

EDUCATION

- **IPB University Business School (Doctorate, 2018)**
 - Dissertation: Developing Efficiency Strategies for Indonesian Banking towards ASEAN Economic Community. I was fortunate to have the opportunity to earn my doctorate from IPB Business School.
 - My focus was on enhancing the efficiency of the Indonesian banking sector in light of the ASEAN Economic Community. My dissertation allowed me to delve into various strategies and techniques that could potentially bolster the performance of banks and promote more effective integration with the ASEAN region. This involved studying successful practices from regional counterparts and suggesting Strategy Maps that could be adapted to our local context.
- **University of Indonesia (UI)**
 - Master's in Risk Management (2008)
 - Thesis: Market Risk Modeling with Expected Tail Loss (ETL). I had the privilege of pursuing a Master's degree in Risk Management at the University of Indonesia. My thesis revolved around market risk modeling using Expected Tail Loss (ETL) techniques. I explored the application of ETL methodologies in Indonesian market portfolios and their effectiveness in predicting and managing market risk. I also looked into the possibility of refining ETL models to improve their precision and usefulness for risk management professionals, as an alternative to Value at Risk.
- **IPB, Agro Industrial Technology (1989)**
 - My undergraduate journey at IPB in Agroindustrial Technology was a valuable experience. The program equipped me with a solid understanding of agricultural technologies and their applications, as well as a broader perspective on industrial processes and systems.

RESEARCH

1. "A Strategy Map Model to Improve The Efficiency of Indonesian Banks" by R. Mulyana, N.A. Achsani, T. Andati, T.N.A. Maulana. Published in the Journal of Management & Agribusiness (Volume 19, Issue 3, Page 471, 2022).
2. "Estimation of Technical Efficiency of Indonesian Banking Based on Stochastic Frontier Analysis" by R. Mulyana, N.A. Achsani, T. Andati, T.N.A. Maulana, A.Y. Pratama. Published in the Technomedia Journal (Volume 7, Issue 2, Pages 148-167, 2022).
3. "Public Legitimacy Analysis on Islamic Banks in Indonesia: A Case Study of Bank Syariah Mandiri" by R.F. Adianto, M. Ali, R. Mulyana. Published in the Al-Infaq: Islamic Economics Journal (Volume 12, Issue 1, Pages 1-23, 2021).
4. "The Analysis of Small Medium Enterprise's Sukuk Investment Intention Through Financial Technology Securities Crowdfunding" by A.L. Hakim, A. Zaerofi, R. Mulyana. Published in the Tazkia Islamic Finance and Business Review (Volume 16, Issue 2, 2022).
5. "The Influence of Intellectual Capital on Islamic Banks Profitability: A Mediation Analysis of Non-Profitability Performance and Islamicity Financial Performance

Index” by R.G.M. Basri, R. Mulyana, H. Tanjung. Published in the Al-Iqtishad: Journal of Islamic Economics.

6. Mulyana, Rahmat & Achsani, Noer & Andati, Trias & Maulana, Tubagus. (2022). Indonesian Banking Efficiency: A Recovery Plan. *International Journal of Business and Applied Social Science*. 13-17. 10.33642/ijbass.v8n9p2.

Forthcoming :

- “An Evaluation and Recommendation of Indonesia’s Masterplan for Economic Development” This study examines the Master Plan for Acceleration and Expansion of Indonesia’s Economic Development (MP3EI), which was initiated in 2011 with the goal of achieving a prosperous Indonesia by 2025. The aim is to provide insights for an improved successor strategy.

PROFESSIONAL CAREER

- 1) Member of the Risk Oversight Committee of Syariah Rural Bank HIK Parahyangan (2021 – Present). My job is to oversee risk management plans, make sure the bank follows international Islamic finance rules, and provide strategic guidance to help the organization succeed long-term. This role is key in maintaining the bank's good reputation, financial health, and commitment to its Islamic principles.
- 2) Teaching and Researching Islamic Economics (2013 – Present): I have been teaching and conducting research in areas like islamic finance, risk management, and strategic economics at the Tazkia Islamic Economics Institute. Leader of the Master's program in Islamic Economics (2019-2021), focusing on academic quality, program development, and strategic planning to improve education and research output.
- 3) Consulting on Islamic Financial Services (2015 – Present) : I have worked on various projects aimed at helping organizations transition to or establish Islamic financial services. My consultancy has assisted with corporate restructuring, strategic communication, and financial modeling across several sectors, enabling them to align with Islamic finance principles. My consulting portfolio in the last five years are :
 - a) Consultant for Strategic Planning to Establish a Syariah Business Unit for a Middle Size Indonesian Bank (Present)
 - b) Conducted Workshops on Strategic Planning for the Syariah Divisions of Indonesia's Mortgage Bank and a Leading West Java Regional Islamic Bank (2023)
 - c) Oversaw the Restructuring Process of a State-Owned Company, Indonesia's Port Corporation, Including Strategic Planning, Reclassification, and Regrouping of Subsidiary Companies (April – November 2023)
 - d) Spearheaded the Conversion Process of a Regional Bank in Sulawesi into a Fully-Fledged Syariah Bank, Focusing on Strategic and Public Communication Aspects (2022-2023)
 - e) Developed the Corporate Plan, Feasibility Study, and Business Plan for the spin-off entity of Syariah Unit of a middle size bank, with Syariah Assets of about Rp 45 Trillion, Involving Comprehensive Market Analysis, Growth Opportunity Identification, and Financial Modeling (March-August 2023)

- f) Crafted the 2022-2026 Corporate Plan for PT Induk HIK, A holding company of 10 syariah rural banks.
 - g) Formulated the 2021 and 2022 Portfolio Guidelines and Internal Risk Rating Manual for 2 Regional Banks Providing a Robust Framework for Portfolio Management and Risk Assessment
 - h) Conducted a Survey on the Implementation of Syariah Contracts for Indonesia's Social Security Administrator for Employment, Identifying Areas for Improvement and Providing Recommendations
 - i) Facilitated a Workshop on Fundamentals of Islamic Finance for Indonesia's Social Security Administrator for Employment, Imparting Essential Knowledge and Insights
 - j) Conducted Strategy Workshop for Syariah Banks, Aiding in Developing a Clear Vision and Roadmap for Future Growth and Success (2019 – present)
- 4) Advising on Municipal Economic Development (2018): I evaluated and provided strategic advice on Jakarta Province's government-owned enterprises, ensuring their performance and alignment with regional economic goals.
 - 5) Leading Financial Transformation in the National News Agency (2008 – 2012): As the Finance Director at a National News Agency, I led the agency's financial transformation from a government institution to a competitive state-owned enterprise, achieving important milestones in financial management and corporate restructuring .
 - 6) Founding a Consulting Firm (2006 – 2008): I led projects that included feasibility studies for major infrastructure and financial restructuring, emphasizing the application of risk management strategies including to clients of Islamic Financial Institutions
 - 7) General Manager and Researcher (2003 – 2006): At INDEF, Indonesia's leading economic think tank, I managed projects aimed at improving the performance of banking institutions, contributing to national economic forecasting and policy development through an economics lens. Starting from this juncture, I began teaching Islamic Finance and Banking on a temporary basis.
 - 8) Pioneering Islamic Banking in Indonesia (1990 – 2002): I held various positions in the banking sector, particularly focusing on Islamic finance. I helped establish and lead Syariah-compliant rural banks and microfinance initiatives, contributing to the development of Islamic banking in Indonesia.

SWOT ANALYSIS OF INDONESIA AND ITS STRATEGIC OPTIONS



Rahmat Mulyana
Institut Sakti Postgraduate lecturer and
INDEF Associate

In this article you will be provided with a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis of the Indonesian economy, based on data assessed in 2022. We trust that by conducting this analysis, we will be able to identify key areas for development and growth, and then, based on our findings, provide useful recommendations.

The strategic location of Indonesia, the country's abundant natural resources and its robustly growing middle class all contribute to the nation's enormous economic potential. However, we are also confronted with significant challenges, such as a lack of appropriate infrastructure in areas of transportation, energy and communications, a limitation which impedes the growth and development of the economy. Inefficiency of the bureaucracy and the ubiquitousness of corrupt practices are further significant obstacles that discourage foreign investment and create onerous challenges in doing business within the country. In addition, deterioration of the natural environment and the wasteful use of the earth's resources are looming obstacles to expansion and flourishing of the land in years to come.

We can thus distill a comprehensive SWOT analysis, as a simple but effective method for evaluating a given country's strengths, weaknesses, opportunities, and threats. This will allow us to better prepare for these challenges, and respond to them appropriately, as they arise. S-O, S-T, W-O, and W-T tools are used by analysts to determine the most effective approaches to problem-solving. We are able to present policy recommendations for Indonesia's economic health, based on the results of the SWOT analysis. Among these, key issues are expansion of social safety nets, training and education of human capital, promotion of sustainable development, expansion and modernization of infrastructure, ways of attracting foreign investors along with encouraging creativity and new ideas, streamlining bureaucratic inefficiency and filtering out corruption while expanding educational and training opportunities for each new generation.

It is essential to remember that the simplest methods are often the most effective, and employing tools thoroughly can lead to new insights that are very helpful. By conducting a comprehensive SWOT analysis and implementing the suggested policies, we can effectively address its weaknesses, maximize its opportunities, and mitigate its threats. This will help the country achieve its full economic potential and foster sustainable growth and development.

SWOT Analysis

Indonesia's SWOT analysis reveals numerous strengths, weaknesses, opportunities, and threats in its economic and social development. One of Indonesia's most significant strengths is its population of over 270 million people, including a rising middle class, which creates a vast consumer market and labor force. This demographic advantage enables businesses to expand their reach and satisfy a broad range of customer needs and preferences. Moreover, Indonesia's strategic location between the Pacific and Indian Oceans gives it access to essential trade routes and close proximity to emerging Asian markets, thus strengthening its position as a regional trade hub and fostering economic cooperation with neighboring countries. Additionally, Indonesia boasts abundant natural resources such as coal, oil, gas, minerals, and arable land, which can support economic growth, stimulate exports, and attract foreign investments. Cultural diversity is another unique strength of Indonesia, with significant potential for driving growth in the creative industries, tourism, and service sectors.

On the other hand, Indonesia's weaknesses make its economic and social growth much harder. Infrastructure, which includes transportation, energy, and communications, needs to be improved a lot for the economy to grow in a sustainable way. Furthermore, Indonesia needs to address the education and skills gaps in its workforce to meet the demands of a modern economy. Its bureaucracy and corruption problems continue to hamper business opera-

tions and deter foreign investment, thus negatively affecting the country's competitiveness. Uneven development across regions and inequality in society remain significant hurdles to achieving inclusive growth, requiring measures to ensure economic growth benefits all sectors of society and is distributed evenly across the country. Lastly, environmental degradation and unsustainable resource use threaten Indonesia's long-term development and well-being, necessitating a balanced approach to economic growth and environmental conservation.

Indonesia has several opportunities to leverage its strengths to achieve long-term growth and development. Investing in education, healthcare, and job creation will enable the country to benefit from its young and growing population's potential, improving productivity and economic growth. Furthermore, adopting new technologies such as artificial intelligence, automation, and renewable energy can enhance productivity and encourage innovation. Developing digital infrastructure and promoting digital literacy can enable Indonesia to capitalize on the digital economy's potential. Expanding trade and investment partnerships, regional integration, and pursuing free trade agreements can increase market access and attract foreign investment. Additionally, tourism and creative industries have the potential to generate jobs, diversify the economy, and showcase Indonesia's unique cultural heritage. Finally, investing in sustainable development, green industries, renewable energy and agriculture can secure long-term prosperity and food security, while reducing reliance on fossil fuels.

But Indonesia must also be aware of threats that could stifle its economic and social growth. Climate change poses significant risks to Indonesia's agriculture, infrastructure and coastal areas, requiring measures to mitigate the impacts of sea-level rise, extreme weather events, and changes in precipitation patterns. Indonesia's stability and economic growth can be threatened by geopolitical tensions and potential conflicts with neighboring countries. This means that the country needs skilled leadership and powerful ways to settle disagreements. A global economic slowdown may reduce demand for Indonesia's exports, requiring diversification of the economy and a focus on domestic consumption. Moreover, Indonesia faces competition from other emerging economies, necessitating improvements in its business climate, infrastructure, and human resources training. Finally, political and social unrest may erode investor confidence and disrupt economic development, signifying a need for good governance, transparency and social stability.

To sum up, Indonesia's economic and social development embodies numerous strengths, opportunities, weaknesses and threats. To achieve inclusive, sustainable, and long-term growth, Indonesia must address its weaknesses, leverage its strengths and opportunities, and mitigate potential threats. Indonesia can set itself up to be a major player in the global economy in coming decades by putting money into infrastructure, education, technology, good government and environmental sustainability.

Strategic Choices Generated by the TOWS Grid

The TOWS matrix is a powerful tool for generating strategic choices, one that can help a country like Indonesia capitalize on its strengths and opportunities while mitigating its weaknesses and threats. In this article, we will outline several strategy options for Indonesia using the TOWS Grid, which includes four quadrants: strength-opportunities (S-O), weakness-opportunities (W-O), strength-threats (S-T), and weaknesses-threats (W-T).

S-O Strategy

Indonesia can capitalize on its strengths and opportunities by implementing key strategies such as:

1. Capitalizing on its natural resources and strategic location, by prioritizing downstream processing and manufacturing in value-added sectors like

agriculture, mining and energy, as well as investing in port infrastructure and creating special economic zones to attract foreign investment.

2. Capitalizing on its demographic dividend and youthful population, by investing in education and vocational training, to create a skilled workforce capable of driving key industries like technology, manufacturing, and services, as well as implementing policies that promote entrepreneurship and innovation.

3. Increasing regional integration and international economic ties by pursuing and optimizing free trade agreements and comprehensive economic partnerships, to increase market access for Indonesian goods, while also emphasizing high-value-added products and encouraging innovation, quality and branding to boost export competitiveness.

4. Profiting from the growing digital market and technological trends, by investing in digital infrastructure and encouraging digital literacy, creating policies and regulations that expand the reach of technology, and encouraging the expansion of e-commerce, digital payments, and fintech services with favorable regulations and incentives.

5. Developing eco-tourism and healthy tourism by encouraging environmentally-friendly tourism packages that protect Indonesia's rich traditional heritage and natural environment, while creating a niche market for eco-tourism by focusing on the country's varied natural attractions - such as national parks, marine reserves, and UNESCO sites.

6. Improving connectivity and building development, by prioritizing spending on transportation, energy, and digital infrastructure, thereby upgrading connectivity and efficiency, and by encouraging public-private partnerships (typical in infrastructure projects), to attract private funding and expertise.

S-T Strategy

To capitalize on Indonesia's strengths while mitigating its threats, the following strategies can be adopted:

1. Improving human capital by investing in education and training, looking to create a skilled workforce capable of driving economic development and innovation, as well as encouraging entrepreneurship and establishing a supportive atmosphere for small and medium-sized enterprises (SMEs) to thrive.

2. Ensuring natural resource sustainability by focusing on sustainable agriculture and fisheries management, to ensure food security and defend Indonesia's position as a top exporter in these sectors, as well as developing renewable energy sources like solar, wind, and geothermal power, to reduce reliance on fossil fuels and handle environmental challenges like climate change.

3. Improving communication and infrastructure by prioritizing investments in transportation, energy, and digital infrastructure to better connect remote areas, lower logistical costs, and promote economic development, as well as encouraging public-private partnerships to finance infrastructure initiatives.

4. Diversifying industry and encouraging high-value sectors, by encouraging the development of value-added manufacturing, tourism and technology, thereby upgrading economic resilience and reducing reliance on raw material exports, as well as fostering R&D in important areas, to promote innovation and improve the competitiveness for Indonesian products and industries.

5. Improving regional and global integration by operating through organizations like ASEAN, and entering into international trade agreements to secure market access and reduce the effects of global economic uncertainty, as well as creating a favorable regulatory environment and providing incentives for investment in targeted industries to attract foreign investment and technology transfer.

6. By making institutional and regulatory changes to improve the efficiency and transparency of the public sector,

suppressing corruption and streamlining bureaucracy, we can improve administration and reduce malfeasance.

W-O Strategy

We can use the following W-O strategies to deal with weaknesses and make the most of its chances:

1. Improving education and workforce growth quality, by investing in elementary and secondary education, particularly in rural areas, to close the schooling gap and expand vocational training and skill development initiatives, this will improve workforce quality and satisfy the demands of emerging industries.

2. Improving the regulatory environment and making it easier to do business, by simplifying company registration procedures and reducing bureaucratic barriers, to encourage entrepreneurship and attract foreign investments, as well as simplifying regulations, especially for key sectors and industries; this should encourage growth and development.

3. Infrastructure development and modernization can be achieved by investing in transportation, energy and digital infrastructure, with a focus on projects that have the most potential to boost economic growth and connectivity, and by encouraging public-private partnerships to fill infrastructure gaps and look into new ways to pay for them.

4. Helping small and medium-sized businesses (SMEs) by expanding their access to finance, through policies and programs that encourage financial institutions to lend and take risks, as well as providing business growth and technical assistance to SMEs to assist them in becoming more competitive and innovative.

5. Encouraging technological progress and innovation, by creating a research and development (R&D) friendly ecosystem, this entails investment in research institutions, encouraging collaboration between academia and business, offering incentives for private sector R&D, as well as encouraging the use of digital technologies, particularly in high-growth areas like e-commerce and fintech.

6. Addressing the issue of income inequality and societal welfare through reducing income inequality and upgrading social welfare through the implementation of tailored social protection programs, also, expanding access to healthcare and education, as well as encouraging policies that promote inclusive growth. This should ensure that the benefits of economic development are spread widely throughout society.

W-T Strategy

We can implement the following W-T strategies to deal with weaknesses and defend the public from external threats:

1. Improving catastrophe readiness and resilience, by investing in infrastructure upgrades and early warning systems, to ameliorate the severity of natural catastrophes, as well as implementing complete disaster risk management policies and promoting community-level preparedness and emergency initiatives.

2. Improving environmental safety and resource management, by making and enforcing rules to stop deforestation, land degradation and illegal logging, as well as promoting environmentally-friendly farming methods and investing in reforestation and afforestation projects.

3. Diversifying the economy to make it less dependent on commodity exports, by encouraging the growth of non-commodity sectors like manufacturing, tourism and services; this should help insulate the workforce from the effects of global market fluctuations. It will also stimulate the growth of value-added industries while reducing vulnerability to commodity price shocks.

4. Dealing with government insecurity and corruption by improving political stability and public trust in government, strengthening the rule of law and instituting steps to stop corruption and encouraging govern-

ment operations to be open and accountable.

5. Improving social cohesion and reducing possible social unrest, by promoting inclusive growth policies that deal with income inequality and making sure that economic progress helps all parts of society, as well as by investing in programs that deal with the root causes of social unrest, such as unemployment, poverty, and a lack of access to essential services.

6. Increasing regional and global collaboration by strengthening relationships with regional partners, and actively participating in multilateral forums to deal with common issues such as climate change, cross-border security threats, and trade disputes, as well as promoting a rules-based international order and talking to and working with global partners to ameliorate geopolitical risks.

7. By adopting these TOWS Grid strategies, growth and development, a more resilient and sustainable economy, one that capitalizes on its strengths and opportunities while mitigating its weaknesses and threats.

Conclusion

Finally, a comprehensive SWOT analysis of Indonesia's economic landscape in 2023 identifies several areas of the country's assets, weaknesses, opportunities, and threats. A large and youthful population, the strategic position of the nation, abundant natural resources, cultural variety, and government dedication to development are all significant assets that contribute to economic growth and development. Indonesia faces a number of problems, such as a lack of infrastructure, education, and skills, as well as bureaucratic inefficiency and corruption, income inequality and differences between regions, environmental damage, and threats like climate change, geopolitical tensions, competition for resources, global economic insecurity and rapid urbanization.

Based on the TOWS matrix, we propose different strategies for Indonesia's economic development, in order to address these challenges. Developing a skilled workforce, promoting sustainable development, improving infrastructure, attracting foreign investment, strengthening regional integration, fostering innovation, addressing bureaucratic inefficiencies and corruption, and promoting social security are all examples of effective strategies. Implementing them implies a collaborative endeavor on the part of the Indonesian government, businesses and civil society. It will necessitate a long-term commitment to sustainable growth, innovation, and human capital investments.

The possible benefits of achieving these objectives, on the other hand, are enormous. Indonesia has the potential to achieve greater levels of economic development, job creation, and social inclusion. It can also become a major player in regional and global economic affairs, adding to the region's stability and prosperity. As a result, we urge all parties in Indonesia to collaborate, in order to achieve these objectives. The government must foster a favorable climate for businesses and investors, prioritize education and infrastructure development and promote long-term development. Businesses must invest in R&D, implement sustainable methods, and generate jobs for a growing workforce. Policies that promote inclusive development and environmental sustainability must be championed by civil society.

Some of the various strategy options mentioned above have been implemented, while others have yet to see the light of day. Implementation of those that have been started, such as downstreaming, is still far from adequate. As a result, we must all work hard to ensure that this solid strategic direction is properly followed, including development of a set of KPIs (key performance indicators) to ensure that implementation is properly managed, routinely communicated, and transparent.

Indonesia requires more than simple satisfaction surveys



Rahmat Mulyana
Postgraduate Lecturer, ISI Tegal and Asso-
ciate of NICE

Indonesia is a dynamic, diverse, and economically booming nation that has demonstrated consistent growth and development. It is encouraging to note that 62% to 82% of respondents to satisfaction surveys conducted over the past year approve of the Jokowi administration. Even though the nature of the questions posed to respondents may vary, these surveys, conducted by various institutions, using a variety of methodologies, reveal a diverse spectrum of public opinion. However, it is humbly acknowledged that these satisfaction surveys should not be the sole metric for measuring the Government's performance, despite their necessity. They are merely one tool in the toolbox, and despite their significance, they should be viewed within the context of a more comprehensive assessment framework.

Surveys often reveal as much about the participant as they do about the subject. Motives for participation can be as different as the participants themselves. This reveals a subtle but significant insight: perhaps our current development performance measures need to be revised. From the onset, we've relied on KPIs (key performance indicators) as shared objectives and the crux of resource allocation. Although they play a vital function, it is essential to recognize that they are part of a larger, more intricate system.

Surveys can indeed provide valuable insight into public sentiment, but they are not a panacea for measuring the efficacy of governance. Different methodologies, sampling techniques, and question types can lead to a wide variance in results, thus offering a distorted view of the actual situation. Therefore, while satisfaction surveys have their role, they cannot be the sole measure of government performance. As a humble suggestion, perhaps Indonesia might need to cultivate a broader strategy, a common vision agreed upon by all. This strategy would encompass not only KPIs but also a holistic approach to national development, ensuring our beautiful nation continues to thrive and prosper.

Before delving into the nuanced intricacies of each point, it is pertinent to refer to the wisdom of esteemed authorities in the field of management. Roger L. Martin, a renowned management thinker whose contributions have garnered him top rankings on Thinkers50.com's list in 2017, 2019, and 2021, asserts succinctly that "A Plan Is Not a Strategy." Martin's assertion was promulgated through the Harvard Business Review (HBR) Journal in 2014, and reiterated on the HBR YouTube Channel in 2022. This distinction is essential to comprehending Indonesia's current economic development dilemma: while a plan exists, a robust strategy has yet to be formulated.

Secondly, a phrase typically ascribed to Peter Drucker, a doyen of management philosophy, accentuates the indispensability of measurable parameters in successful management - "If you can't measure it, you can't manage it." Drucker's

maxim accentuates the integral role of measurement in performance evaluation, objective decision-making, goal setting and alignment, performance enhancement, accountability, and feedback, all of which are instrumental in managing progress efficiently.

Michael Porter, a renowned authority on competitive strategy, clarifies two fundamental characteristics when defining the concept of strategy: the need to make difficult trade-offs and the desire to carve out a unique position for one's organization. This perspective was expounded in an August 2017 Brookings Institution essay titled "Making economic development strategies more strategic," written by Ryan Donahue and Brad McChesman. Notably, this esteemed institution had previously invited President Jokowi to address a forum in the United States, thereby establishing a connection with the Indonesian context.

To chart the trajectory of economic development, a solid strategy is indispensable. For a country like Indonesia, with a diverse economic structure and varied developmental requirements, the formulation of a comprehensive and inclusive strategy is of paramount importance. This strategy should consider the economic, social, environmental and political dimensions of development, in the quest to establish a sustainable and prosperous future for all Indonesians. A successful strategy should align with the overarching vision and mission of the nation. This requires Indonesia to prioritize sustainable development, inclusiveness, and economic resilience. These objectives should be reflected in the strategic objectives, thereby guiding the policy formulation and implementation processes.

According to our research, the bedrock principles found in Articles 33 and 34 of Indonesia's Constitution, as well as the forward-looking Indonesian Vision 2045, suggest that the future of Indonesia's economic strategy should be built on five fundamental elements: economic growth and regulatory environment; priority sectors and regional development; human capital; environmental sustainability; and governance and national resilience.

For Economic Growth, the emphasis should be on escalating the Gross Domestic Product (GDP) growth rate, maintaining a stable inflation rate, and lowering unemployment rates. Monitoring the Ease of Doing Business Index and the Global Competitiveness Index will gauge the effectiveness of regulatory improvements. The plan should include regulatory reforms to simplify business processes, boost transparency and strengthen contract enforcement. The aim is to enhance Indonesia's standing in these indices over time.

In the sphere of Priority Sectors and Regional Development, it is crucial to identify and strategize for those sectors with high potential for economic growth, such as technology, manufacturing, tourism, and agriculture. This should encompass the enhancement of infrastructure, the bolstering of research and development (R&D), and the provision of business incentives. Regional development should aim at diminishing disparities in income and development across regions. Progress can be assessed through sectoral growth rates, regional GDP growth rates, and reductions in income disparity.

Human capital development involves robust investment in education, healthcare, and skills training. The Government should strive to uplift educational outcomes, expand access to healthcare, and bridge skill gaps. The Human Development Index (HDI) and the Global Talent Competitiveness Index can be employed to measure progress, with specific indicators like literacy rate, school enrollment rate, life expectancy and workforce skills level under continual surveillance.

Environmental sustainability should be a key element of Indonesia's economic strategy. This implies a concerted effort to harmonize economic growth with environmental preservation, incorporating the implementation of sustainable industry practices, investment in renewable energy, and protection of biodiversity. The Environmental Performance Index can be used to evaluate progress, with key indicators such as carbon emissions, renewable energy usage, and deforestation rates monitored regularly.

Governance should be directed towards enhancing transparency, minimizing corruption, and boosting the efficiency of public services. The Corruption Perceptions Index and the Government Effectiveness Index can be utilized to track progress. National resilience should aim at bolstering disaster preparedness, fortifying social cohesion and enhancing cybersecurity, with indicators like disaster response time, social cohesion and the cybersecurity index providing measurable outcomes.

Detailed implementation plans are essential for turning strategic goals into tangible actions. These plans should outline the required steps, timelines, resources and responsibilities, to ensure effective strategy execution. Evaluation and control mechanisms are vital to monitor progress, spot deviations, and suggest corrective actions, thereby enhancing accountability and transparency in the implementation process.

However, while it's true that a robust strategy is vital in navigating the waters of economic development, it's also essential to question the conventional wisdom of a one-size-fits-all approach, especially when addressing the diverse economic structure and varied developmental needs of a country like Indonesia. There may be a risk of oversimplification if a single, comprehensive, and inclusive strategy is advocated. How might this strategy neglect the unique economic, social, environmental, and political nuances of the Indonesian archipelago?

Although aligning a strategy with a nation's overarching vision and mission is a noble concept, it may be prudent to consider the potential pitfalls of such an alignment. Prioritizing sustainable development, inclusivity, and economic resilience may sound enticing, but what if these objectives are not universally shared or understood across the nation? Could this result in opposition or even sabotage of these strategic goals, particularly if they are perceived as being imposed from above?

While environmental considerations unquestionably play a critical role in economic strategy, one must also bear in mind the inherent tension between economic development and environmental preservation. A comprehensive environmental assessment is indeed a valuable tool, but could it also become a bottleneck or a source of contention? Could it impede economic growth, if it is perceived as giving environmental concerns precedence over more pressing requirements, such as job creation and poverty alleviation?

In addition, it is essential to question the notion that detailed implementation plans are the panacea for translating strategic goals into concrete actions. In a rapidly changing economic landscape, could such plans stifle innovation and inhibit adaptability? What if they become too rigid or bureaucratic, impeding progress as opposed to facilitating it?

Finally, although evaluation and control mechanisms are undoubtedly essential, they can also be double-edged swords. While they can provide valuable insights into progress and highlight deviations, could they also foster a culture of fear or stifled compliance? By penalizing deviations from the plan, could they

discourage risk-taking and innovation? How can we ensure that these mechanisms improve accountability and transparency, without inadvertently nurturing a blame or punishment culture?

These concerns serve to underscore the complexity of economic strategy formulation and implementation, particularly for a country as diverse and dynamic as Indonesia. They remind us that while conventional wisdom is a useful starting point, a "devil's advocate perspective" can help to challenge assumptions, stimulate critical thought, and ultimately strengthen the strategic process.

The importance of key performance indicators

Key Performance Indicators (KPIs) are important for organizations, as they help measure progress towards achieving goals and objectives. Without KPIs, it is difficult to determine whether an organization is on track to meet its objectives or not. This can lead to a lack of focus and direction, which can result in poor performance and missed opportunities. KPIs also help organizations identify areas that need improvement and make data-driven decisions. In summary, not having KPIs can lead to a lack of focus, direction, and missed opportunities for improvement. KPIs do not merely serve as yardsticks for gauging the efficacy of a strategy; they are the lifeblood of informed decision-making. KPIs facilitate the crucial process of evaluation and control by providing quantifiable metrics, thereby providing clear, objective measures of progress. They illuminate successes and highlight areas of concern, thereby allowing for necessary strategic adjustments.

Accountability and transparency are not peripheral aspects of the successful implementation of a strategy; they are its foundation. Regular monitoring and public reporting of progress do more than just keep stakeholders informed. They cultivate trust, strengthen stakeholder relationships, and foster a sense of ownership and involvement. This level of participation can substantially enhance the buy-in and dedication required for the successful execution of a strategy.

Effective allocation and management of resources extend beyond fiscal responsibility. It is crucial that sufficient funds be allocated to each strategic objective, but it is equally important that these funds are managed effectively. In order to ensure that every dollar invested in a strategic objective yields the highest possible return, it is not sufficient to simply have the resources; they must also be utilized in a way that maximizes their impact.

Strategic planning should never be considered a one-time, static activity. It is a dynamic, ever-changing process that requires constant vigilance and adaptability. Regular reviews and course corrections are integral to this process, allowing for adaptability in the face of shifting conditions and emergent obstacles. In this sense, flexibility and adaptability are not merely desirable characteristics, but are crucial to the survival and success of a strategy.

The implementation of a strategy is the true diagnostic test of its viability. Planning is essential, but without effective execution, it is equivalent to a ship without a rudder. The pillars of successful implementation are strong leadership, efficient coordination, and continuous monitoring and evaluation. It is essential to recognize that implementation is a collaborative effort involving a diverse range of stakeholders, including government agencies, enterprises, civil society and local communities. By fostering a collaborative atmosphere, they can coordinate the strategy not only to avoid friction, but also have the desired effect. All stakeholders must draw in the same direction to successfully implement a strategy.

Conclusions

Indonesia, a nation characterized by its dynamism, cultural diversity, and burgeoning economy, has consistently showcased a trajectory of growth and development. It's worth acknowledging that the Jokowi administration has received approval ratings between 62%-82% in satisfaction surveys conducted over the past year. However, it is prudent to avoid relying solely on satisfaction surveys to gauge the Government's performance. A more encompassing strategy, built on a shared vision that includes not just Key Performance Indicators (KPIs), but also a holistic approach to national development, should be pursued. As the distinguished management expert, Roger L. Martin, rightly posits, "A Plan Is Not a Strategy." This underscores the significance of a comprehensive and inclusive strategy for Indonesia's economic advancement.

This strategy should take into account the economic, social, environmental, and political facets of development, laying the groundwork for a prosperous and sustainable future for all Indonesians. The focus should be on sustainable development, inclusivity and economic resilience, underpinned by five key pillars: economic growth and regulatory environment, priority sectors and regional development, human capital, environmental sustainability, and governance and national resilience. This entails implementing regulatory reforms to streamline business procedures, enhance transparency, and bolster contract enforcement, identifying and strategizing priority sectors and regional development to target sectors with high growth potential, and working towards reducing regional disparities in income and development.

Investment in human capital through education, healthcare, and skills training should be a priority. Similarly, environmental sustainability should be integral to Indonesia's economic strategy. Governance efforts should aim at augmenting transparency, reducing corruption, and improving the efficiency of public services. Measures to enhance national resilience should focus on improving disaster preparedness, strengthening social cohesion, and bolstering cybersecurity. Detailed implementation plans outlining necessary steps, timelines, resources and responsibilities are crucial to ensure effective execution of the strategy.

However, the text also highlights potential pitfalls when aligning a strategy with a nation's overarching vision and mission. These encompass the possible tension between sustainable development, inclusivity and economic resilience, environmental considerations, detailed implementation plans, evaluation & control mechanisms, and the role of KPIs. KPIs are instrumental in helping organizations track progress towards achieving their goals and objectives, pinpoint areas that require improvement, and make decisions driven by data. While prioritizing sustainable development, inclusivity and economic resilience could invite resistance or even sabotage, environmental considerations might be seen as prioritizing environmental concerns over other immediate needs. Evaluation and control mechanisms might inadvertently cultivate a culture of fear or stifled compliance.

Despite these challenges, KPIs remain a cornerstone for the successful implementation of a strategy, offering quantifiable metrics, accountability, transparency, and facilitating the effective allocation and management of resources, and continual review and adjustments. The execution phase serves as the true litmus test of the strategy's feasibility and calls for robust leadership, effective coordination, and ongoing measuring and evaluation. To achieve successful implementation, it is paramount that all stakeholders align their efforts towards shared strategic objectives.