

MODELLING SCHEME FINANCING FOR BUSINESS PERFORMANCE-BASED CREATIVE INDUSTRIES IN CENTRAL JAVA

Dedi Rusdi¹ and Lisa Kartikasari²

Abstract: *The purpose of this study was to establish the dominant variables affecting the financing of corporate social responsibility for the creative industry in Central Java. The population of this research is the small and medium-sized businesses on the basis of the creative industries in Central Java. Sampling technique purposive sampling and obtained a sample of 44 businesses. The data were analyzed using factor analysis. Based on the analysis that six dominant variable affecting the financing of corporate social responsibility for the creative industry. The sixth variable is the capital loans, loans for production costs, transparency, aid loans from other institutions, the length of the business and turnover per month. In general, small businesses especially creative industries still need lots of capital loan assistance. Increasing competition in the business world more and more capital is needed. Because there are advantages to compete must be created for goods and services.*

Keywords: *corporate social responsibility, creative industries, finance*

PRELIMINARY

The development of small and medium enterprises that lead to creativity led to many creative industries. Creative Industry focuses on the creation of goods and services by relying on the expertise, talent, and creativity as intellectual property. Indonesia needs to continue to develop creative industries. The reason, the creative industries provide significant economic contribution. On the other hand, the creative industries based on renewable resources, innovation and creativity which is a competitive advantage of a nation as well as provide positive social impact. Creative industry has a significant role to the size of the contribution to the gross domestic product in the year 2002 - 2006 by 6.3%, equivalent to 104.6 trillion rupiah (constant value) and 152.5 trillion (nominal value). The industry has to absorb the labor of 5.4 million with a participation rate of 5.8%. If viewed from the side of exports, from the classification of sub-sectors, the role of the creative economy to the total export of the average for the years 2002 - 2006 amounted to 10.6% (study creative industries Indonesia, 2008).

¹. Leacture of Sultan Agung Islamic University

². Leacture of Sultan Agung Islamic University

During the creative industries which perform operational activities of the company, generally still face difficulties in increasing their production capacity due to limited capital owned. They are generally poor and access to credit information or sources of financing, in addition to the difficulty of requirements and bureaucratic procedures. Facing this reality, as well as within the framework of efforts to foster and develop the creative industry sector, the provision of financing cooperation between the creative industries sector with companies through a program of corporate social responsibility (CSR) will grow strong synergy. CSR should be interpreted no longer just a responsibility because it is voluntary, but it must be done as mandatory within the meaning of liability because it is accompanied by sanctions.

This research will be conducted in an effort to identify the financing needs of the creative industries through corporate social responsibility in the region of Central Java province. The reason this will be developed into a financing model for the creative industry through Corporate Social Responsibility companies. This model will be applied to companies that have a CSR program that will be able to strengthen the capitalization of creative industries that will enhance the business performance of the industry.

LITERATURE REVIEW

1. Creative Industries

Industry is the process of creating goods and services that have added value (value added). While creative means create the process of creating something. Creative Industry focuses on the creation of goods and services by relying on the expertise, talent, and creativity as intellectual property. Creative industries are an integral part of the creative economy (Wibisono, 2010). According to the Commerce Department RI (2008) creative industry is an industry that is derived from the utilization of creativity, skills and talents of individuals to create wealth and jobs through the creation and utilization of creativity and creative power of the individual.

Creative industries can contribute in some aspects of life, not only in terms of purely economic standpoint, but it can provide a positive impact on other aspects such as improving the image and identity of the nation, foster innovation and creativity of the nation. Creative industry is an industry that uses renewable resources as well as the positive social impact.

The Government through the trade department has identified the scope of the creative industry includes 14 sub-sectors, namely:

1. Advertising: creative activities related to advertising services include; the creation, production and distribution of the resulting add.
2. Architecture: creative activities related to building design services, construction cost planning, conservation of heritage buildings, both overall construction supervision from the macro level to the micro level.
3. Markets art: creative activities relating to trade in goods original, unique and rare and has high aesthetic through auctions, galleries, shops, super-markets and the Internet. e.g.: musical instruments, printing, handicrafts, automobiles, movies, art and painting
4. Craft: creative activities related to the creation, production, distribution of products produced by skilled craftsmen who started from the initial design to the process of settlement products.
5. Design: creative activities related to the creation of graphic design, interior design, product design, industrial design, and production of packaging and packaging services
6. Fashion: creative activities related to the design of clothing, footwear and other fashion accessories, fashion apparel production and other accessories as well as the distribution of fashion products.
7. Video, Film and Photography: creative activities related to the creation of production video, film, and photography services. Also writing scripts, dubbing the film, cinematography, soap operas and films exhibitions.
8. Interactive Game: creative activities relating to the creation, production and distribution of computer and video games.
9. Music: creative activities relating to creation / composition, performance, reproduction and distribution of sound recordings
10. Performing arts: creative activities related to the business of content development, production of contemporary performance (e.g. drama, traditional music, musical theater, opera, ethnic music tour), the design and manufacture of fashion shows, stage design and lighting system.
11. Publishing and printing: creative activities related to the publishing of content and publishing of books, journals, newspapers, magazines, tabloids and digital content as well as the activities of news agencies and news search.
12. The computer and software services: creative activities related to the development of information technology, including computer services, data processing, database development, software development, systems integration, systems analysis and design.

13. Television and radio: creative activities related to the creation, production and packaging of television programs, broadcasting and transmission of television and radio content.
14. Research and development: creative activities related to business innovation that offers the discovery of science and technology for product improvement and creation of new products, new processes, new materials, new tools, new methods and new technologies that meet market needs.

2. Financing Creative Industry

As an industry that puts the creativity, the talent and the ideas put forward certainly Creative Industry intangible assets (intangible assets) as the driving wheels. The lack of mastery of tangible assets has become one of the obstacles to obtaining financing from the World Bank and other Financial Institution. Because the Creative Industries need alternative financing schemes that are better suited to the nature of its business that are full of creativity, but lack of capital, especially in the Creative Industry Independent (Indie) (Dedy Kurniadi, 2010)

3. Corporate Social Responsibility (CSR)

A broad definition by the World Business Council for Sustainable Development (WBCSD) is a global an association comprised of approximately 200 companies that are specialized in the field of "sustainable development" (sustainable development) which states that: CSR is an ongoing commitment by the world effort to act ethically and contribute to economic development of the local community or society at large, along with an increase in the living standards of workers and the whole family."

Doing sustainable CSR program would have a positive impact and greater benefits to both the company itself and the related stakeholder. As a concrete example of a CSR program that can be carried out by the company with the spirit of sustainability, among others, namely: bio energy development, through the creation of the Energy Independent Village which is the forerunner of the establishment of an eco-village in the future for Indonesia. Sustainable CSR program is expected to be able to form or create a society that is more prosperous and independent. Each of these activities will involve the spirit of the synergy of all parties continuously build and create wealth and ultimately will create self-reliance of communities involved in the program.

4. Balance Score Card

Balanced scorecard history began and was introduced in the early 1990s in the USA by David P Norton and Robert Kaplan through a research on "performance

measurement in the organization of the future". The concept of the balanced scorecard proposed financial measures alone are not sufficient to provide comprehensive information to guide the company in order to create value in the long term. If you will do the measurement performance of a business entity, then it should be judging not from one aspect but also from four perspectives namely financial perspective, customer perspective, internal business process perspective and the perspective of development.

Thus, clearly explanation balanced scorecard that is the way to see a company with the score card that is balanced between financial aspect, customer aspect, internal business aspects and aspects of development. Use Balanced Scorecard for What? Management experts agree that performance measurement can provide a good basis for the management of the organization and then continues with determining the business units that are inside that can meet the objectives of the organization as a whole. So that performance measurements can yield useful information, there are a few things to be aware that the measurement system must be consistent with the objectives of the organization, describes the key activities of the management, the employees can be understood, easily measured and evaluated and can be used by the organization consistently. With the balanced scorecard is possible to translate the organization's vision and strategy into objectives with detailed performance measurement which is divided into four important perspectives to the leadership of the organization can consider all measures important operational simultaneously.

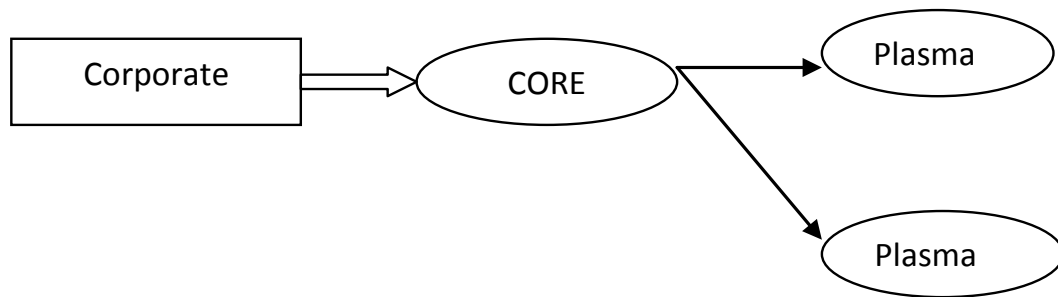
5. Financing Scheme

Financing products developed include:

1. Working capital credit facility is provided to the creative industries to finance working capital needs
2. Investment Loan is a facility provided to the creative industries to finance investments of capital goods including the procurement of machinery and equipment needed to increase the capacity of creative industry businesses
Implementation of financing for the creative industries through the Corporate Social Responsibility (CSR) of large corporations, the outline is done through financing model called core plasma scheme:

Plasma Core scheme

Facilities granted to the creative industries that are members of the core group of plasma that has been financed by the corporate / enterprise.



RESEARCH METHODS

This study population is small and medium enterprises based around the creative industries in Central Java. Sampling was done by a two-stage random sampling method. Purposive sampling method applied because in this study required an intensive interaction with the research subject, so that the study subjects were selected based on judgment (judgment) investigators regarding the location of the subject and the subject's willingness to engage in this research. The first stage of sampling for the creative industries is sampling districts in Central Java Province accordance goals and research interests. The method used in collecting the data is as follows: Collecting data with in-depth interviews and delivery of mail questionnaire surveys or in person so that the vagueness of the content of the questionnaire can be immediately addressed. To improve the quality of research results, in some ways necessary depth interviews with small employers based creative industries as well as industrial services company and can be done by direct visits or by telephone. Data Analysis performed by the discriminate analysis, namely to determine where the dominant predictor on financing for creative industries with Corporate Social (CSR). At some similar variable testing to perform grouping financing activities for creative industries Corporate Social Responsibility (CSR) into a single variable that leads to finance activities for the creative industry with a Corporate Social Responsibility (CSR) specific.

THE RESULTS ACHIEVED

1. Factor Analysis

Exploratory factor analysis is a technique for data reduction of variable origin or initial variables into new variables or factors that are fewer than at the

beginning of the variable. The process of exploratory factor analysis to try to find a new relationship between variables or factors formed independently each other mutually, so that it can be made of one or a set of latent variables or factors is less than the number of initial variables that are free or not correlated each other. So among the factors that formed uncorrelated each other. In the exploratory factor analysis generally developed to explain the existence of a very close correlation between the variables forming factor. As an example, if initially contained ten initial variables are mutually dependent peers, with perhaps exploratory factor analysis could be summarized or are formed only to one or two sets of latent variable or a new variable or a new component or factors, exploratory factor analysis or analysis of the main components (PCA = principle component analysis) is a technique of factor analysis in which some of the factors that will be formed in the form of latent variables that cannot be determined prior to analysis. This study proposes nine of the variables suspected to affect the financing of the corporate social responsibility. The nine variables, among others:

1. The need for creative industries capital loans (CL)
2. The need for creative industry investment loans (IL)
3. The need of credit for the cost of production of the creative industries (NCP)
4. Transparency (TRANSP)
5. Assistance loans from other institutions (ALOI)
6. The duration of the business (DB)
7. Total assets (TA)
8. The turnover per month (TM)
9. Operating profit per month (OPM)

1.1. Correlation Matrix

Table Correlation Matrix is a correlation matrix table that contains the values of correlation between variables to be analyzed. On the Correlation can be seen the magnitude of correlation between the variables. For example, the correlation between the turnover variable with the help of a loan of 0.541 which indicates there is a relationship which is sufficiently strong and positive. That is, the higher the turnover of the business is done, the easier it is to get a loan from lending institutions.

		<i>Correlation Matrix</i>					
		<i>CL</i>	<i>NCP</i>	<i>TRANSP</i>	<i>ALOI</i>	<i>DB</i>	<i>TM</i>
Correlation	CL	1.000	-.046	.116	-.147	.173	-.227
	NCP	-.046	1.000	-.135	-.117	.107	-.070
	TRANSP	.116	-.135	1.000	.249	-.090	.115
	ALOI	-.147	-.117	.249	1.000	-.228	.541
	DB	.173	.107	-.090	-.228	1.000	-.146
	TM	-.227	-.070	.115	.541	-.146	1.000
Sig. (1-tailed)	CL		.382	.226	.171	.131	.069
	NCP	.382		.191	.224	.245	.325
	TRANSP	.226	.191		.051	.281	.228
	ALOI	.171	.224	.051		.069	.000
	DB	.131	.245	.281	.069		.172
	TM	.069	.325	.228	.000	.172	

Then in line sig. (1-tailed) showed significant correlations between these variables. Correlations between variables significant turnover, visible from p-value of 0.000 (<0.05), which means that there was indeed a relationship between the variables turnover with variable loans.

1.2. Inverse of Correlation Matrix

While the table of Correlation Matrix Inverse stated values on the correlation matrix after the matrix diinverskan.

		<i>Inverse of Correlation Matrix</i>					
		<i>CL</i>	<i>NCP</i>	<i>TRANSP</i>	<i>ALOI</i>	<i>DB</i>	<i>TM</i>
CL		1.111	.068	-.175	.056	-.170	.222
NCP		.068	1.037	.103	.072	-.093	.024
TRANSP		-.175	.103	1.108	-.276	.056	-.003
ALOI		.056	.072	-.276	1.538	.198	-.754
DB		-.170	-.093	.056	.198	1.090	.001
TM		.222	.024	-.003	-.754	.001	1.460

1.3. Analisis Inferensia KMO dan Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.590
Bartlett's Test of Approx. Chi-Square	24.276
Sphericity df	15
Sig	0.000

Based on Bartlett's Test of Sphericity with Chi-Square 24.276 (df 44) and sig = 0.000 < 0.05 indicates that the correlation matrix is not an identity matrix so that it can be done principal component analysis. In addition, the KMO value generated is equal to 0.590 and the p-value of 0.000 (< 0.05), the value falls in the category of "more than enough" decent for the benefit of factor analysis. Therefore, the variables-variables can be analyzed further (AA Afifi, 1990; Dillon and Goldstein, 1984).

1.4. Table Anti-Image Matrices

		<i>Anti-image Matrices</i>					
		<i>CL</i>	<i>NCP</i>	<i>TRANSP</i>	<i>ALOI</i>	<i>DB</i>	<i>TM</i>
Anti-image Covariance	CL	.900	.059	-.142	.033	-.140	.137
	NCP	.059	.964	.090	.045	-.083	.016
	TRANSP	-.142	.090	.902	-.162	.046	-.002
	ALOI	.033	.045	-.162	.650	.118	-.336
	DB	-.140	-.083	.046	.118	.918	.001
	TM	.137	.016	-.002	-.336	.001	.685
Anti-image Correlation	CL	.583 ^a	.064	-.157	.043	-.155	.174
	NCP	.064	.672 ^a	.096	.057	-.088	.020
	TRANSP	-.157	.096	.587 ^a	-.211	.051	-.002
	ALOI	.043	.057	-.211	.576 ^a	.153	-.503
	DB	-.155	-.088	.051	.153	.681 ^a	.001
	TM	.174	.020	-.002	-.503	.001	.575 ^a

a. Measures of Sampling Adequacy(MSA)

Results of anti-image matrices are the result of third in which already there are three variables were omitted namely investment loans, total assets and profits. The variables eliminated because it has the MSA (can be seen on the output marked a

column Anti-Image Correlation) <0.5 . MSA value is <0.5 causes these variables can not be analyzed further.

1.5. Communalities

Of the total value in the table communalities, found that nine initial variables have communalities great value. It can be interpreted that the whole of the variables used have a strong relationship with factors formed. In other words, the greater the value of the better communalities of factor analysis, because the greater the variable characteristics of origin that can be represented by a factor that is formed.

	<i>Communalities</i>	
	<i>Initial</i>	<i>Extraction</i>
CL	1.000	.626
NCP	1.000	.332
TRANSP	1.000	.572
ALOI	1.000	.675
DB	1.000	.253
TM	1.000	.615

Extraction Method: Principal Component Analysis.

1. The closeness of the relationship variable capital loans to factors formed of 0.626 means that the relationship variable capital loans to factors formed a close. Or it can also be said of the contribution of variable capital loans that form factor of 62.6%.
2. Then, the relationship variables help of a loan of 0.675 means that the variable relationship lending assistance to the factors formed a close. Or it can also be said of the contribution of variable loans that form factor of 67.5%.

1.6. Total Variance Explained

Total Variance Explained table shows the percentage of total diversity that is able to be explained by a variety of factors - factors that are formed. In the table there is also a eigen value of each factor is formed. Factor 1 has eigen value of 1.865, factor 2 of 1.207. To determine how the component / factor employed in order to explain the diversity of total visits of great value eigen value, components with eigen value > 1 is a worn component. Column 'cumulative%' shows the cumulative percentage of variance that can be explained by the factors. The amount of diversity that is able to be explained by factors 1 amounted to 31.086 percent, while the diversity that

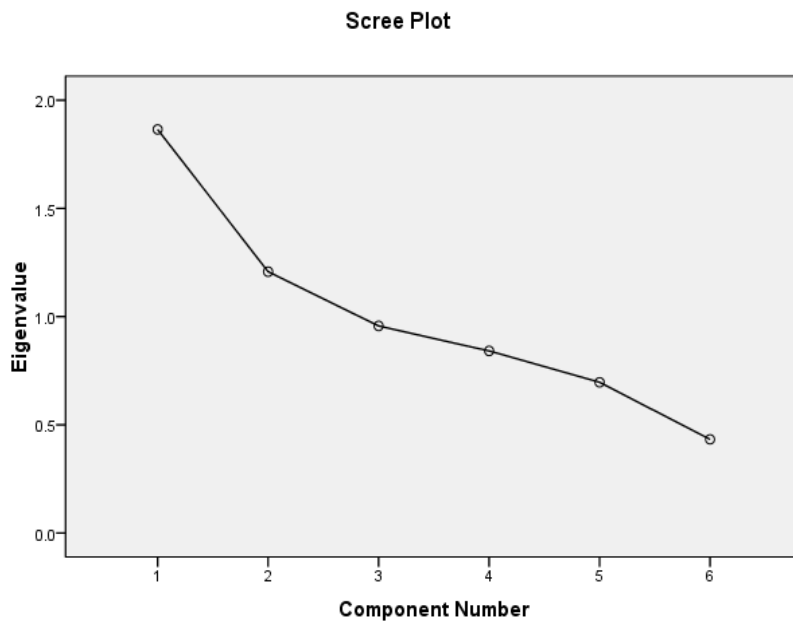
can be explained by factors 1 and 2 amounted to 51.210 percent. Both factors were able to explain the diversity of a total of 67.157 percent. Based on the value of eigen value reason these two factors more than 1 and the magnitude of the cumulative percentage of the third factor of 67.157 percent, it can be concluded that the two factors is sufficient to represent the diversity of variables - variables origin.

Total Variance Explained

Componen	Initial Eigenvalues		
	Total	% of Variance	Cumulative%
1	1.865	31.086	31.086
2	1.207	20.123	51.210
3	.957	15.947	67.157
4	.841	14.023	81.180
5	.696	11.608	92.788
6	.433	7.212	100.000

Proportion of diversity data more evenly after the rotation uniformity preliminary data showed that explained by each factor to a maximum.

1.7. Scree Plot



Screen The plot is one of the alternatives that can be used to help researchers determine how many factors are formed which can represent the diversity of variables - variables origin. When the curve is still steep, will tone untuk instructions add components. When the curve is already ramps, there will be a clue to stop the addition of the components, although ratings steep / sloping researcher is subjective. Scree plot of the above, visible when one component is formed, the curve still shows the steepness, as well as at the time in point 2, the line is still sharp curve, at point 3rd line of the curve is still sharp, but slightly different from the pattern of the previous two lines, After passing point 3rd, curves have started ramps, more to the right will be more ramps. From the above, we can draw the conclusion that there are three components or factors formed.

1.8. Table component matrix

	<i>Component Matrix^a</i>	
	<i>Component</i>	
	1	2
CL	-.373	.698
NCP	-.274	-.507
TRANSP	.382	.652
ALOI	.820	.052
DB	-.494	.095
TM	.767	-.161

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Table component matrix shows the correlation of each variable in that form factor. Value—the value of the correlation coefficient between variable factors - factors that are formed (loading factor) can be seen in the table Component Matrix. These three factors resulted factor loading matrix whose values are correlation coefficients between the variables with these factors. When viewed variable-variable that is correlated to each factor, it turns loading factor is yet capable of giving meaning as expected. This is evident from the variable loans where the correlation of these variables with a factor of 0.768 1, while the second factor of 293, so it is difficult to decide whether a variable loans entered into factor 1 or factor 2. Each factor can not be interpreted clearly so need performed rotation with varimax method. Varimax rotation is orthogonal rotation which makes the number of variants of factor loading in each factor will be the maximum, where the latter will only have the original variable high and strong correlation with

certain factors (the correlation is close to 1) and thus has a weak correlation with factor Other (correlation close to 0). Nothing like this has been achieved in the table above matrix component.

1.9. Rotated Component Matrix

<i>Rotated Component Matrix^a</i>		
	<i>Component</i>	
	1	2
CL	-.563	.556
NCP	-.111	-.565
TRANSP	.172	.736
ALOI	.768	.293
DB	-.500	-.055
TM	.781	.073

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

After varimax rotation factor method, obtained as shown in the table above are Rotated Component Matrix. There are differences in the value of the variable correlation with each factor before and after varimax rotation. Seen that the loading factors that have given meaning rotated as expected and each factor can already be interpreted clearly. You can also see that each variable simply correlated strongly with one factor only (no variables correlation <0.5 in the third factor). Thus, it is more appropriate to use the loading factors that have been rotated because each factor has been unable to explain the diversity of the initial variables appropriately and the results are as follows.

1.10. Component Transformation Matrix

<i>Component Transformation Matrix</i>		
<i>Component</i>	1	2
1	.955	.296
2	-.296	.955

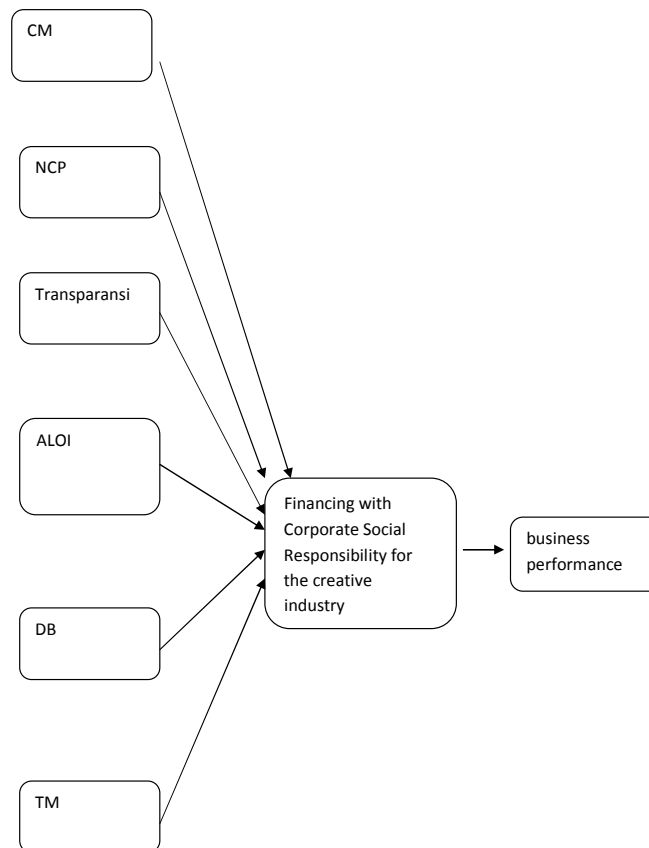
Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Matrix Transformation Component table serves to indicate whether factors - factors that are formed are no longer correlated with each other or orthogonal. When seen from the table Component Transformation Matrix, value - correlation values contained in the main diagonal is above 0.5, namely 0.955; 0.955. This suggests that both factors are formed as appropriate because it has a high correlation to the diagonal - the main diagonal.

2. Output Outputs or Outcomes Research

Based on the discussion that has been conducted against the financing of corporate social responsibility for the creative industry above showed that of nine of determining the dominant variable in the financing of corporate social responsibility with nine turns just six variables. These variables include capital loans, loans for production costs, transparency, aid loans from other institutions, the length of the business and turnover per month. Based on the results of data processing, it can be described this research model is based on empirical data as follows:



CONCLUSIONS AND SUGGESTIONS

1. Conclusion

Based on the results of the analysis of the above data it can be concluded that six dominant variable affecting the financing of the corporate social responsibility for the creative industry. The sixth variable is the capital loans, loans for production costs, transparency, aid loans from other institutions, the length of the business and turnover per month. In general, small businesses especially creative industries still need lots of capital loan assistance. Increasing competition in the business world more and more capital is needed. Because there are advantages to compete must be created for goods and services.

2. Suggestions

There are several limitations to this study, among others: the level of collectibility questionnaires were very low. Therefore, forward suggestions for further research are (1) The existence of the safeguarding of the questionnaire distributed to respondents in order to obtain a high level of collectibility questionnaire. (2) testing the model and the development of the model of this research that will result increasingly better and complete.

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Final 13-2-16