down

by the scale of enterprises; there are Micro, Small, and Medium enterprises. This study covers the Micro and Small

enterprises (MSEs). Table 1 showed the criteria of Micro and Small Enterprises base on the Act No.20/2008.

**Table 1:** The criteria of Micro and Small Enterprises base on the Act No.20/2008.

Criteria		Definition	Group
<b>Maximum Total Omzet</b>	<b>Maximum Total Asset</b>		
Rp.300.000.000, - (three hundred million rupiah).	Rp.50.000.000,- (fifty million rupiah)	Productive economic activities owned by individuals and or individual business entities that fulfill the criteria of micro enterprises.	Micro
>Rp.300.000.000, - (three hundred million rupiah) until Rp2, 5 billion (two billion five hundred million rupiah).	>Rp.50.000.000, - (fifty million rupiah) until Rp.500.000.000, - (five hundred million rupiah).	Productive economic activity of its own, which is done by the individual or business entity that is not a subsidiary or branch company not owned, controlled by, or be part of, either directly or indirectly from Medium or Large Enterprises that fulfill the criteria for Small Enterprises.	Small

Source: The Act No.20/2008

### 3. Research Methodology

This study using qualitative method with case study strategy, which investigated carefully to the events, activities and processes, from individual, groups, or communities that involved in the processes[36] of MSEs institutional capacity building conducted by Telkom CDC. Data collecting technique have done through observation, documentation, and interviews with informants who are directly involved in this process, [37] there are: the informant from Telkom CDC Unit, includes Senior General Manager (SGM) as the top leader. Senior Manager (SM) Partnership Program, related Telkom CDC Manager, Manager of Telkom Community Development Area (Telkom CDA) for West Java region, and Officer Telkom Community Development Sub-Area (Telkom CDSA) Tasikmalaya, Garut, and Bandung. Then, from MSEs partner, researcher took nine successful MSEs as an informant, as the purposive sample for measuring the institutional capacity building result. Validation have done through triangulation of data sources, whereas data analysis conducted through exploratory descriptive, which describe, express, and explained the process thoroughly researched (holistic).

### 4. Result & Discussion

#### 4.1 Institutional Capacity Building of MSEs Partners at Telkom CDC Unit

Implementation of institutional capacity building program at Telkom CDC Unit conducted through Partnership Program between Telkom CDC with MSEs Partners. The aim of this program is to increase/improve the institutional capabilities of Micro and Small enterprises in order to become strong and independent institutions [38]

Management of PT. Telkom has a high commitment to implement this program, with formed special unit: Telkom Community Development Unit (Telkom CDC) and set the operational implementation of this program through issuance the Decree of the Board of Directors, number: KD.21/PR000/COP-B0030000/2010 dated April 19, 2010 about Management of Partnership Program and Environment Development Program. The technical implementation mechanism of partnership program, conducting according duties, responsibility, and authority between: 1) Community Development Center Unit/Telkom CDC (Center) as policies

maker, procedures maker, set the action plan, and set the budget for all of partnership program, and also grant approval on the proposals from Telkom CDA/CDSA, and do transfer loan funds directly to prospective MSEs partners approved ; 2) Community Development Area/Telkom CDA (Region) as an evaluator on the proposal submitted by the CDSA and process the candidates who pass the evaluation and submitted to Telkom CDC for get an approval; and 3) Community Development Sub-Area/Telkom CDSA (Local) as a front liner who will conduct all of technical and routine tasks in the implementation of this programs.

In realizing the MSEs Partners institutional capacity building, Telkom CDC has oriented on directing MSEs Partners to have good governance and Integrity in the running business. These efforts is conducted by integrating tangible and intangible factors into attempts which oriented to the Skill upgrading, procedural improvements, and organizational strengthening, which realized into two main programs: Distribution the funding of Capital Loan Assistance Program (Dropping & Collecting) and Program Development.

The realization of both main program, conducted with the basis of five principles: 1) Accountability, objective achievement: clarity of functions, implementation and accountability in the management of funds as well as the benefits of the program are realized, so that the effective and efficient management will be done. 2) independency, fund management of partnerships program undertaken in a professional manner without any conflict of interest , influence and pressure from any party that is not in accordance with applicable regulations, 3) Fairness, giving the same treatment to a society and does not lead to give benefit to certain parties in with the anyway and for any reason, 4) Transparency, all the decision-making process in the expressed terms and information, of all procedures, evaluation and determination are open to people who are interested in the Partnership Program, and 5) responsibility, the suitability of the responsibilities in managing Partnership Program with regulations.

All of these principles are translated into two main programs: Distribution the funding of Capital Loan Assistance Program (Dropping & Collecting) and Program Development. Dropping & Collecting program is conducted to build the capacity of MSEs institutional from the capital

side, while the coaching program is conducted to equip and encourage SMEs to have the economic ability of social interaction on each business entity.

Based on the result of this study, all the three of these activities in detail, are: **1) Dropping** or distribution of soft loan to the partnership program Partners, generally conducted by Telkom CDC in three periods scheme. The whole Partners which has been selected administratively and eligibility (based on survey by Telkom CDSA, qualify of Telkom CDA evaluation and proposed by to Telkom CDA to Telkom CDC), can be apply the loan for maximum three times in three periods. Every period maximum for two years. Second and third loan can be submitted and considered by Telkom CDC if the previous loan has been completed properly (no problem/no loss). For business processes technically, dropping mechanism is distinguished by its status, are: Regular Partnership Program, Special Partnership Program, or Synergy with other SOEs based on the MOU between the Ministry of SOEs with PT. Telkom; **2) Collecting**, is the repayment of the Partnership Program loan by the Partners which to be done a timely and appropriate amount according to the agreement agreed. Acceptance of collecting loan payments, carried by Telkom CDSA, which is located at the technical/CDSA operational level; **3) Development Programs**, are activities pursued Telkom CDC to improve all MSEs Partners ability become became a strong and independent institutional businesses.

The main activities of the Development of Telkom CDC Partnership Programs include: a) Preparatory, is a Telkom CDC guidance to all MSEs Partners who will get the partnership program loan. In general, a briefing was held at the time of signing the contract would be cooperation loan, b) education and training, are the activities carried out by increasing Business knowledge, Management and Technical Skill in accordance with the SMEs Partners business, c) Apprenticeship, are activities carried out by means of Practice or Business Internship at an institution/professional institutions or on certain professionals individual business, d) assistance, with bring in certain experts to guide SMEs Partners accordance with the condition and needs of MSEs Partners, e) Marketing Support and promotion, are activities that bring prospective buyers to MSEs Partner, with the aim of demonstrating or showing goods as the result of productions, and f) exhibitions by involving SMEs Partners in relevant exhibitions with the MSEs Partners product, both domestically and abroad. Especially for institutional capacity building through the exhibition, Telkom CDC not only involves SMEs Partners in the domestic scale but also in the international scale. Table 2 shows one of the MSEs Partners development activities by Telkom CDC Unit in national exhibitions activities during 2012.

These performance achievement mentioned above used by researcher as a confirmative aspect towards the result of the study on achievement of institutional capacity building by Telkom CDC conducted by researchers in West Java area: Garut, Tasikmalaya, and Bandung. The result of the study mentioned, are as follows: 1) MSEs Partners feel have more opportunities and able to interact more effectively in running the business, so that they have better capacity to imagine the lives of their businesses change towards. The whole

informants have literacy levels (can read and count) are good, because all informants have completed basic education (elementary). The facts obtained from informants who educated scholars, researchers obtain a description that they have a better power analysis in looking at opportunities, particularly for the development of their businesses; 2) An increase incapability, which allows them to pick up and use a better choice than ever before, and more courageous in managing their organization business. All of this they feel after they get more information from various sources that they think is relevant. And 3) Ease of informants to realize the wishes and expectations, is a logical consequence from increase in revenue.

**Table 2:** National Scale Exhibition – MSEs Partners Product Year 2012

NO.	NAME OF EXHIBITION	REALITATION	
		LOCATION	DATE
1	Adikriya	JCC Jakarta	07-11 March
2	Dekranas	JCC Jakarta	20-22 March
3	Agrinex	JCC Jakarta	31 Maret - 1 April
4	Climate Change	JCC Jakarta	19-22 April
5	Inacraft	JCC Jakarta	24-29 April
6	Hari Kartini	Bali	20-21 April
7	Festival Pemersatu Nusantara	Manado	23-26 May
8	Pesona Produk Nusantara	JCC Jakarta	18-24 June
9	Harkopnas	Kalimantan	12-15 July
10	Fashion & Craft	JCC Jakarta	8-12 August
11	GKPM	JCC Jakarta	28 Sept-01 October
12	Indocraft	JCC Jakarta	3-7 October
13	Sulam Bogor	JCC Jakarta	4-7 October
14	ICC	JCC Jakarta	10 Agt-10 November
15	IPPKINDO	SMESCO	22-25 November
16	Small Business Expo ICMI West Java	Jawa Tengah	14-18 November
17	ICMI Silaknas	JCC Jakarta	17-21 December

### Performance of Implementation Programs

The result of this study during in period 2010-2012 shows that the achievement of this program, are as follows: 1) Realization of Dropping reached average of 98.33% and Collecting 106.34% per year, 2) The results of survey conducted by Telkom CDC to assess the performance of implementation of development programs covering processes, benefits, effectiveness, and quality of service aspects, showed the following results:

- Process:** Very Good (91%) and Very Important (92%);
- Benefits:** Very Helpful (91%), and Benefits Very Important (92%);
- Effectiveness** : Highly Effective (81%), 85% Increase Total Revenue and Increase Number of Employees 71%; and
- Quality of service:** Excellent (90%), Very Important (93%), and Highly Satisfactory (97%).

### 5. Conclusion

The important thing in the MSEs Partners institutional capacity building by Telkom CDC, are: 1) Clarity of the institutional capacity building program directed focus to MSEs Partners ability improvement in business management by education and training, apprenticeship, assistance, Marketing Support and promotion, and involving the MSEs Partners in exhibitions, as tangible factors, and improve MSEs Partners in social skill, experience, creativity,

bonding/social cohesion, and values & motivations, as intangible factors; 2) Commitment PT. Telkom to this program with establishing special unit and making company rule particularly for conducting and realizing partnership program in order to good program governance.

## References

- [1] Relawan, 2014, Sosiohumaniora: p 156-164. Accredited National Journal. Padjadjaran University, Bandung, Indonesia
- [2] Smeccda, SMEs Journal, 2010. Indonesia
- [3] Relawan, 2014, Sosiohumaniora: p 156-164. Accredited National Journal. Padjadjaran University, Bandung, Indonesia
- [4] The Center for Economic Research-LIPI. 2003. Indonesia.
- [5] Smeccda, SMEs Journal, 2010. Indonesia
- [6] Ibid
- [7] Ibid
- [8] Relawan, 2014, Sosiohumaniora: p 156-164. Accredited National Journal. Padjadjaran University, Bandung, Indonesia
- [9] Minister of SOEs. Minister Regulation No. PER-05/MBU/2007.
- [10] Australian volunteers international, 2006. Information Sheet – Introduction to Capacity Building. Australia
- [11] Mili, Begum Rokshana. 2008 p 61. Institutional Capacity Building and Women Development: An Overview on DWA-HQ. Asian Affairs, Vol. 30, No. 2: 57-90. CDRB Publication, ISSN 0254-4199
- [12] UNDP in Mili, Begum Rokshana. 2008 p 61. Institutional Capacity Building and Women Development: An Overview on DWA-HQ. Asian Affairs, Vol. 30, No. 2: 57-90. CDRB Publication, ISSN 0254-4199
- [13] Sethi, et al 2012 p 17. Understanding Capacity Building Needs: Current Models for Excluded Communities. UNICEF India. New Delhi.
- [14] Ibid
- [15] Sethi, et al 2012 p 18. Understanding Capacity Building Needs: Current Models for Excluded Communities. UNICEF India. New Delhi. Sethi, et al 2012 p 17. Understanding Capacity Building Needs: Current Models for Excluded Communities. UNICEF India. New Delhi.
- [16] Mili, Begum Rokshana. 2008 p 61. Institutional Capacity Building and Women Development: An Overview on DWA-HQ. Asian Affairs, Vol. 30, No. 2: 57-90. CDRB Publication, ISSN 0254-4199
- [17] Horen, Basil van. 2001 p 114. Planning for Institutional Capacity Building in War-torn Areas: The case of Faffina, Sri Lanka. Development Planning Program, School of Geography, Planning and Architecture. University of Queensland, Qld 4072. Australia.
- [18] Ibid p 115
- [19] Katz, Saul M. In Eaton, Joseph W. (Editor), Guritno, Pandam & Jeni, Aldi (translator), Swasono, Sri Edi (Editing). 1986. Institution Building: from concept to application, Universitas Indonesia (UI-Press), Jakarta, Indonesia.
- [20] Ibid
- [21] Odeck, James. 2007 p 8. Institutional capacity building – Some Experiences and Strategies. Norwegian Public Roads Administration & Norwegian University of Science and Technology.
- [22] Ibid p 7
- [23] Ibid p 10
- [24] Ibid p 4
- [25] Schmid, Alan A. 2004 p 1. Conflict and cooperation. Institutional and Behavioral Economics.
- [26] North, Douglas C. 1990 p 3-4. Institutions, Institutional Change and Economic Performance. Cambridge: Cambridge University Press.
- [27] Ibid p 4.
- [28] Ollila, Petri. 2009 p 14. Principles of Institutional Economics. ISBN 978-952-10-5282-8. Department of Economics, Helsinki University. Helsinki.
- [29] Young, Oran R. 1999 p 3. Institutional Dimension of Global Environment Change (IDGEC) Science Plan, 100 pp, Rep. No.9. Bonn: IHDP.
- [30] Ibid
- [31] Ferreira, Jesus; Felipe Serrano. 2011 p 72. The Institutional Dimension of New Economic Policy. International Journal of Public Policy. Inderscience Enterprise, Ltd, Vol. 7 (1), Nos.1/2/3, pp 70-82.
- [32] North, Douglas C. 1990 p 3-4. Institutions, Institutional Change and Economic Performance. Cambridge: Cambridge University Press.
- [33] North, Douglas C. 1990 p 3-4. Institutions, Institutional Change and Economic Performance. Cambridge: Cambridge University Press.
- [34] Ibid
- [35] Creswell, John W. 2010 p 4. Research Design, Pendekatan Kualitatif, Kuantitatif dan Mixed. Translated by Fawaid, Ahmad. Pustaka Pelajar. Yogyakarta. Indonesia
- [36] KD.21/PR000/COP-B0030000/2010, April 19th .2010. “Pengelolaan Program Kemitraan dan Program Bina Lingkungan. Bndung. Indonesia.
- [37] Ibid

## Author Declaration

**Ida Nurnida Relawan** is a Doctor Candidate of Business Administration – Post Graduate Program – Faculty of Social and Political Science – Padjadjaran University, and Faculty Member of Business Administration Program – Faculty of Communication & Business – Telkom University, Bandung, Indonesia.