

A detailed map of Southeast Asia and Oceania serves as the background. It shows countries like Vietnam, China, the Philippines, Malaysia, Singapore, Brunei, Indonesia, and parts of Australia and New Guinea. Major cities such as Ho Chi Minh City, Manila, Kuala Lumpur, Singapore, Jakarta, and Surabaya are labeled. The map is rendered in a light green and yellow color scheme.

ROTTERDAM BUSINESS SCHOOL

# Creative International Cooperation

ON THE MANNER IN WHICH COOPERATION BETWEEN A DUTCH ORGANIZATION AND THE CIMAH CREATIVE ASSOCIATION CAN CONTRIBUTE TO THE FORMATION OF A COMMUNITY FOR CREATING DIGITAL CONTENT AND ANIMATION ABLE TO COMPETE ON THE INTERNATIONAL MARKET

EGIDE VAN DER HEIDE, ROTTERDAM BUSINESS SCHOOL  
3/4/2014

# ACKNOWLEDGEMENTS

This report has been written as a bachelor's thesis for my study BBA Trade Management for Asia at the Rotterdam Business School. I made an effort to come up with a useful plan which may help the Indonesian Agency of the Assessment and Application of Technology (BPPT) in their support program for the development of a creative industrial cluster in the Indonesian city of Cimahi, supervised by the Cimahi Creative Association and the local government. I hope my research is the starting point for a viable cooperation between the Cimahi Creative Association (CCA), and the University of The Arts Utrecht (HKU), which was very enthusiastic and pro-actively involved with this research. Furthermore I hope that my research and the possible cooperation that I describe will strengthen in their development all parties involved. For me, it was a very instructive process with both setbacks and positive moments. To work and deal with several parties nearby and on the other side of the world, all of them with their own expectations, wishes, needs, working method and culture, is something complex and asked for a lot of patience and understanding from my side. At the same time I am very pleased to have been given the opportunity to function as an intermediary between two worlds that have a much debated history and hopefully a bright future with lots of creativity, cultural expression, peace and prosperity. This research strengthens my wish and ambitions to remain committed to, and to continue working for a bright shared future of my homeland the Netherlands and the beautiful archipelago of Indonesia.

Without the help of several persons this research would never have been taken place. First of all I want to thank Mr. Bimo Sasongko for being so kind to introduce me to two very inspiring people working at BPPT; Mr. Hermanto Sidik Prabowo and Mr. Oni Binotoro. They inspired me to devote my graduate research to this topic. At that time, the first-mentioned already conducted valuable research for the purpose of the development of the project and during my entire research he helped me very well and made an effort to bring together the several stakeholders. Special thanks furthermore goes to Ms. Marjanne Paardekooper, who enthusiastically received me at her office to discuss the possibilities for any form of cooperation between the CCA and HKU, moreover she has provided me with lots of relevant information and literature which gave me a clear picture about my research context. Due to both her pro-active and positive attitude towards the project and the hospitality of the CCA's management, the first encounter between the two parties took place already during this research. I want to thank Mr. Rudy Suteja, chairman of the CCA, for his kindness to invite HKU representatives to the Baros International Animation Festival in October 2013 which I see as a hopeful result of this research and I wish him and the CCA all the best in the realisation of their vision. My trust they have. Gratitude goes out to every one within BPPT, CCA and HKU who contributed in any way to this research. At last I want to thank my supervisor from the Rotterdam Business School, Mr. Martin Kartomo for his time, effort and his constructive criticism towards my work. I wish you all the best!

Warmest regards, Salam hangat, Met hartelijke groet,

Egide van der Heide

Place:.....date: .....

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**“BECOME A  
COMMUNITY  
THAT CREATES  
DIGITAL CONTENT  
AND ANIMATION  
THAT CAN  
COMPETE ON THE  
INTERNATIONAL  
MARKET BY  
2020.”**

#### **SOLL-SITUATION**

*In 2020, a creative industrial cluster emerged. The animation school supplies each year 200 skilled / talented students. The start-up club of CCA supplies each year 10 new entrepreneurs that form the basis of the value chain. Universities and the bigger production studios in Bandung and Jakarta see CCA and its projects as a breeding ground for creative talent. On a constant basis CCA delivers digital products to partners in Singapore, Malaysia and South Korea. In this way, international attention is aroused, and occasionally products are developed for the Western market. Cimahi is seen as the center of animation and digital products in Indonesia and (inter)national organizations active in the sector are attracted to Cimahi.*

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## MANAGEMENT SUMMERY

#### **PROBLEM FORMULATION**

The expressed to the left mission statement of the Cimahi Creative Association (CCA) was the starting point for this research. Prior to the start of this research the assignment-giving organization and CCA's advisory body, the Agency for the Assessment and Application of Technology (BPPT), has set that the knowledge and sources required to realize this vision are not present in Indonesia and therefore need to be obtained via cooperation with overseas organizations. The consequent research question reads as follows:

*“For which organization in the Netherlands and in what manner, a ‘joint cooperation’ with the Cimahi Creative Association (CCA), or a CCA related party in Indonesia can be viable and advantageous, while at the same time contributing to the development of the creative industrial cluster (animation and digital content) in Cimahi?”*

#### **CONCLUSION AND RECOMMENDATION**

Based on findings derived from an extensive internal and external environment analysis of the CCA organization indicated is that the lack of knowledge and sources concerning industry shaping and policy management, and the tough competition of overseas productions, a fragmented value chain and weak creative education institutions stops CCA from reaching its desired (SOLL) situation. Internal organization matching criteria and expert interviewing has shown that one of the largest and leading universities of applied sciences in the arts; **HKU, UNIVERSITY OF THE ARTS UTRECHT CAN LEAD CCA IN THREE PROCESSES (1) INTERNATIONALIZATION, (2) PROFESSIONALIZATION, AND (3) PRODUCTION TOWARDS ITS DESIRED SITUATION IN 2020, BY COOPERATE IN FORMS OF INTERNSHIPS, NETWORK BUILDING, RESEARCH COLLABORATION AND STAFF EXCHANGE AND A LIVING LAB PROJECT.**



## ARGUMENTATION

For this research the empirical research method has been applied. A statement about which Dutch organisation in what manner can cooperate with CCA has been the starting point for empirical research. However, since neither BPPT nor CCA have provided the researcher with a framework which delineates a selection of potential cooperation partners a thorough selection framework has been made via desk research. An external and internal environment analysis of the CCA organization, using the Mc Kinsey 7s-Framework and the PEST-analysis method, has allowed the researcher to come up with selection criteria, which are used to delineate potential partners. When assigning scores to the selected candidates on these criteria, HKU came out on top.

Main reasons for this result are that, as an educational institution in the field of creative disciplines; strengthening the human resources of the creative economy can be seen as the core business of HKU. Furthermore their staff conducts research in all aspects of the industry, making it a centre of valuable knowledge. In addition HKU has an impressive track record when it comes to creative industry shaping in developing and transition countries. In several African countries and India, the university participated in research projects with local governments, private enterprises and educational institutions on developing creative industries. Besides all these knowledge HKU possess valuable sources in form of a huge network, educated students, and qualified staff that are able and willing to cooperate with CCA. This statement has been confirmed via interviewing the responsible representative within the HKU.

## ROLE OF HKU IN THE THREE PROCESSES

**1. Internationalization process:** To Occasionally visit CCA in order to finalize cooperation agreements and connect CCA to other HKU partners and projects (Dutch Embassy, art universities etc.) in Indonesia. **Cooperation instruments: INTERNSHIPS AND NETWORK BUILDING**

**2. Professionalization process:** To give its students (Art and Technology and Art and Economics) the opportunity to complete their graduate research on projects in Cimahi focused on the development of the organization and the cluster. Furthermore HKU's professors and researchers must start research collaboration with CCA and its partners to determine a final strategy on the development of a creative economy. At last HKU must welcome CCA staff to train and professionalize them in Utrecht. **Cooperation instruments: INTERNSHIPS, RESEARCH COLLABORATION AND STAFF EXCHANGE**

**3. Production process:** As being one of the parties involved in the Living Lab project, HKU will be responsible to select capable students and staff that will join the project. Together with CCA the HKU will be the main organizing institution of the project and will therefore have an important task in the completion of the Living Lab project proposal, including the recruitment of relevant participants. **Cooperation instruments: LIVING LAB**

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# 1. INTRODUCTION

## ***“Dutch-Indonesian ties soar to new heights”***

*“Indonesia and the Netherlands have committed to take their relationship to new heights by intensifying multi-faceted cooperation, from trade and investment to interfaith dialogue and cultural collaboration.”*

This headline of the Indonesian newspaper The Jakarta Post on 22 February 2013<sup>1</sup> was followed after a meeting between the Indonesian Minister and Dutch Minister of Foreign Affairs in Jakarta. In line with this visit this research brings the wish of both governments in practice, by exploring the possibilities for an international cooperation between an Indonesian and Dutch party both active within the creative industry.

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### *Background*

This research is written in the context of the Bachelors degree Trade Management for Asia at the Rotterdam University of Applied Sciences and serves as the author's bachelor thesis. The project assignment is acquired via the Indonesian non-departmental government body the Agency for the Assessment and Application of Technology (BPPT). The responsible directorate for the Assessment of Competitiveness Improvement Policy within BPPT supports the Cimahi Creative Association (CCA) with research in the field of creative industry shaping and policy management, in order to stimulate the development of a creative economy and industry with a focus on animation and digital content in the city of Cimahi.

CCA aspires to create animation products and other digital content that can compete on the international market by 2020. BPPT has indicated that for CCA knowledge and sources from overseas parties is necessary in order to make its ambition becomes reality. As a result BPPT has expressed the wish to find an international organization that is willing to cooperate with CCA and can contribute to the development of the project and support the activities of CCA.

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<sup>1</sup> As published on the website of The Jakarta Post: <<http://www.thejakartapost.com/news/2013/02/22/dutch-indonesian-ties-soar-new-heights.html>>

## Objectives

Therefore, the main objective of this research is to come up with conclusions concerning the current situation of the project and areas of improvement for the future. Based on these findings recommendations must be given on which Dutch organization can contribute the most, and in what manner, to the development of these areas of improvement.

The cooperation must contribute to the realization of the ambition of CCA to become a community that creates digital content and animation that can compete on the international market. At the same time the Dutch party has to benefit from the cooperation. The research aims on bring in contact with each other a Dutch party, BPPT and CCA.

The report must be a tool that can be used by the stakeholders in order to create for them: a context in which the cooperation takes place as well as to inform them about further 'actions to be taken' in order to make a viable cooperation becomes reality. A cooperation strategy must be part of the conclusion. Furthermore the research can contribute to the internationalization process of CCA and can be used as an example to approach other international parties in the future.

## Research question and sub-questions

In order to make the objectives of this research become reality, a research question has been determined and reads as follows:

*"For which organization in the Netherlands and in what manner, a 'joint cooperation' with the Cimahi Creative Association (CCA), or a CCA related party in Indonesia can be viable and advantageous, while at the same time contributing to the development of the creative industrial cluster (animation and content) in Cimahi"*

To answer the research question several sub-questions are designed:

1. *What is the current situation in the shaping of a creative industrial cluster (animation and digital content) in Cimahi, and what are the ambitions of CCA for the next 5 years?*
2. *Which Dutch organizations works with, have knowledge about, are connected to, or have other relevant experience with creative industrial clustering (animation and digital content), and in what manner can they contribute to the realization of the Cimahi project?*
3. *Which of these organizations can benefit from a collaboration with the CCA or a CCA related party, and how?*



4. *What actions need to be taken to get off the ground a joint cooperation between the Dutch organization and the CCA?*
5. *Which parties can assist during the realization of the joint cooperation?*

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### Research design

First the used research method during this research is extensively discussed in chapter two.

Then, in chapter three a current or IST situation analysis is made to map out the current situation of the CCA project, looking both to the external and internal environment of the organization.

At the beginning of this analysis the objectives and strategies are given, followed by an explanation of the direct environment, clarifying the terms creative economy and creative industry. Main sources used in this part are the UNCTAD and the British Council. Following this the project context is treated, the subsequent PEST-analysis maps out the macro or indirect environment of the organization, making it possible to identify the threats and opportunities for the organization.

As a continuation of the IST situation analysis the internal environment is analysed using the 7s framework of Mc Kinsey. Seven internal matching criteria are then designed on the basis of this analysis. As a closure of the IST situation analysis, the findings from the internal and external environment analysis are combined in a SWOT-analysis, giving concrete strengths, weaknesses, opportunities and threats for the organization.

The Dutch Study book "*Toegepaste Organisatiekunde*" (*Applied Organizational Theory*) by Peter Thuis and the book *Organisation & Management, An International Approach* by Nick van Dam and Jos Marcus are used to determine the structure of the IST situation analysis. The findings of this analysis then are used to briefly describe in chapter four the desired or SOLL situation of CCA within five years.

By using the seven elements of the 7s-framework again, a comparison between the current and desired situation is made, bringing forward a 'gap' to overcome. Based on this gap and the internal organization matching criteria Dutch organizations are selected and put in a scorecard in chapter five, in order to identify the best fitting one for cooperation with CCA.

Based on this, the potential partners are approached in order to collect primary data via interviewing the responsible person within the organization. The data collected via the secondary and primary research will allow us complete the research in chapter six giving conclusions, followed by recommendations and a strategy on actions to be taken.

# 2. RESEARCH METHOD

## 2.1. EMPIRICAL RESEARCH METHOD

The empirical research is a way of gaining knowledge by means of direct and indirect observation or experience. In this research it is used to gain the basic data necessary to answer the questions posed in the research question, which reads as follows:

***“For which organisation in the Netherlands and in what manner, a ‘joint cooperation’ with the Cimahi Creative Association (CCA), or a CCA related party in Indonesia can be viable and advantageous, while at the same time contributing to the development of the creative industrial cluster (animation and digital content) in Cimahi”***

In empirical research is necessary to make statements that can be tested or be investigated. In this case statements, about which kinds of Dutch organisations can cooperate with CCA in what manner, could be the starting point for empirical research. For example; The Rotterdam University of Applied Science can cooperate with CCA by means of exchanging staff in the field of industry shaping, could be a statement that can be tested by observations.

In this research, however, no clear delineation of the chosen organization and cooperation form is apriority given or supported, since neither BPPT nor CCA have provide the researcher with a framework which delineates a selection of potential cooperation partners. So a thorough selection framework need to be made by the researcher himself, before any statement about an organization and cooperation form can be made and tested via empirical research.

The wish for international cooperation of CCA arises from the fact that the association faces difficulties in gaining the knowledge and sources necessary to compete on the international market. They found this knowledge and these sources to be absent in Indonesia, and conclude that it has to be obtained via overseas parties. Therefore, it is obvious that the selection framework is based on the difficulties CCA is facing and determinates which Dutch organizations can help to overcome these difficulties.

So, in order to gain the data required to come up with the selection criteria, the research has to include an extensive situation analysis of the CCA business process and its areas for improvement. Based on these selection criteria potential partners can be determined and further tested as best option or not.

The empirical method part of this research can roughly be divided into the following three parts:

- (1) **Desk-research**, which, in order to come up with selection criteria for a cooperation party and form, focusses on the internal and external analysis of the current and desired situation of the project.
- (2) **Qualitative research**, the aims of which is to select the potential candidates, and to interview them in order to determine which party is best equipped, and in which way, to cooperate with CCA.
- (3) **Report findings**, which, based on the data and conclusions of the first parts comes with the conclusions and recommendations that can be made and be included in this report.

### 2.1.1. DESK-RESEARCH

*~ Which, in order to come up with selection criteria for a cooperation party and form, focusses on the internal and external analysis of the current and desired situation of the project.*

#### **Situation analysis**

In order to get a clear picture of what the CCA project is about and what the needs are for its development in the future, a current or IST situation analysis of the CCA organization and its activities is made.

This analysis must allow us to come up with custom made selection criteria for potential cooperation partners. In order to describe the objectives and strategies of CCA, this part started with an examination of the CCA activity reports of 2011 and 2012. Next, an external and internal environment analysis is made, based on the Dutch Study book *Toegepaste Organisatiekunde (Applied Organizational Theory)* by Peter Thuis and the book *Organisation & Management, An International Approach* by Nick van Dam and Jos Marcus,

#### **UNCTAD research, PEST-Analysis**

The external environment is analysed by first explaining the developments with respect to the all-important notions creative economy and creative industry, plus the worldwide (governmental) policy management on these. Clarification of these terms is essential since it describes the profession and context CCA is operating in. It will allow us to draw a picture about the project and its link with the world developments.

Main sources used in this description are the UNCTAD<sup>2</sup> *research on creative economies as a feasible development option*, and the British Council 'The UK Policy Environment document', which are both pioneers in the field of creative economy.

Then a *PEST-analysis* is made (PEST stands for 'Political, Economic, Social, and Technological'). This framework is used to map out the indirect or macro environment CCA is operating in. The

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<sup>2</sup> United Nations Conference on Trade and Development

sources used, are CIA Factbook, Mc-Kinsey Global Institute, Wahy Aditya, ed. Country Report (Indonesia), Oxford Economics, Global Business Guide, and the Australian Department of Foreign Affairs and Trade.

### **Five dimensions theory, 7-s framework analysis**

The internal environment analysis starts with a focus on the structure and communication within the CCA organization, which is described on the basis of its explained organizational chart. Then the organization culture is treated on the basis of the Five Dimensions Theory of Geert Hofstede. At the same time, a comparison is made with the Dutch culture in order to be in the situation to identify the cultural differences that can cause potential problems when cooperating.

In order to describe each relevant aspect of the internal environment of the organization, the IST situation of the internal organization is presented on the basis of the Mc Kinsey 7s-framework. This framework distinguishes seven aspects that are essential for a good functioning organization: shared values, strategy, structure, systems, style (culture), staff and skills. The aspects are connected, of equal importance, and interdependent. An analysis of these aspects regarding to the situation of CCA will provide a comprehensive overview of the current internal situation. At the same time this framework allows us to come up with seven internal organization matching criteria that later will be used to select potential partners for CCA. In addition the seven aspects are also used in describing the desired or SOLL situation, and, thus, make possible the comparison of the IST and SOLL situations.

### **SWOT & SOLL Analysis**

To conclude the current or IST situation analysis, the findings from the external and internal environment analysis are combined in a SWOT-analysis, giving the concrete strengths, weaknesses, opportunities and threats for the organization. Combining the findings of the current situation analysis, and its earlier described objectives and strategies then yields the desired or SOLL situation of CCA within five years.

Aided by the seven elements of the 7s-framework again, a comparison between the current and desired situation is made, bringing forward the 'gap' to overcome.

### 2.1.2. QUALITATIVE RESEARCH

*~ The aims of which is to select the potential candidates, and to interview them in order to determine which party is best equipped, and in which way, to cooperate with CCA.*

#### **Scorecard**

Based on the gap between the IST and SOLL situation and the internal organization matching criteria, Dutch organizations are selected and put in a scorecard to identify the best fitting one for cooperation with CCA. Based on these scores, the potential partners with a positive score are further elaborated and statements about cooperation options are made. These statements must then be tested via observations.

#### **Interviewing**

In this case the potential partners with a positive score are approached in order to collect primary data via interviewing the responsible person within the organization, attempting to determine whether the party is indeed the best fitting partner and in what manner.

Expert interviewing is chosen to collect data since it can provide the researcher with very specific and detailed information concerning the potential candidate. Furthermore it allows the researcher to gain trust with the parties interviewed, which helps to convince them about the benefits for them that may come with cooperation.

In addition, as it is a project on its own with unique parties and circumstances, interviewing candidates is the only way of getting custom-made data concerning the research topic. Ms. M. Paardekooper (Coordinator International Projects HKU University of the Arts Utrecht) has been an important expert interviewed in the context of this research.

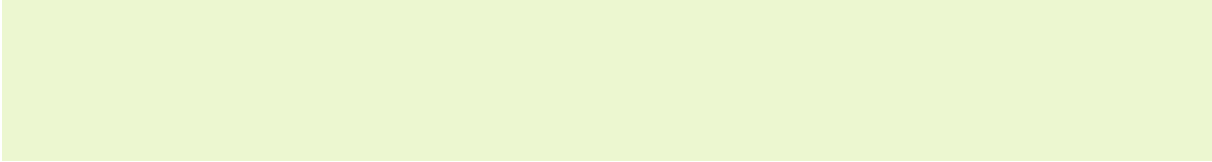
The data collected via the secondary and primary research will allow us to come up with conclusions, followed by recommendations and a strategy on actions to be taken.

### 2.1.3. REPORT FINDINGS

*~ Which, based on the data and conclusions of the first parts comes with the conclusions and recommendations that can be made and be included in this report.*

The findings based on the desk-research and qualitative research are analyzed and allows us to answer the research question. The findings are translated into this report, making it possible to present it in a structured way to the stakeholders. In this research the findings are presented in form of a described term-strategy on how cooperation can lead CCA from its IST situation in three processes towards its SOLL situation in 2020.

Eventually this will help to reach the objective of the research to come up with recommendations on what Dutch organization can contribute the most, and in what manner, to the development of the CCA project. The cooperation must contribute to the realization of the ambition of CCA to become a community that creates digital content and animation that can compete on the international market.



At the same time the Dutch party has to benefit from the cooperation. The research aims on bring in contact with each other a Dutch party, BPPT and CCA. The report must be a tool that can be used by the stakeholders in order to create for them: a context in which the cooperation takes place as well as to inform them about further 'actions to be taken' in order to make a viable cooperation becomes reality. Furthermore the research can contribute to the internationalization process of CCA and can be used as an example to approach other international parties in the future.

# 3. CURRENT (IST) SITUATION

## ANALYSIS OF THE CCA

### ORGANIZATION

In line with the world developments and the recognition of the importance of a good functioning creative economy among governments worldwide, the Cimahi Creative Association (CCA) is a community based association aiming on strengthen the human resources of the creative sector in Cimahi, with the focus on digital content and animation, in order to give the local economy a boost.

In close cooperation with the municipality of Cimahi and inspired by the UNCTAD Creative Economy Report: *The creative economy: A Feasible Development Option*, CCA believes a creative economy relies on individual artists that are the basis of every creative industry.

Therefore CCA is convinced it can raise creativity, entrepreneurship, technology innovation and relevant knowledge among youth in the region, by creating a community based association. Such an association will attract relevant organizations that can form a creative industrial cluster.

Eventually it can enhance, first the West-Javanese and then the national creative economy that subsequently can compete on the international market with digital content and animation with Cimahi as the centre of the market.

In this chapter the objectives and strategies of CCA are made clear first, followed by an extensive external environment analysis in which the project context is described and subsequently the indirect environment, using the PEST-analysis method. Then the internal environment of the organization is analysed using the 7s-framework of Mc Kinsey, allowing us to come up with seven internal matching criteria. Eventually the findings from the environment analyses are combined in a SWOT-analysis. This chapter will provide the required data for making a delineation of potential cooperation partners.



### 3.1. OBJECTIVES AND STRATEGY

#### MISSION STATEMENT

***“Become a community that creates digital content and animation that can compete on the international market by 2020.”***

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#### *Strategic objectives*

In order to make the mission statement becomes reality strategic objectives are designed. These strategic objectives emphasises in what manner the organization plans to reach a desired situation on a mid-term period. In this case the strategic objectives for the coming five years are listed below. These objectives need to be developed to create a situation which is the basis for archiving the mission statement.<sup>3 4</sup>

1. **BECOME A KNOWLEDGE CENTRE IN THE FIELD OF CREATIVE INDUSTRY SHAPING AND POLICY MANAGEMENT** in order to be able to advise the local Cimahi government about the best policy decisions according the development of the local creative economy, and therefore create a strong local community that can develop animation and digital content on an independent base.
2. **BECOME AN EXAMPLE OF CREATIVE INDUSTRY SHAPING AND INDUSTRIAL CLUSTERING** for other projects in the country in order to stimulate the development of the creative economy on national level.
3. **CONVINCE THE NATIONAL GOVERNMENT ABOUT THE SUPERIORITY OF THE CREATIVE ECONOMY** and that a national supportive government policy is necessary in order to make the industry competitive on the international market.
4. **CREATE A STRUCTURED VALUE CHAIN FOR THE CREATIVE INDUSTRY** in which all relevant stakeholders work together, varying from educational institutions and producers until distributors, broadcasters and governmental bodies.

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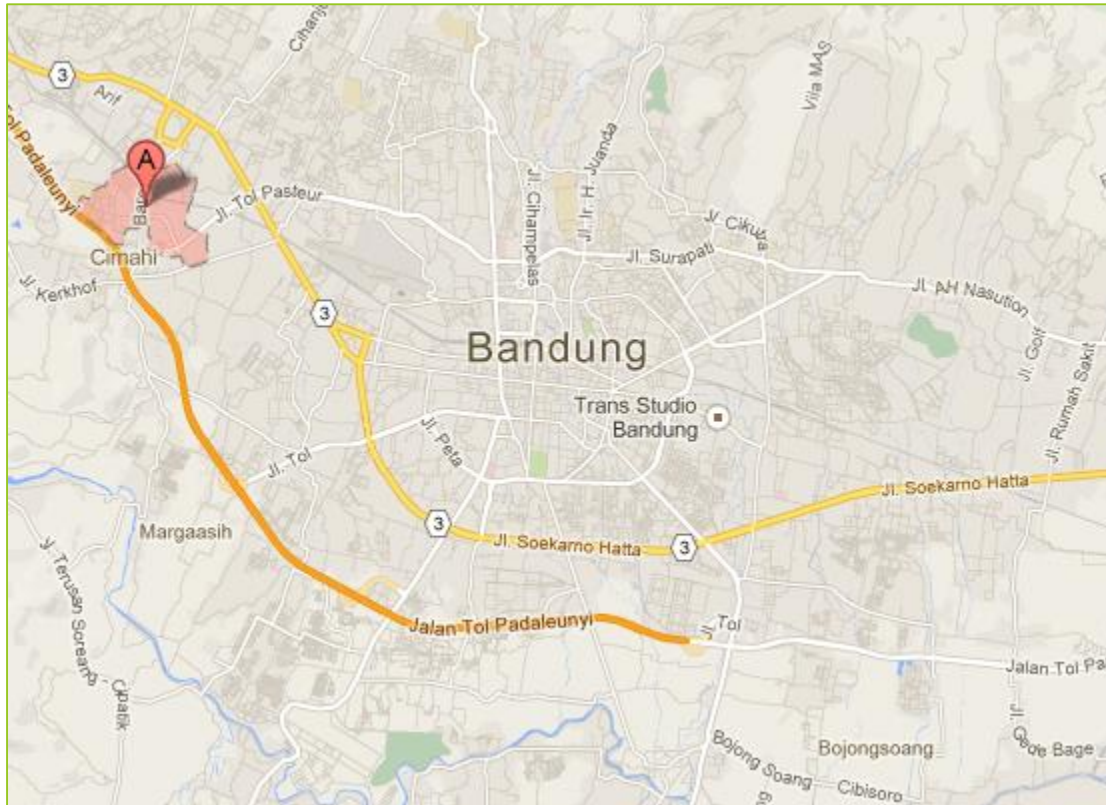
<sup>3</sup> Cimahi Creative Association, *Activity Report CCA 2012. 2013.* (Indonesian)

<sup>4</sup> Cimahi Creative Association. *Activity Report CCA 2011. 2012.* (Indonesian)

5. **DEVELOP EDUCATION PROGRAMS IN THE FIELD OF ANIMATION AND DIGITAL CONTENT.** Creativity, technology and entrepreneurship must be combined within the curriculum in order to educate people for concept designing, production and distribution. This is the basis of the value chain.
6. **CREATE AN OPTIMAL ENVIRONMENT IN CIMAH I FOR INDIVIDUAL ARTISTS** through offering necessary technology, software and support so that they can utilize their talent in a fruitful way and get prepared for the international market.
7. **STIMULATE REGIONAL BUSINESS INCUBATION IN THE FIELD OF ANIMATION AND DIGITAL CONTENT** in order to stimulate entrepreneurship that combines creativity and technology which is essential for a structured value chain.
8. **START COOPERATION WITH RELEVANT INTERNATIONAL PARTNERS** that can contribute to the realization of CCA's objectives and ambitions and that can give excess to new knowledge and international organizations, markets and networks within the creative economy.
9. **DELIVER THE FIRST ANIMATION PRODUCT, ENTIRELY PRODUCED BY CCA MEMBERS, THAT ENTERS THE INTERNATIONAL MARKET** as a brand of Cimahi in order to introduce CCA and its products to the international market.
10. **BECOME THE NUMBER ONE DESTINATION FOR INTERNATIONAL ORGANIZATIONS** that want to gain knowledge about, come in contact with or want to work with the creative industry of Indonesia in the field of animation and digital content.

### 3.2. EXTERNAL ENVIRONMENT ANALYSIS

Figure 1: Baros district<sup>5</sup>



A = Baros district

The physical environment in which the project takes place can be considered as the Baros district in the Indonesian city of Cimahi. Located in the province of West-Java on the outskirts of Bandung (province capital) and next to the highway which connects Bandung to the Indonesian capital Jakarta, the Baros district is situated strategically. The island of Java is the most industrialized and developed area of Indonesia. Jakarta, where the over 100 different ethnic groups Indonesia counts come together, can be seen as the centre of modern Indonesian culture. On the other side, Bandung is considered to be the most important city concerning innovation technology, since it is home to the famous ITB (Institution for Technology Bandung). Located between those two important centres Cimahi can be the spill in combining culture and technology.

CCA and the Cimahi local government are inspired by the UNCTAD (United Nations Conference on Trade and Development) Creative Economy Report which presents the first

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<sup>5</sup> Image source: maps.google.com

findings about the creative economy in developing and transition countries. The challenge of assessing the creative economy towards informed policy-making was the guiding principle of the report. *Pursuing to explore the policy framework surrounding the creative economy, with a view to identifying policy options to strengthen and integrate local creative industries into national and international development strategies and global markets.* One of the key messages of the report is that it recognises that:

*"The creative economy is an evolving concept based on creative assets potentially generating economic growth and development: It can foster income generation, job creation and export earnings while promoting social inclusion, cultural diversity and human development. It embraces economic, cultural and social aspects interacting with technology, intellectual property and tourism objectives. It is a set of knowledge-based economic activities with a development dimension and cross-cutting linkages at macro and micro levels to the overall economy. It is a feasible development option calling for innovative, multidisciplinary policy responses and interministerial action. At the heart of the creative economy are the creative industries."<sup>6</sup>*

Below, the background of the recently developed terms 'creative economy' and 'creative industries' are briefly explained. It will answer the question 'what business are we in?' and it will give the motives and drivers of CCA. Then the direct environment of CCA is discussed followed by a PEST-analysis which maps out the indirect environmental opportunities and threats.

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### Background

In 1998 and later in 2001 the UK government was the first country that designated a political policy on creative industries through the publication of the "Creative Industries Task Force Mapping Document". The UK defined creative industries as: 'those industries that are based on individual creativity, skill and talent with the potential to create wealth and jobs through developing intellectual property'. Included are thirteen sectors: advertising, architecture, the art and antiques market, crafts, design, designer fashion, film, interactive leisure software (i.e. video games), music, the performing arts, publishing, software, and television and radio.<sup>7</sup> It was the first definition presented by a government, and it is seen as the first step in combining culture and economy. Since then, recognition on the importance of a governmental policy on creative industries and therefore the creative economy has been raised among national governments worldwide. The UK mapping policy is widely adopted and creative industries have become an essential part in the world economy. On local, regional and national level

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<sup>6</sup> UNCTAD and UNDP Creative Economy Report. The challenge of assessing the creative economy: towards informed policymaking. 2008

<sup>7</sup> British Council, *The UK Policy Environment*. " [www.creativeeconomy.britishcouncil.org](http://www.creativeeconomy.britishcouncil.org). British Council. Web. 20 July 2013. <[http://creativeeconomy.britishcouncil.org/Policy\\_Development/policy-environment/](http://creativeeconomy.britishcouncil.org/Policy_Development/policy-environment/)>.

the creative economy is nowadays seen as a priority and cities start to see the creative industries as the motor of their economy and profile themselves as "Creative Cities". In the Netherlands the creative industry is designated as one of the nine top sectors, which are industries that are indicated as extremely important for the country and therefore governments' priority.<sup>8</sup>

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#### *Product orientated definition of the environment*

The project in Cimahi concerns the development of a creative economy by shaping a creative industrial cluster with a focus on animation and digital content. UNCTAD classifies the creative industries into four broad groups: (1) heritage, (2) arts, (3) media and (4) functional creations. Ranking these groups or classifications from top to bottom, starting with heritage, the activities related to the groups varying from traditional knowledge and cultural heritage (art crafts and cultural festivities) to more technology and services-orientated (audio-visuals and new media). I.e., the creative products at the top are inspired by culture; the creative products at the bottom are led by more commercial motives. However, this does not mean the products classified at the top are not used for commercial purposes. This is also the case for animation and digital content that can be categorized in the middle (depending on the production), using heritage and arts, as well as audio-visuals and new media to create a product with both cultural expression and commercial purposes. Furthermore UNCTAD defines all creative industries as follows:

*"The creative industries: are the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs; constitute a set of knowledge-based activities, focused on but not limited to arts, potentially generating revenues from trade and intellectual property rights; comprise tangible products and intangible intellectual or artistic services with creative content, economic value and market objectives; stand at the crossroads of the artisan, services and industrial sectors; and constitute a new dynamic sector in world trade."*

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<sup>8</sup> Verhagen, drs. M.J.M. The Government of the Netherlands. The Ministry of Economic Affairs. *Naar de top: de hoofdlijnen van het nieuwe bedrijfslevenbeleid*. The Hague: , 2011.

### 3.2.1. DIRECT ENVIRONMENT

The direct environment normally is seen as the industry or sector in which the organization operates and its position towards its competitors. To analyse the industry and the state of competition and rivalry, the most common tool used is the 5 forces framework of Michael Porter. In case of CCA the concerning industry or sector is the creative industry of animation, movies and other digital content in Indonesia. However, since CCA has set as a goal to develop this industry in Indonesia, and seeks to create a structured value chain with suppliers, demanders and competition, an analysis through the 5 forces model is not relevant. The model normally must generate information that the organization can use to improve its position towards its competitors. In this case it is in CCA's benefit when competitors appear, since it will mean the industry is developing.

The model could also be used to analyse the global creative industry of animation, movies and other digital content since CCA aims to compete on this market in the future. However, the development of the domestic industry is the first priority, as it needs to work well before the step to overseas markets can be made. An analysis of the global market as the direct environment is therefore also considered as not relevant for this research at this stage.

### 3.2.2. PEST- ANALYSIS

PEST is an acronym that stands for 'Political, Economic, Social, and Technological'. The analysis lists all factors from the indirect environment that affect the organization. This makes it possible to identify threats and opportunities arising from the project environment. Per aspect only the relevant issues for CCA (i.e. creative economy and industries with a focus on animation movies and other digital content) are discussed. Together with the internal analysis these findings are combined in a SWOT-analysis as a closure of the IST situation analysis.

#### *Political*

The political environment in which CCA operates is the Indonesian political system which is a constitutional democracy. The current system is the result of various constitutional amendments after the fall of the authoritarian President Soeharto in 1998. Every five years elections are being held. Since 8 July 2009 (next elections to be held in July 2014) Susilo Bambang Yudhoyono has elected as president and Boediono is the Vice-President.<sup>9</sup>

During and long after the Soeharto era creative industries did not have governments' priority. In 2008 the Indonesian government presented its vision, mission, targets and road map for the development of the creative economy, including digital content disciplines. This plan is the first step in the direction of an active policy on the creative economy. In 2011 the former Ministry of Culture and Tourism has changed into the Ministry of Tourism and Creative Economy with the goal to further develop the policy on the creative economy.<sup>10</sup>

Nevertheless, bringing into reality the described policy happens slowly. There is a huge necessity for financial resources within the industry. But due to a lack of supportive government policy financial markets are not eager to allow access for small creative enterprises. Furthermore, there is a lack of performing the intellectual property protection law, making piracy a common unpunished phenomenon. The Directorate General of Intellectual Property under the Ministry of Justice has set goals to reduce software piracy. When it comes to censorship measurements, there is a strict government policy, and therefore not all overseas movies are allowed in Indonesia or need to be adjusted. Since overseas governments do support their creative industries with their policy, the Indonesian market is overruled by international competitors from Malaysia, Singapore and others.

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<sup>9</sup> CIA Factbook <https://www.cia.gov/library/publications/the-world-factbook/geos/id.html>

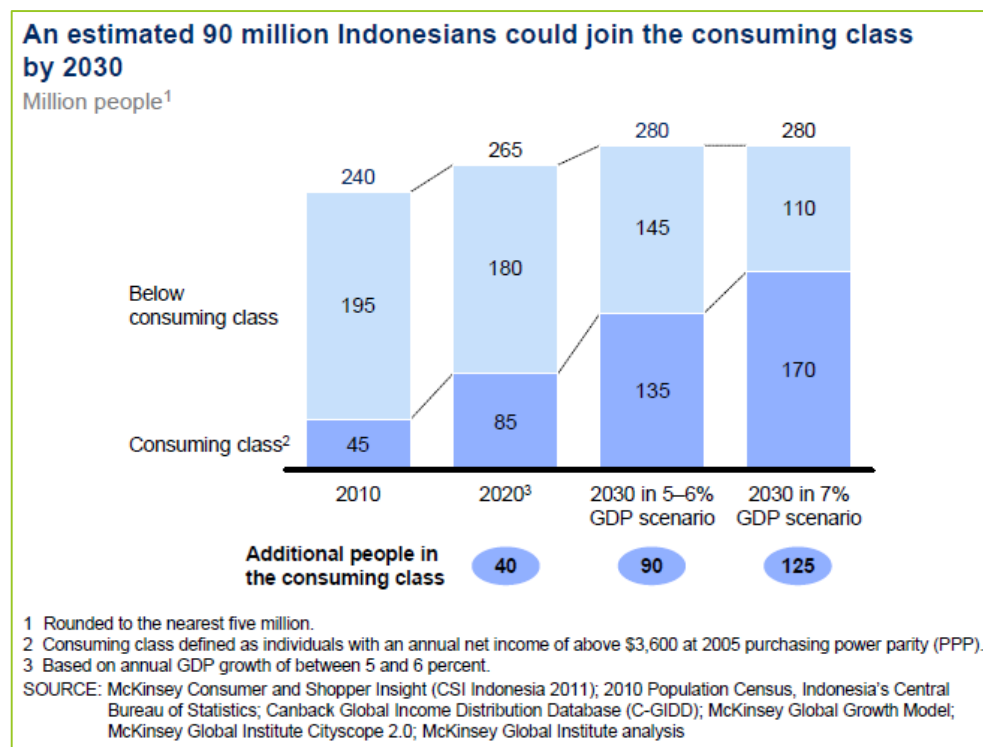
<sup>10</sup> Indonesiakreatif.net <http://indonesiakreatif.net/article/freebies/ebook/download-buku-studi-dan-pengembangan-industri-kreatif-indonesia/>



## Economic

According to Mc Kinsey Global Institute, the Indonesian consumer market is rapidly growing and becomes mobile and digital driven. Today there are 220 million mobile subscriptions in Indonesia and the internet is becoming main stream. As a result the demand for digital content will rise rapidly. In addition, an estimated 90 million people could join the consuming class by 2030 (Figure 2).<sup>11</sup> The low labour costs in Indonesia make it interesting for overseas companies to outsource (digital) services to Indonesia. Nevertheless the high inflation and the fast fluctuating currency makes the import and export market instable.

**Figure 2: Mc Kinsey: estimated consumer class growth**



The animation sector in Indonesia is a small industry that is dominated by SME's and is generally merged into one sector together with digital gaming. Numbers and statistics related to this sector are not available or not reliable. Most important developments within this industry started in 2003 after the first Indonesian, partly animated, movie *Janus, Prajurit Terakhir* (Janus, The Last Warrior), a combination of 3-D animation and live action, was

<sup>11</sup> Mc Kinsey The Archipelago Economy: Unleashing Indonesia's Potential, McKinsey Global Institute (September 2012)

released.<sup>12</sup> Although the movie was not a success on commercial level it was the first big Indonesian animation production for the main audience. The flop of the movie was due to the fact that the animation effects were predominating in combination with the lack of a good story. This problem is caused by the fact that there is no clear value chain or industry infrastructure within the sector in which private parties, educational institutions and the governmental bodies on all relevant disciplines (animation, music, scriptwriting etc.) work together.

At the Asia/Pacific Regional Seminar on Animation Culture and Industry for Promotion of Cultural Diversity, five problems concerning the Indonesian animation sector are discussed and described in a Country Report (Indonesia).<sup>13</sup> Indicated problems of the sector among others were: The sector faces tough competition from overseas animations, resulting in that Indonesian producers mostly produce short animation products for advertisements and animation series; secondly this has caused a lack of experience concerning the production of long movies or series, what demands, in contrast with production for advertisement, good teamwork between relevant disciplines (creative designers, producers and entrepreneurs); at last animators are not used to join an organisation, but prefer to work individually, structured associations would increase interaction and makes it easier for the government to adjust their policy.

Compared to the animation sector the Indonesian film industry is flourishing and has a better structured value chain. The Indonesian film and television industry contributed USD\$ 845.1 million (Rp7,675 billion) to the country's economy and created more than 191,000 jobs in 2010, generating USD\$ 86.5 million (Rp785 billion) in tax revenues, according to a study by Oxford Economics.<sup>14</sup> In 2012, 83 Indonesian movie productions were released according to cinema information platform Film Indonesia.<sup>15</sup> Although the industry in general serves the domestic markets, some production have made it to the international market, most recent examples are *The Raid: Redemption* (2012) and *Java Heat* (2013). In addition growth is expected since the country is 'under screened' which means that the number of cinemas in Indonesia is not serving the huge population size and its demand.

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<sup>12</sup> Yuliandini, Tantri. "Indonesia's animation industry growing steadily." *The Jakarta Post*

<sup>13</sup> Wahy Aditya, ed. *Country Report (Indonesia), Where is Indonesia's Animation?*

<sup>14</sup> Oxford Economics. *The economic contribution of the film and television industries in Indonesia*. Jakarta: Motion Picture Association

<sup>15</sup> List of Indonesian films produced in 2012. <<http://filmindonesia.or.id/movie/title/list/year/2012>>

## Social

With a young and growing population of around 250 million people Indonesia has the fifth biggest population worldwide. Around 140 million people live on the highly urbanized and industrialized island of Java, where also the capital Jakarta is located. Indonesian population consists of over 300 ethnic groups and more than 700 languages are spoken in archipelago. With 40%, Javanese is the main ethnic group and after the official Indonesian language is Javanese the most spoken one. These diverse demographics have led to a rich, unique and widely spread culture and creativity. Worldwide Indonesia is known because of its cultural expressions in forms of dance, music, handicraft and paintings.

When it comes to education, Indonesia has a literacy rate of about 93%. Nevertheless most Indonesians do not enroll in higher education and will leave school at an age of 13. There are only a few good education institutions that offer animation and other creative digital content courses. Most important creative arts universities are ISI - Indonesia Institute of Arts in Yogyakarta and Surakarta (Solo) and IKJ Jakarta- Jakarta Institute of the Arts. Last mentioned is an important education institute for the film and television industry.

The need for a social framework within the collectivistic Indonesian culture may have contributed to the fact that the country is the third biggest market of Facebook, and Jakarta is the most active city for Twitter in the world. It could be said that social media is very important and the number of users is still growing. Animation and digital content is inseparable from social media. Therefore a huge domestic market potential appears.<sup>16</sup>

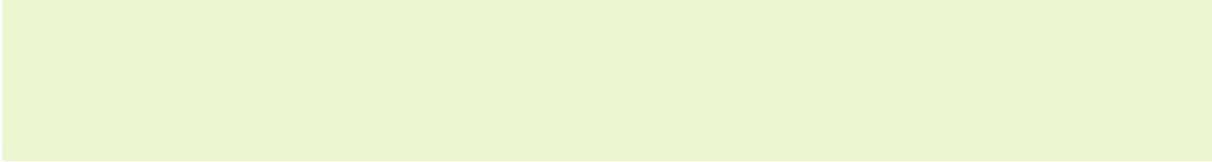
## Technological

With 249.8 million mobile phone users in 2011, Indonesia has the fourth largest number of mobile phone users worldwide. But the number of only 20 million internet users shows the digital rise in the country is just to take off. Internet is starting to become mainstream also outside the bigger cities and the number of social media users is still rising rapidly. Access to the internet is mainly obtained via smartphones. Possessing an own notebook or desktop is not (yet) reserved for most Indonesians. Also the technical infrastructure and software used is often outdated, fragile or not accessible. But like Global Business Guide Indonesia states about the Indonesian creative industry: *The rapid rate of new technology uptake reflected in the widespread success of social media make it ripe for innovative products in the digital arena*<sup>17</sup>.

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<sup>16</sup> Indonesian Country Strategy. <<http://www.dfat.gov.au/issues/asian-century/indonesia/downloads/indonesia-country-strategy.pdf>>

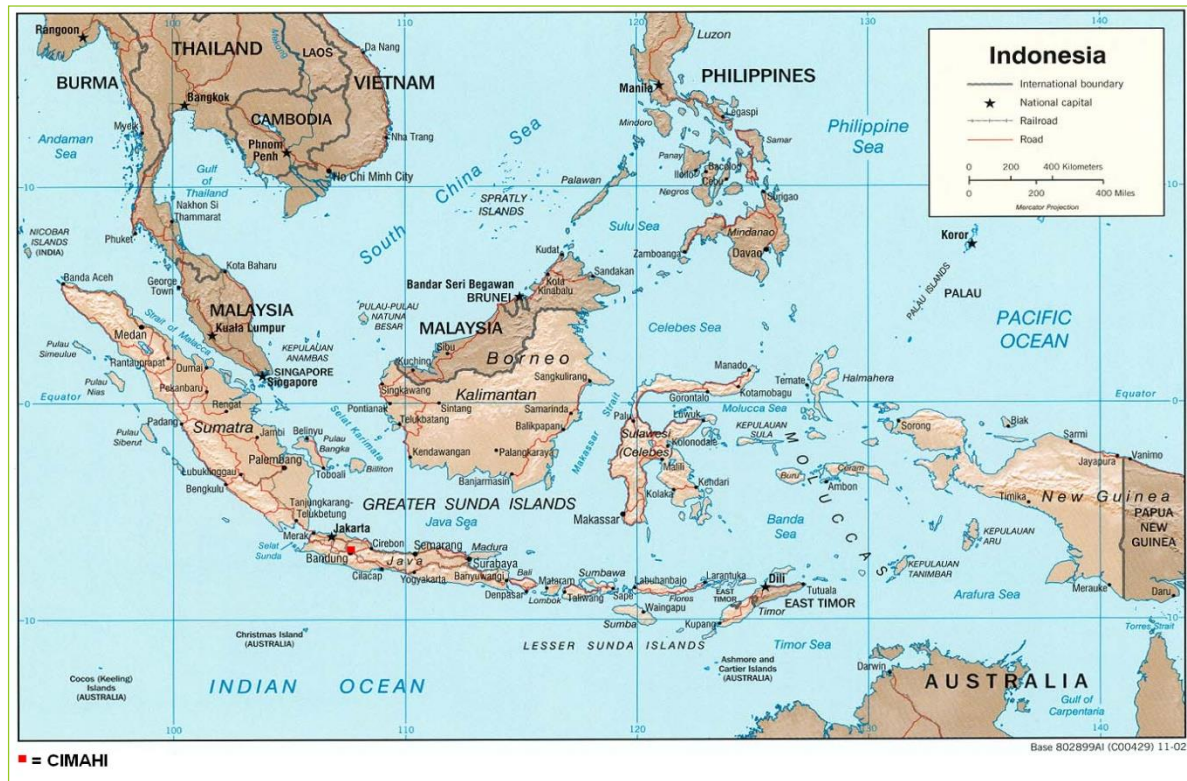
<sup>17</sup> Global Business Guide Indonesia  
<[http://www.gbgindonesia.com/en/services/article/2011/challenges\\_and\\_opportunities\\_in\\_the\\_creative\\_industry.php](http://www.gbgindonesia.com/en/services/article/2011/challenges_and_opportunities_in_the_creative_industry.php)>



When looking at the movies and television industry; there is a mixture of about a dozen national TV networks - 2 public broadcasters, the remainder private broadcasters - each with multiple transmitters and more than 100 local TV stations and a widespread use of satellite and cable TV systems. Cinemas are spread around the country's larger cities, but do not serve the demand. Major growth in the number of cinemas is expected. Due to the fact that the production technology used by local film makers is subject to improvement, the quality of local productions is not high, causing a preference for Hollywood movies by the Indonesian audience. However, the number of domestic produced movies is rising every year. Most important region concerning technology innovation is considered to be Bandung. Institute Teknologi Bandung (ITB) is a leading university in the field.

### 3.3. INTERNAL ENVIRONMENT ANALYSIS

Figure 3: Map of Indo



#### 3.3.1. BACKGROUND

Since the forming of Cimahi as an autonomic city with its own municipality in 2001, it is clear that the local economy cannot guarantee its growth by relying on industries that make use of natural resources. As a result, in 2004 the local government, in cooperation with the Institut Teknologi Bandung (ITB), conducted research which recommends that the city of Cimahi should focus on the development of Information Technology. Therefore, in 2005 the city is declared: “Cimahi Cyber City”<sup>18</sup>

In 2009 a new research took place, completed by *PT Sembilan Matahari*<sup>19</sup>, which recommended that Cimahi should focus on creating an animation and digital content industry, which is in line with the worldwide development of creative industries with IT, animation and digital content as the flagship, and stimulated by human resources and the huge potential market. To support the plan, the local government implemented the first

<sup>18</sup> CimahiCyberCity <<http://www.cimahicybercity.com/2010/03/sejarah-kota-cimahi.html>>.

<sup>19</sup> PT Sembilan Matahari <<http://www.sembilanmatahari.com/home/>>

Focus Group Discussion (FGD) on creative industries, aimed at attracting more creative stakeholders with significant knowledge and good abilities. During the second FGD, which was held in September 2009, the Cimahi Creative Association (CCA) was formed, followed by the election of a chairman. In October 2009 the third FGD was followed by the inauguration of the CCA management by the Cimahi mayor. At the fourth FGD, the article and the rules of association were designed, as well as next year's work plan.

In March 2012 an important next step was made, when Research and Technology Minister Gusti Muhammad Hatta inaugurated Cimahi mayoralty as a creative industrial zone of animation and digital content, as well as declaring it to be the only city in Indonesia equipped with an integrated information and technology creative centre.<sup>20</sup> The support for the project was expressed by several ministries and the West-Javanese provincial government that day, and the non-departmental government body: the Agency for the Assessment and Application of Technology (BPPT) was designated as a facilitator in doing research for the Cimahi project. Moreover the project has been included in the MPE3, Master Plan for Acceleration and Expansion on Indonesia's Economic. Meanwhile, CCA has become an important platform for the creative activities in the region and brings together local, governmental, educational and private parties that fulfil a role within the creative industry. Moreover it provides training, workshops, facilities and placements for their more than 2000 members and to high school and university students.

Now that the basis for the creative industrial cluster in Cimahi is there, CCA is seeking to create a cohesive international and domestic network of stakeholders and parties that can contribute to the development of the project. The responsible directorate for the *Assessment of Competitiveness Improvement Policy* within BPPT is therefore exploring the possibilities for international cooperation between CCA and overseas organizations. An international collaboration can help in gaining new knowledge, understandings and sources that can bring the development of the project to a higher level. Furthermore, an international collaboration will also attract attention and will raise recognition in Indonesia. Since it is a local project, the preference goes out to cooperation with local parties in the Netherlands operating in a similar situation.

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<sup>20</sup> Tri Suwarni, Yuli., "Cimahi declared film, animation zone." The Jakarta Post 2013.

### *Desired SOLL situation*

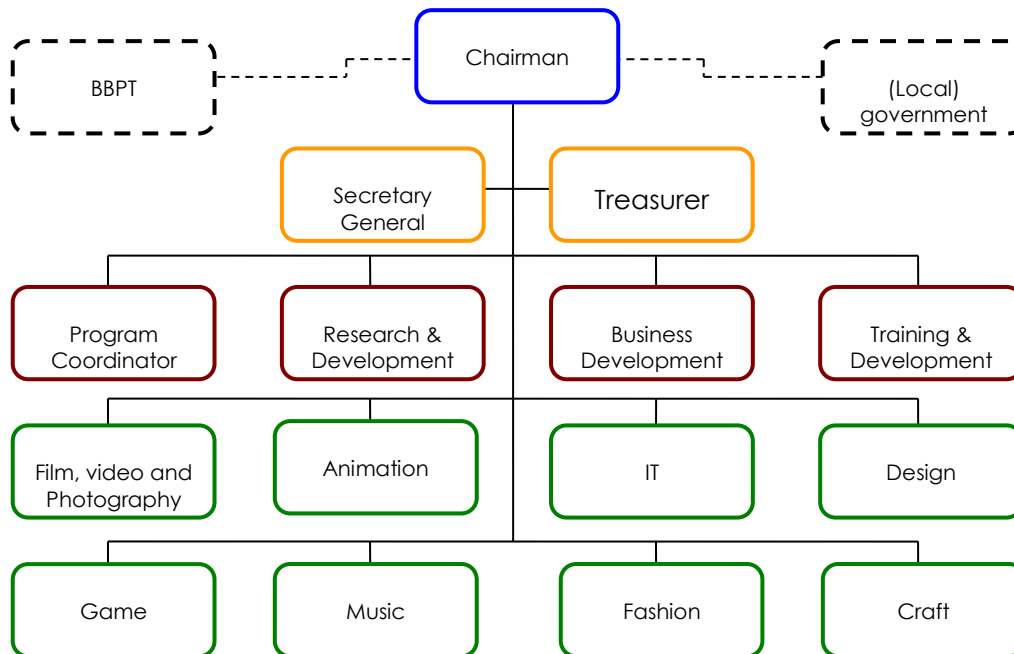
Briefly described and itemized the desired or SOLL situation of CCA is as follows:

- ❖ CCA has become a knowledge center and example in Indonesia in the field of creative industry shaping and policy management.
- ❖ The whole organization is focused on the development of animation and digital content that can compete on the international market.
- ❖ Products such as small software contents for digital applications, short animations for commercials, television broadcastings and movies are developed and a first product has entered a regional international market such as Singapore, Malaysia or South-Korea.
- ❖ An advisory international organization is added to the organization structure and fulfils a supportive role in the development of the project contributing to the shaping of a structured value chain as well as the improvement and development of education institutions and curriculums.



### 3.3.2. STRUCTURE AND COMMUNICATION

Figure 4: Organisation chart CCA

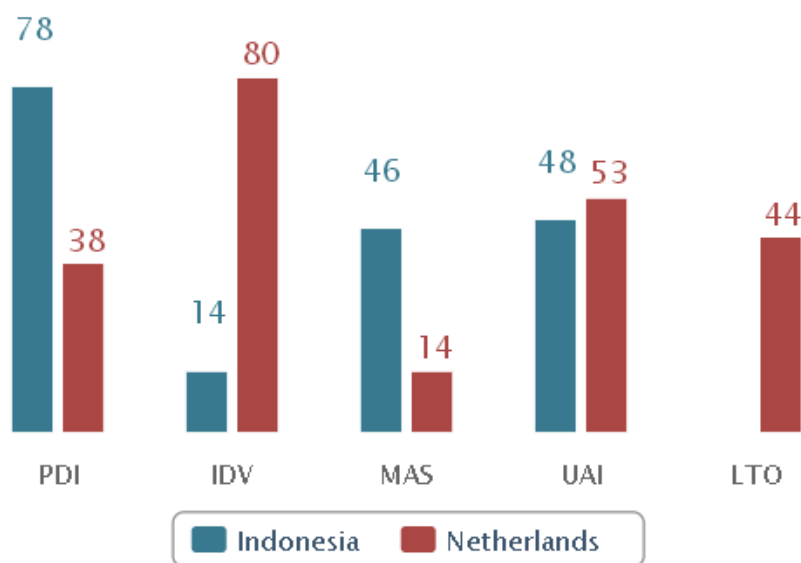


The organizational chart shows a line-staff organisation in which the chairman is at the top of the hierarchy. BBPT and the (local) government fulfil the role of an important facilitator for the project, but are not directly part of the organisation. In leading the organisation, the chairman is supported by its staff assistants, the secretary general and the treasurer. The first-mentioned, is responsible for the organisations' reporting and correspondence as well as the admission of new members and the arrangements of meetings and events. The treasurer performs the task of the conservation of the treasury and controls the incoming and outgoing cash flows of the organisation. Under the direct supervision of the chairman are the following departments which have a classification by function: Program Coordinator; Research & Development; Business Development; Training & Development. These departments conduct research or carry out activities for the purpose of the development of the organisation in the field of the next parts of the organisation which are classified by division: Film, Video and Photography; Animation; IT; Design; Game; Music; Fashion; Craft. Each of these departments represent a creative product in which CCA takes part, in order to develop the creative industry in Cimahi with digital content as Animation, Film and IT as the priority areas. The organization is characterized by a clear top-down structure in which all decisions are taken by or with the approval of the chairman.

### 3.3.3. CULTURE

To analyze the cooperation culture the 5 Dimensions Theory of Geert Hofstede as described in his book *Cultures and Organizations: Software of the mind* is used. Although these dimensions are based on national cultures it can be used for this analysis since the cooperation culture is highly influenced by the national one. Furthermore it makes it possible to compare it with the Dutch culture. This comparison will result in points for attention concerning a cooperation in which the Indonesian and Dutch culture meet each other. A comprehensive explanation of the cultural characteristics of both Indonesia and the Netherlands as indicated by Hofstede can be found in appendix 2. The fifth dimension (LTO) is not used in this analysis since there is no data available for the Indonesian culture. The comparison with the Dutch culture is made already in this chapter, as this theory is best explained when comparing two cultures. In addition it is already certain that the possible cooperation partner is from the Netherlands. Making the comparison here makes it possible to use this data in the IST versus SOLL analysis.

Figure 5: Indonesia – Netherlands dimension score



**Table 1: Cultural Dimension Scorecard**

CULTURAL DIMENSION	CCA INDONESIA	NETHERLANDS	% DIFFERENCE
<b>POWER DISTANCE (PDI)</b>  <i>The extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.</i>	78  <b>high</b>	38  <b>low</b>	69%
<b>INDIVIDUALISM (IDV)</b>  <i>The degree of interdependence a society maintains among its members. It has to do with whether people's self-image is defined in terms of "I" or "We".</i>	14  <b>very collectivistic</b>	80  <b>very individualistic</b>	140%
<b>MASCULINITY / FEMININITY (MAS)</b>  <i>What motivates people, wanting to be the best (masculine) or liking what you do (feminine).</i>	46  <b>feminine</b>	14  <b>very feminine</b>	106%
<b>UNCERTAINTY AVOIDANCE (UAI)</b>  <i>The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these.</i>	48  <b>average</b>	53  <b>average</b>	10%

The comparison of the Indonesian and Dutch culture as shown in the table above indicates some major behavior differences within organizations in both cultures. The biggest percentage difference in scores can be found between IDV (140%), MAS (106%) and PDI (69%) dimension scores. However, the percentage differences are not the only thing that has to be considered as important when comparing both cultures. As can be seen, both Indonesian and Dutch culture is considered to be feminine even though the percentage difference is big. Therefore it is important to take in account to what extent the scores form an opposite of each other. In that case the PDI and IDV are showing the biggest difference.

The Indonesian culture has a high power distance, and as a result organizations are characterized by strict hierarchy and unequal rights between power holders and non power

holders. This is in contrast with the Dutch culture in which equal rights regardless your position is a very important issue. The distance between power holders and non power holders is small and own initiative from employees is expected. Furthermore, the Indonesian culture is among the most collectivistic ones worldwide. This means a defined social framework in which everyone is part of, and can identify themselves with a group is important. Dutch culture is considered as being at the top of most individualistic cultures. Everyone is responsible for its own actions, rewards and punishments are given to individuals instead of groups or departments. Although the percentage difference at the MAS score is big both cultures are considered feminine. Nevertheless, within Indonesian culture the outward appearance of persons is important and highly influent by which position he/she holds. This masculinity trait is not present within the Dutch culture which is very feminine making persons get motivated by a good life/work balance. When it comes to 'uncertainty avoidance', both the Indonesian and Dutch culture score around 50. Nevertheless, within the Javanese culture uncomfortable situations and negative emotions are avoided in public. Direct communication of negative issues is not appreciated and therefore indirect communication (via third parties/persons) is used to transmit bad news or negative emotion, with the aim to maintain workplace and relationship harmony.

#### 3.3.4. BUSINESS PROCESS, RESULTS AND PRODUCTS

To give a clear overview of the current situation of the running project, the work that is now done in order to realize the strategic objectives is described and can be seen as the business process. Then, in order to clarify in what way CCA is succeeding and fulfilling their objectives, a briefly explanation of the results and products, so far, is given.

##### *Business processes currently executing*

At the moment CCA is performing the following strategic objectives as described in chapter 1.1. For each objective the operational activities for the purpose of the objectives are given:

- *Become a knowledge center in the field of creative industry shaping and policy management.*

In direct cooperation with BPPT, research in this concerned field is conducted. BPPT is continuously collecting data concerning creative industry shaping and policy management and seeks to connect the project to knowledge centres and other relevant institutions that can contribute in raising the expertise of CCA on these topics. Furthermore CCA is supported with research data on an annual base by several universities including Institut Teknologi Bandung (ITB).

- *Become an example of creative industry shaping and industrial clustering in Indonesia.*

CCA actively promotes and represent the Indonesian animation industry on (international) animation contests and fairs. In addition CCA, with the chairman ahead, is actively approaching Indonesian and overseas press media in order to gain awareness on their project and working method on industry shaping.

- *Convince the national government about the superiority of the creative economy.*

In cooperation with the local Cimahi government, associated businesses and organisations, CCA is actively lobbying the national government in order to stimulate a supportive policy on the animation and digital content sector, by sliding forward success stories of overseas governments that have implemented supportive policies that eased access to (capital) markets for local entrepreneurs.

- *Develop education programs in the field of animation and digital content.*

Besides regular workshops and trainings in the field of digital content, CCA is developing an animation curriculum. By working together with both national and international institutions that have experience in animation education, a professional and inspiring curriculum needs to be developed that combines creativity, technology and entrepreneurship.

- *Create an optimal environment in Cimahi for individual artists.*

As the basis of a value chain for the industry CCA attracts individual artists to BITC, by offering them a place to utilize their talent. The BITC building provides soft- and hardware in a modern environment with support and information available.

- *Stimulate regional business incubation in the field of animation and digital content.*

Within the CCA Business development department the 'Start up Club' project's core business is to support young entrepreneurs in the development of their own creative business. The Start-up Club provides knowledge, facilities and support during the set up process and assist in the development of products and organisation structures.

The other strategic objectives: *Create a structured value chain for the creative industry; start cooperation with relevant international parties; deliver the first animation product, that enters the international market; and become the number one destination for international organizations, are objectives intended to be for the longer term.* In addition the objectives that are currently carried out need to be completed first, since they form the basis for these longer term strategic objectives.

When looking at the objectives and activities that are currently executed, man can conclude the activities of CCA at this moment are mainly focused on regional and internal aspects. CCA is busy creating an environment which can be the basis for the further development of a creative economy in the region that includes a structured value chain and has ties with international organizations. In the opinion of the researcher the current activities are essential and CCA is good on track fulfilling its objectives. Nevertheless, there is a lack of strategy on bringing in international project assignments, stakeholders and attention. It seems to be the aim to compete on the international market is not yet implemented in the body of thought of the whole organization. As a result the organization is to much facing inwardly. The external

communication of CCA focusses on regional stakeholders and does hardly reach the international world. Therefore it is necessary a policy on international relations, including objectives and strategy is formed. Providing professional information in English can be the first step. Other examples that can be part of the strategy are an active policy on attending worldwide expos in the field, allowing CCA to come in contact with international project assigners. In short, at this moment CCA is not promoting itself as the place to be for international organizations active in the relevant field. Therefore the international cooperation that may arise on the basis of this research also can contribute to the internationalization process of the organization, by helping CCA in creating a policy on international relations.

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### *Results and products*

The first big milestone reached in this project was the completion of the Baros Information Technology Centre (BITC) building in 2010. This building is home to CCA and is located in the Baros district, which is designated as being the place where the industrial cluster has to appear. The building houses all modern office facilities like meeting rooms, working spaces and real-time information screens which are showing the latest relevant information and news. Furthermore there are rooms for Research and Development in the field of information technology and animation. An auditorium which the CCA uses for seminars and trainings is also included in the building as well as working spaces with technical infrastructure and resources that are needed for the production of animation, movies, design and IT. However, this technical infrastructure not always fulfils today's criteria.

In 2011 the CCA started with reporting their activities in the Activity Report 2011 and 2012. Analysing these reports can be stated that, although CCA is well on track fulfilling their first necessary objectives, they are still far away from their eventual goal of being a community that can compete with their digital products on the international market. As it is for now, CCA is half away. They have become a big community, they generate attention for the project from both national and international parties and a basis for an industrial cluster in Cimahi is set. Nevertheless, the lack of knowledge and experience concerning creative industry shaping and policy management plus the underdeveloped technical infrastructure makes the project still behind overseas producers and is therefore a limitation in entering the international market.

CCA members have produced several animations for advertisement commercials and television. Almost monthly relevant trainings, seminars or workshops are given and the CCA and their members participate on expos and in competitions. This has led to a number of more than 2000 CCA members and over ten animation productions in cooperation with third parties, and in July 2013 CCA has started an Animation School with an enrolment of 100 first year students. Furthermore CCA members developed Chios (Cimahi Open Source) which is based on an open source operating system and used by the Cimahi local government. In addition the CCA Start-up Club is designed to assist young and beginning entrepreneurs in the creative industry, until now 10 entrepreneurs are supported in setting up their business. In 2011 CCA is awarded with the *Innovation Technopreneurship award* presented by the

Ministry of Research and Technology. Annually the Baros International Animation Festival (BIAF) is organized.

### 3.3.5. FINANCIAL SITUATION

In this research the internal financial situation of the organization is not discussed. The two reasons explained below are the cause why the financial situation analysis is not present:

- ❖ First of all the researcher did not have access to the financial data of CCA. Without this data it is impossible to make a solid and useful analysis.
- ❖ Secondly, since CCA is not a commercial organization aiming at making money and profit, financial business processes are not part of the core activities. This also reflects on the objectives of the organization which do not contain financial orientated ones. The internal analysis aims to map out to what extent CCA is fulfilling its objectives and in what areas improvement is needed. Since financial objectives are absent, an analysis about CCA's performance on this topic is not made. The organization is dependent on subsidies and donations of stakeholders that support and believe in CCA's activities; therefore it is essential that those activities are running well so that the donors are convinced about the need of their support. In addition, the demand from CCA in the first place is to gain via overseas cooperation knowledge and expertise in the field of industry shaping and policy management concerning the creative economy, and not financial resources. Therefore the internal analysis concentrates on the functioning of the organization in that field.

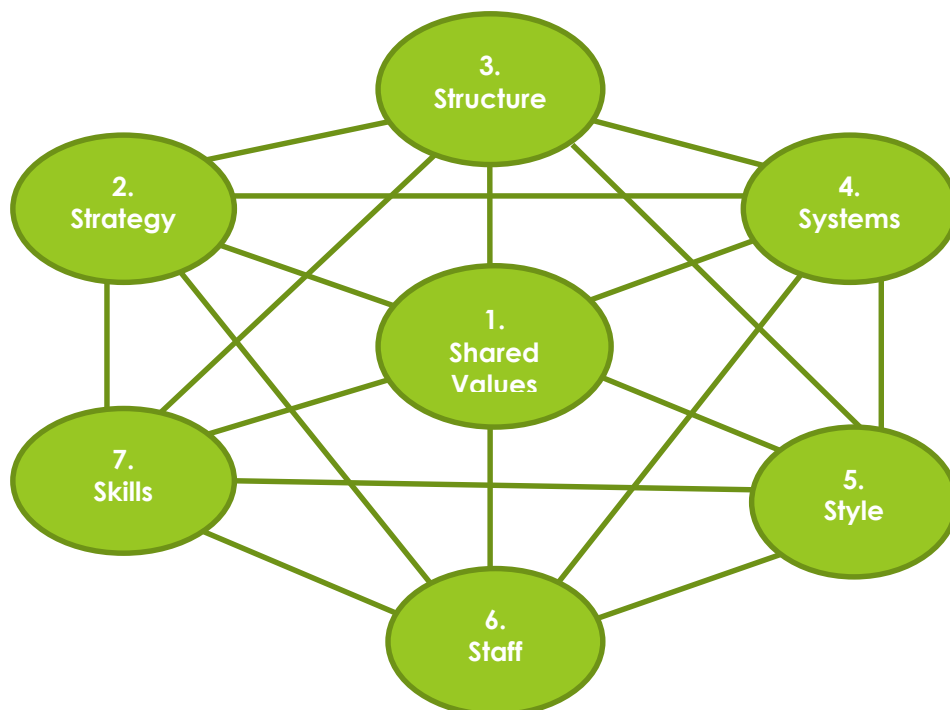
Nevertheless there is no denied that financial sources and a solid policy on that topic are essential for a good performing CCA. However for the selection of a cooperation partner in this case a financial analysis is not necessary.



### 3.4. MC KINSEY 7S-FRAMEWORK

The described topics in the previous sections now are combined using the Mc Kinsey 7s-framework. The framework is shown below (figure 3) and brings together seven aspects that are essential for the functioning of the internal organization. All aspects are connected, which implies that they are all of the same importance and have influence on each other. The seven aspects concerning the internal organization of CCA are elaborated below. Eventually the findings will give seven criteria on which an international partner should match when a cooperation come into existence.<sup>21</sup> Furthermore this analysis puts forward the internal strengths and weaknesses of the organization. The main ones are given and later combined together with external opportunities and threats.

Figure 6: Mc Kinsey 7s-framework



1. **SHARED VALUES:** Also referred to 'superordinate goals' represents the vision and views of the company which must be the body of thought that everyone in the organization shares and which therefore forms the ideological direction of the organization. As described the mission statement of CCA reads: Become a community that creates digital content and animation that can compete on the international market by 2020. The mission statement represents the shared values within the organization of CCA. Especially the 'becomes a community' part is important. Within the organization there is a strict focus on creating a strong and cohesive community. The fact that until 2012 the mission statement of CCA was: to

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<sup>21</sup> Structure is not organization <[http://www.tompeters.com/docs/Structure\\_Is\\_Not\\_Organization.pdf](http://www.tompeters.com/docs/Structure_Is_Not_Organization.pdf)>

become the best community in the world underpins this. The guiding principle is that by creating a community of persons and organizations that are focused on digital content and creative industries, eventually this community itself is able to produce digital content that can compete on the international market. Nevertheless, it is essential that the second part of the mission statement also becomes part of the shared value since this is an important feature for the success of the project.

2. **STRATEGY:** The shared values or mission statement of CCA is in need of a strategy to make it becomes reality. Strategic objectives are designed and can briefly be described as: Become a knowledge center in the field of creative industry shaping and policy management and an example of creative industry shaping and industrial clustering in the country. At the same time, convince the national government about the superiority of the creative economy and start to create a structured value chain for the creative industry by among others, develop education programs in the field of animation and digital content and create an optimal environment in Cimahi for individual artists; stimulate regional business incubation in the field of animation and digital content and start cooperation with relevant international partners. Eventually CCA must become the number one destination for international organizations active in the relevant field, and must be able to deliver the first animation product, entirely produced by CCA members, that enters the international market
3. **STRUCTURE:** CCA uses a line-staff organization in which the chairman is at the top of the hierarchy. Under the direct supervision of the chairman are the departments, classified by function, that conduct research or carry out activities for the purpose of the development of the organization. Then there are the departments that are classified by division and represent a creative product or industry. There is a clear top-bottom structure in which most decisions are taken by or with approval of the chairman. Important advisors for the chairman are BPPT and the local government.
4. **SYSTEMS:** The earlier discussed organizational chart also shows the formal communication flows within the organization. There is a top-bottom formal communication flow. Strategic objectives are designed by the chairman and its advisors. These advisors varying from persons from the (local) government, researchers from BPPT and several universities up to entrepreneurs and other business concerned stakeholders. Together with the head of every department within the organization the chairman designs operational objectives that subsequently are conducted by the staff and the various departments. The departments of Program Coordinator, Research & Development, Business Development and Training & Development provide the chairman with field information and requests for further development of issues that appear in the field. Based on these findings the chairman advises the (local) government about what policy has to be implemented. Furthermore the chairman informs the researchers from BPPT and the involved universities about the topics that need to be further investigated.

Besides these formal communication systems the informal communication flows within the organization are of great importance. Indonesians seek to build communities and prefer to work in a defined social framework. Informal communication and good relationships within the organization are essential to make it function well. Departments form tight groups and friends and family are involved with the project.

Also social media is of great importance for the organization and is one of the main instruments for creating a community in an informal way. Another instrument or system used by CCA is offering a complete and supportive environment for creative talent in the field of animation and other digital content. At the BITC building trainings, workshops and work facilities are offered to youth that normally would never get the chance to obtain access to these services. Furthermore CCA coordinates the 'Start up Club project', which is designed to support young entrepreneurs in setting up their business. When it comes to technical infrastructure (production soft- and hardware) CCA offers quite high standards for Indonesia terms. Nevertheless on international level the technical infrastructure is subject to improvement. A shortage of financial resources makes it hard to improve this part of the system.

5. **STYLE:** The organization style or culture is characterized by a clear hierarchy with centralized power at the top and with a big distance between the power holders and non-power holders. The organization is divided in several departments that form a tight group with a strong defined social framework in which everyone acts for the benefit of the group instead of own interest. The employees expect detailed instructions from their superior who on his/her turn expects the obedience of the staff. There is great respect for persons holding an important position and to avoid uncertain and uncomfortable situations at the workplace, direct communication is avoided. Therefore, to maintain workplace and relationship harmony, indirect communication (via third parties/persons) is used to transmit bad news or negative emotion.
6. **STAFF:** CCA has a wide range of staff, active and specialized in every field of creative industries covered by the organization, but especially in the field of animation, movies and other digital content. The management team consists of relevant experienced persons originating from both the education and business world. Nevertheless there is a lack of knowledge concerning industry shaping policy management. This knowledge is necessary in order to be able to provide the (local) government with relevant advice and policy options.

The Indonesian youth that is attracted by CCA often is highly creative and looking for a place to utilize their talent. Indonesia is worldwide known because of the creative expression of its people. However, today's Indonesian youth does not seem to be courageous enough or does not possess the required resources to express and use their creative talent. CCA stimulates young Indonesians to further express their creativity and use it to develop competitive products.

7. **SKILLS:** Maybe influenced by the high collectivistic Indonesian culture, CCA has extraordinary skills in forming a community. Bringing together relevant private, educational and governmental institutions in the region is one of the main objectives CCA is fulfilling well. By using all sorts of social media the local and national youth is reached and get interested for the project and the several creative industries. This skill is very important, since 'becoming a community' is part of the mission statement. Furthermore CCA is able to attract creative talent and bring them in contact with relevant business, educational institutions and governmental bodies. The organization is one of the few places that offer youth the possibility to utilize their talent. This will probably pay off in the future when they are grown up and still feel connected to the organization and the region.

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*Internal organization matching criteria:*

Based on the seven described aspects, an international partner of CCA should match the following criteria in order to be able to work together with CCA and to contribute in realizing their objectives.

The organization must:

- ❖ Aim on strengthening the human resources of the creative industry or creating communities, associations or other industry platforms;
- ❖ Be able to contribute to the development of the CCA project by enhancing the knowledge of industry shaping and policy management, contributing to the creation of a structured value chain, or improving the educational institutions;
- ❖ Function as an industry organization, association or society, information center, specialist or development organization active within the creative industry of animation, movies and other digital content;
- ❖ Believe to grow, and strengthening the industry by working together with, and connect to relevant stakeholders and research institutions;
- ❖ Have a strong commitment to international cooperation, and is able to take in account (organization) culture differences;
- ❖ Have staff with wide knowledge about all aspects of the creative economy and industries and offers young creative talent the opportunity to further develop themselves;
- ❖ Have, making connections between relevant organizations, building local communities and create associations to further foster projects and individuals as a priority.

### 3.5. SWOT ANALYSIS

As closure of the current or IST situation analysis of the CCA project organization the findings from the external and internal environmental analysis are combined in a SWOT-analysis. The internal strengths and weaknesses and the external opportunities and threats are listed in the table below. Per item is shown to which internal or external aspect it is related.

**Table 2: SWOT**

STRENGTHS	WEAKNESSES
<p><i>(Shared Values / Strategy / Style) Strong abilities for community building and attracting creative and motivated talent.</i> As part of the mission statement 'becoming a community' is an important aspiration for the organization. As described the community building aspect is one of the skills CCA possess. By using the network of the qualified staff and a wide range of social media, both in a formal and informal way relevant stakeholder are attracted to the project. At the same time it attracts creative youth seeking for a place to utilize their talent.</p> <p><i>(Structure / Systems) Essential organization systems; cooperation with local government, education institutions and research agencies (BPP and ITB).</i> Over the past years CCA has made several collaboration agreements with relevant external parties. This has shown the strength of make critical relations between important stakeholders in the region. These relations foster the basis of a structured value chain and the commitment of the region.</p> <p><i>(Systems / Staff) Support youth in utilizing their creative talent.</i> CCA offers support and necessary facilities for the creative youth that are attracted by the organization and seeking to utilize their talent. This has led to several digital productions, and via the Start Up Club around ten entrepreneurs has start a new business.</p>	<p><i>(Staff) Lack of knowledge concerning industry shaping and policy management.</i> The described business process shows the objective to create a structured value chain is not yet in the realization phase. The lack of knowledge in this field makes it hard for CCA.</p> <p><i>(Systems) Inadequate technical infrastructure in comparison to international standards.</i> Although CCA offers work facilities for the development of digital content the technical infrastructure is subject to improvement when compared with international standards. However, due to a shortage of financial resources, CCA is not able to obtain high tech facilities.</p> <p><i>(Strategy / System) Little international partnerships/cooperation with relevant parties.</i> The mission statement partly shows that CCA wants to compete on the international market of digital content. It is therefore essential to gain knowledge about and access to the international creative economy. Via international cooperation these knowledge and access can be obtained, which is also an objective of the CCA. Nevertheless, on the moment there is no important international cooperation that can contribute to this objective established.</p>

OPPORTUNITIES	THREATS
<p><i>(Political) Raising recognition of the importance of the creative economy among the national government.</i> In 2008 the Indonesian government presented its vision, mission, targets and road map for the development of the creative economy, including digital content disciplines. This plan is the first step in the direction of an active policy on the creative economy. In 2011 the former Ministry of Culture and Tourism has changed into the Ministry of Tourism and Creative Economy with the goal to further develop the policy on the creative economy. CCA can seize this reversal to further convince the government about the superiority of the creative industry (using the findings of UNCTAD) and the need for supportive policy in this field.</p> <p><i>(Economic / Social / Technology) Growing Indonesian consumer market which is mobile and digital driven.</i> The Indonesian consumer market is rapidly growing and becomes mobile and digital driven. Today there are 220 million mobile subscriptions in Indonesia and the internet is becoming main stream. As a result the demand for digital content will rise rapidly. CCA can benefit from this rising demand in their home country by developing domestic orientated products.</p> <p><i>(Social) Rich, unique and diverse Indonesian culture and history in combination with creative talent.</i> One of the key messages of the UNCTAD report is that at the basis of every creative industry is the individual artist. CCA can strive to combine the rich Indonesian culture with technology and entrepreneurship in order to express and utilize the unique Indonesian culture and creative talent.</p>	<p><i>(Political) Ineffective implementation of supportive government policy and Intellectual property protection/legalization.</i> Although the Indonesian government starts to recognize the importance of the creative economy, the drawn plans and laws concerning the policy on these topics is not carried out effective. The industry is infancy and needs directions on national level. As a result, capital markets are not eager to support the industry with the much needed financial resources.</p> <p><i>(Economic / Social) Competition of overseas productions and fragmented value Chain.</i> The infancy fragmented value chain of the industry makes it inferior to the international work. Besides that this makes it extremely hard to compete on the international market, it also causes a overruling of overseas productions (Hollywood, Bollywood) on the Indonesian market. The domestic audience still prefers international production above local produced movies. This constant competition limited CCA in its development.</p> <p><i>(Social / Technology) Weak creative education institutions and technical infrastructure.</i> There are only a few education institutions that offer animation and other digital content courses in which creativity, technology and entrepreneurship is combined. Therefore it is hard for CCA to gain good educated staff in the relevant field. Together with the outdated technical infrastructure in Indonesia this hinders the development of the industry.</p>

# 4. DESIRED (SOLL) SITUATION ANALYSIS OF THE CCA ORGANIZATION

Now that in the previous chapters the current or IST situation of the CCA organization is discussed extensively, and the strengths, weaknesses, opportunities and threats for the organization are clear, this chapter will give a briefly description of the desired or SOLL situation of CCA within five years. The guiding principles for the desired situation are the strategic objectives as described in chapter 1.1. *Objectives and Strategy, and the findings from the SWOT analysis*. By using the seven elements of the 7s-framework of Mc Kinsey a comparison between the current and desired situation is made in table 3 shown on the next page. The 'gap' between both situations, is the starting point for the remainder of this research.

Table 3: IST - SOLL situation comparison

CCA	CURRENT (IST) SITUATION	DESIRED (SOLL) SITUATION
SHARED VALUES	<p><i>"Become a community that creates digital content and animation".</i></p> <p>The body of thought within the organization is focused on the first part of the mission statement as mentioned above.</p>	<p><i>Become a community that creates digital content and animation that can compete on the international market by 2020."</i></p> <p>The aim to compete on the international market is implemented within the body of thought / superordinate goals of the organization, and everyone, from the management until the field workers, strive to and work for the realization of this mission statement.</p>
STRATEGY	<p>The following strategic objectives are carried out:</p> <ul style="list-style-type: none"> <li>- Become a knowledge centre in the field of creative industry shaping and policy management;</li> <li>- Become an example of creative industry shaping and industrial clustering in Indonesia</li> <li>- Convince the national government about the superiority of the creative economy;</li> <li>- Develop education programs in the field of animation and digital content</li> <li>- Create an optimal environment in Cimahi for individual artists;</li> <li>- Stimulate regional business incubation in the field of animation and digital content.</li> </ul>	<p>The objectives as described in the Current (IST) situation column are that far fulfilled, making it possible to carry out the following strategic objectives:</p> <ul style="list-style-type: none"> <li>- Create a structured value chain for the creative industry;</li> <li>- Start cooperation with relevant international parties;</li> <li>- Deliver the first animation product, that enters the international market;</li> <li>- Become the number one destination for international organizations</li> </ul> <p>Products such as small software contents for digital applications, short animations for commercials, television broadcastings and movies are developed and a first product has entered a regional international market such as Singapore, Malaysia or South-Korea. These markets are chosen because they are nearby and house important organizations (Walt Disney Singapore), language similarity (Bahasa Malaysia) flourishing entertainment industry (South-Korea).</p>



CCA	CURRENT (IST) SITUATION	DESIRED (SOLL) SITUATION
STRUCTURE	Refer to 1.2.1. <i>Structure and Communication</i>	An advisory <u>international</u> organization is added to the organization structure and fulfils a supportive role in the development of the project by advising CCA, BPPT and the (local) government.
SYSTEMS	Refer to 1.3. <i>Mc Kinsey 7s-framework 4-Systems</i>	<p>The portfolio of advisors of the CCA management (government, researchers from BPPT and universities, entrepreneurs and other business concerned stakeholders.) is extended with international advising parties and stakeholders</p> <p>The work facilities and technical infrastructure within the BITC building can meet international standards and offers creative talent the opportunity to create digital content that can compete on the international market.</p> <p>The Animation school of CCA has an improved and sustainable curriculum with an enrolment of 200 students every year.</p>
Style	Refer to 1.2.2. <i>Culture</i>	Where needed, the organization culture and leadership style are adapted, in order to be able to work in a professional way, with as little as possible intercultural struggles together with international partners.

CCA	CURRENT (IST) SITUATION	DESIRED (SOLL) SITUATION
STAFF	<p>The management team consists of relevant experienced persons originating from both the education and business world. Nevertheless there is a lack of knowledge concerning industry shaping and policy management.</p>	<p>The management is educated in the field of industry shaping and policy management. With this knowledge the CCA management advises the (local) government about the best strategic policy on the (local) creative economy.</p>
SKILLS	<p>The following skills are owned by CCA:</p> <ul style="list-style-type: none"> <li>- Strong abilities for community building and attracting creative and motivated talent.</li> <li>- Essential organization systems; cooperation with local government, education institutions and research agencies (BPP and ITB).</li> <li>- Support youth in utilizing their creative talent.</li> </ul>	<p>The Current (IST) situation skills are improved and the skills set of CCA is increased and the organization has become:</p> <ul style="list-style-type: none"> <li>- A knowledge centre in the field of creative industry shaping and policy management;</li> <li>- An example of creative industry shaping and industrial clustering in Indonesia</li> </ul> <p>With these new skills CCA can further succeed in advising the (local) government about the best policy on the creative economy. Furthermore, similar projects in Indonesia use CCA as an example in order to develop creative industries.</p>

# 5. INTERNATIONAL COOPERATION

The SOLL situation learns that international cooperation is essential for CCA to succeed in realizing its ambitions. In this chapter the selection and introduction of potential cooperation partners is discussed. First the main conclusions on the current situation and areas for improvement are listed based on the SWOT-Analysis and the described SOLL situation. Then a selection of potential partners is made and the best one is selected. This one is then further elaborated and cooperation options and assisting parties are given.

## 5.1. CONCLUSIONS ON CURRENT SITUATION AND AREAS FOR IMPROVEMENT

### **CURRENT SITUATION:**

*CCA as an organization is strong in:*

1. Building a community and attracting creative and motivated talent;
2. Possessing essential organization systems; cooperation with local government, education institutions and research agencies (BPP and ITB).
3. Offering support to youth in utilizing their creative talent.

*The main obstacles for the internal organization are:*

1. Lack of knowledge concerning industry shaping and policy management.
2. Inadequate technical infrastructure in comparison to international standards.
3. Little international partnerships/cooperation with relevant parties

*Opportunities for the organization are:*

1. Raising recognition of the importance of the creative economy among the national government.
2. Growing Indonesian consumer market which is mobile and digital driven.
3. Rich, unique and diverse Indonesian culture and history in combination with creative talent.

*Threats for the organization are:*

1. Ineffective implementation of supportive government policy and Intellectual property protection/legalization.
2. Competition of overseas productions and fragmented value chain.
3. Weak creative education institutions and technical infrastructure.

#### **CURRENT VERSUS DESIRED SITUATION**

- ❖ The mission statement has not been fully implemented in the ideas of everything and everyone in the organization. Focus is on forming a community and too little on "producing animation and digital products that can compete on the international market."
- ❖ CCA is halfway in pursuing its objectives. Fulfilling the following three objectives is not yet begun: (1) The creation of a structured value chain for the creative industries; (2) Deliver the first animation product that enters the international market (3) The becoming the number one destination for international organizations.
- ❖ There is little till none relevant international cooperation with organizations that can contribute to the development of the project.
- ❖ A good curriculum for the animation school and knowledge about industry shaping and policy management is still missing within the organization.

## 5.2. POTENTIAL PARTNERS

The exposition of the current versus the desired situation shows the need for cooperation with an international organization that mainly can contribute to the development of the project in terms of creative industry shaping and policy management with a focus on animation and digital content. Therefore a rough selection of the most relevant Dutch organizations and institutions, active in the concerned field is made. An attempt has been made to make a selection consisting of private, governmental and educational organizations that are specialized in the development of animation and digital content, industry shaping, and community/association building on municipality level. The selected organizations are considered the most relevant in their expertise. To give an example of what kind of considerations are made, the city of Hilversum could be replaced by the city of Eindhoven that has also an industrial cluster within his municipality. However that cluster is more focused on technology instead of creativity and media what is more present in Hilversum and more relevant for CCA. Also concerning the chosen education institution, HKU has been classified as the most relevant of its kind because of its pioneering status in the development of education in the field of among others animation and game design.

The selected organizations are stated below. Per candidate a short line is given why it can be a relevant potential partner. Via the scorecard showed in table 4, the organizations are tested on the basis of the seven selection criteria derived from the 7s – framework analysis made in chapter 3. Candidates appearing to have a positive score (> 0) are classified as cooperation candidates. Subsequently the responsible persons within those candidates have been approached and interviewed in order to collect primary information on cooperation options.

### ❖ ASSOCIATION OF THE NETHERLANDS ANIMATION PRODUCERS (VNAP)

VNAP forms a platform for Dutch animation producers; therefore it holds lots of information and knowledge concerning the wishes and needs of players in the industry.<sup>22</sup>

### ❖ THE NETHERLANDS INSTITUTE FOR ANIMATION FILM (NIAF)

Offers information about the industry and technology, provides an extensive database of relevant literature, and records and stimulates talent by organizing master classes and workshops.<sup>23</sup>

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<sup>22</sup> Vereniging Nederlandse Animatie Producenten (VNAP) <[http://www.vnap.nl/index\\_en.htm](http://www.vnap.nl/index_en.htm)>

<sup>23</sup> Netherlands Intsitute for Animation Film <<http://www.niaf.nl/en/education/>>

#### ❖ CITY OF HILVERSUM

Within the municipality of Hilversum the 'Mediapark' which houses most of Dutch television broadcasters and producers is located, making the city specialized in industry shaping and clustering in the field of digital content, media and television.<sup>24</sup>

#### ❖ HKU UNIVERSITY OF THE ARTS UTRECHT

HKU University of the Arts Utrecht is one of the largest universities of applied sciences in the arts in the Netherlands and Europe and has gained relevant experience in the field of research collaboration related to the creative industries, including creative media design (animation, film and music).<sup>25</sup>

#### ❖ IL LUSTER

Founded in 1997 il Luster has become the biggest producer of animated short films in the Netherlands, winning many awards on international film festivals. The company is involved in both independent and commissioned films and series, with activities ranging from concept and consultancy to writing, production and distribution.<sup>26</sup>

#### ❖ VNG INTERNATIONAL

VNG provides capacity building services to strengthen local governments, their associations, training institutes and decentralization task forces both in developing countries and countries in transition. They build on existing experience, with high quality services such as benchmarks, tools for tax collection and handbooks. VNG International is the international cooperation agency of the Association of Netherlands Municipalities.<sup>27</sup>

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<sup>24</sup> Gemeente Hilversum, Creatieve sector: Nota Hilversum met beide benen in de media valley <[http://www.hilversum.nl/Ondernemen/Economisch\\_beleid](http://www.hilversum.nl/Ondernemen/Economisch_beleid)>

<sup>25</sup> HKU, University of the Arts Utrecht < <http://www.hku.nl/web/English.htm>>

<sup>26</sup> il Luster < <http://www.illuster.nl/>>

<sup>27</sup> VNG International <<http://www.vng-international.nl/about-us.html>>

Table 4: Internal Matching Criteria Scorecard



= STRONG MATCH (+2)

= MATCH (+1)

= NO MATCH (-1)

= NO MATCH AT ALL (-2)

	VNAP	NIAF	CITY OF HILVERS UM	HKU	IL LUSTER PRO.	VNG INT.
THE PARTNER MUST:						
1. Aim on strengthening the human resources of the creative industry or creating communities, associations or other industry platforms;						
2. Be able to contribute to the development of the CCA project by enhancing the knowledge of industry shaping and policy management, contributing to the creation of a structured value chain, or improving the educational institutions;						
3. Function as an industry organization, association or society, information center, specialist or development organization active within the creative industry of animation, movies and other digital content;						
4. Believe to grow, and strengthening the industry by working together with, and connect to relevant stakeholders and research institutions;						
5. Have a strong commitment to international cooperation, and is able to take in account (organization) culture differences;						
6. Have staff with wide knowledge about all aspects of the creative economy and industries and offers young creative talent the opportunity to further develop themselves;						
7. Have, making connections between relevant organizations, building local communities and create associations to further foster projects and individuals as a priority.						
SCORE	2	6	0	14	-2	1

As appears from the scorecard, four potential partners show a positive score ( $>0$ ). With a score of 14, HKU is by far the organization that matches the criteria most, followed by respectively the Niaf, VNAP and VNG International. A comprehensive explanation of the scorecard can be found in [Appendix 2](#). All organizations with a positive score are named cooperation candidates. On the basis of the matching criteria and their background a statement about in what manner they can contribute to the CCA project while at the same time benefit from cooperation is made. Subsequently these statements are tested via qualitative research in form of interviewing the responsible persons within those organizations. This will lead us to the necessary empirical evidence that can confirm the statement or not. Eventually, after the interviews, HKU seems to be the perfect partner for CCA, which the scorecard also implies. Brief interview reports can be found in [Appendix 1](#).

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#### *HKU, University of the Arts Utrecht*

Educational related organisations seem to have the most potential to become a partner of CCA since their core business is research and education, i.e., gain and provide knowledge. One of the largest and leading universities of applied sciences in the arts, HKU, University of the Arts Utrecht, has been approached to propose cooperation possibilities with CCA. There was a direct positive response, and a further discussion about the possibilities followed. In a later stage the Embassy of the Kingdom of The Netherlands in Jakarta has also been introduced with the project, and they are willing to discuss its possible contribution to the project and the establishment of cooperation with HKU. In the following paragraphs the HKU will be described more in full, and it will be clarified why HKU is an adequate partner for CCA. Furthermore the benefits, objectives and cooperation options for both parties will be discussed.



### 5.3. HKU, UNIVERSITY OF THE ARTS UTRECHT

HKU, University of the Arts Utrecht is one of the largest universities of applied sciences in the arts in the Netherlands and Europe and has gained relevant experience in the field of research collaboration related to the creative industries, including creative media design (animation, film and music). During their study at HKU, students work on projects assigned by third parties. Students learn how to set up networks and forge relationships with other artists and creative entrepreneurs, and are given the opportunity to work directly in professional practice.

As a result, HKU students develop interesting and innovative products during and after their studies<sup>28</sup>. Also experience within an international context is important for students and will give them new knowledge about different markets and working methods in their field of interest. International cooperation with relevant parties gives HKU access to new projects and knowledge concerning creative industries worldwide. HKU seeks to make critical connections between educational, research and industry-based activities, and offers a challenging and stimulating educational environment that rewards curiosity and experimentation. These connections can strengthen the position of a knowledge centre in the field of creative education. Therefore cooperation with the Cimahi project can be interesting.

Concerning international cooperation and involvement in development projects with creativity as the guiding principle, the HKU has some impressive experience. Marjanne Paardekooper (Coordinator International projects HKU) and dr. Jan IJzermans (Associate Professor HKU & Director HKU Centre for Research and Innovation) wrote together a Project Proposal on Supporting the Development of the Creative Industries in Zambia, *The establishment and development of a Creative Media Academy, a Projects Bureau and a Centre for Living Culture*. This proposal is included in an UNCTAD following up report in cooperation with the national government of Zambia.<sup>29</sup> In Tanzania HKU students, together with staff and students of TaSUBA, created the first Tanzanian short animation movie with the topic of cultivation methods for the local farmers. Looking at HKU's track record, it seems likely that they can contribute to the Cimahi project. The animation school that CCA has opened in June / July 2013 needs a curriculum in which creativity, technology and entrepreneurship are combined. The experience of HKU in this field can certainly support the development of a curriculum amongst other areas that need to be developed. Combining the needs and sources of both CCA and HKU the following forms of cooperation can be put forward.

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<sup>28</sup> In February 2013, HKU alumni Erik Jan de Boer wins an Oscar for visual effects of the partly animated big screen movie 'Life of Pi'

<sup>29</sup> UNCTAD, Creative Industries Country Studies Series: No. 1: Strengthening the Creative Industries for Development in Zambia

### 5.3.1. COOPERATION OPTIONS

#### ❖ INTERNSHIPS

As part of their study, HKU students can fulfil an internship in Cimahi. This gives the students a possibility to expand their view by gaining international experience, HKU holds the view that a direct individual experience in another cultural, educational and artistic setting is a very powerful and useful element in the development of a person's growth and enhances the innovative potential. International student mobility, especially for industrial placements and projects, is a direct and important way to achieve this goal. At the same time these internships will provide CCA the possibility to work with and use knowledge and skills of western education students within their organization. This will contribute to the internationalisation process of CCA and can improve their knowledge concerning animation and digital content. Also it contributes to a cohesive network and it will bind international student from the relevant field to Indonesia's creative industry.

#### ❖ PROJECT EXCHANGE AND LIVING LABS PHILOSOPHY

HKU's 3<sup>rd</sup> and 4<sup>th</sup> year curriculum holds semester commissioned student projects that are relevant for students to obtain work experience in their field of interest. In line with this, CCA can provide HKU students projects that give the students the opportunity to gain experience in how to set up networks and forge relationships with other artists and creative entrepreneurs in an international context. At the same time it can help CCA in developing digital content that can compete on the international market.

Based on its institutional profile, educational philosophy, knowledge and expertise, HKU is constantly developing new models for collaboration in the - so-called - Quadruple Helix. This helix consists of multidisciplinary cooperation projects between universities, enterprises, government agencies and civil society organizations. They work together on design solutions for societal themes contributing to innovation, economic development or human wellbeing. The Living Lab philosophy is one example and promotes a unique transnational or trans-regional education, research and design environment. Including the Quadruple Helix as part of the HKU Internationalization Strategy optimizes the possibilities to involve its partner institutions abroad and to attract international students and staff to join the educational and research projects. Living Labs project are characterized by its way of bringing together the relevant organizations focused on one theme. For example in 2013 a consortium of Dutch Universities of Applied Sciences in collaboration with several Indonesian universities created the The Living Lab Logistics Indonesia – NL (LLLI).<sup>30</sup> In this case the project was focused on logistics. A similar project could be The Living Lab Creative Industries Indonesia – NL is a perfect way for both HKU and CCA to give its cooperation a direction and attract other relevant stakeholders.

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<sup>30</sup> Living Lab Logistics <<http://www.livinglablogistics.com>>

### ❖ RESEARCH AND STAFF EXCHANGE

In order to improve, update and share the knowledge and expertise of HKU staff in an international context, back and forth lecture and staff exchange can be part of the cooperation. HKU lectures can conduct research and provide lectures what will give them new experience in their working field. On the other hand HKU can welcome CCA representatives who can provide lectures or workshops about their working field and environment in Indonesia, which will also give HKU students in the Netherlands the opportunity to gain knowledge about the Indonesian creative industry.

### ❖ RESEARCH COLLABORATION RELATED TO THE CREATIVE INDUSTRIES

To strengthen its already long track record in this field, HKU can actively contribute to the development of the creative industrial cluster in Cimahi, by using their experience in creating a structured value chain in which private, education and governmental related parties work together. CCA has started its first animation course this year with an intake of around 100 students. HKU is the perfect institution that can improve and fine-tune this animation course so that it becomes the necessary basis of a good fluctuating value chain. HKU can take a active roll as an adviser on creative industry shaping and policy management for the CCA management.

### ❖ NETWORK BUILDING

HKU has excellent ties with other Indonesian creative and art institution as well as with the Embassy of the Netherlands in Jakarta. CCA can become part of and benefit from this network.

### 5.3.2. ASSISTING PARTIES

In the context of the possible cooperation between CCA and HKU the Embassy of the Kingdom of the Netherlands in Jakarta is informed about CCA and its objectives. The Netherlands embassy in Jakarta has a very important position when it comes to the international culture diplomacy of the Netherlands. With a partly shared history, strong trade relations and an important development aid connection the Netherlands is a prominent international partner for Indonesia, and mutually. The shared heritage makes the creative economy a relevant field of interest. This is also evident when looking at the embassy in Jakarta which shares ground with the Erasmus Huis. This institute is the Dutch cultural centre that represents the culture of the Netherlands outside the country. The centre not only pays attention to the Dutch culture, but also gives Indonesian artists the opportunity to perform or exhibit their work, and it stimulates to combine Dutch and Indonesian culture.<sup>31</sup> In addition, in February 2013, the Dutch Minister of Foreign Affairs Frans Timmermans visited his Indonesian colleague Minister Marty Natalegawa in order to underline the strong relations both countries have with each other, and to discuss the bilateral cooperation agenda including culture and education. The visit can be seen in the light of a mutual commitment to achieve optimum relations. Preparations for the visit of Prime Minister Rutte later that year were also made.<sup>32</sup> It can be stated that the Dutch government recognizes the growth of the Indonesian economy and the need for good cooperation on all levels. The CCA project is a good opportunity for Dutch parties to get involved in, benefit from, contribute to and strengthening the development of Indonesia and its relation with the Netherlands. An actively involved Netherlands embassy within the Cimahi project paves the road to new cooperation and will ease the establishment of one with HKU. Create a cohesive network of institutions is one of the objectives of the embassy. Therefore CCA and HKU can strengthen each other by working together with these organizations:

- ❖ **DUTCH CULTURAL CENTRE - ERASMUS HUIS:** The cultural centre of the Netherlands in Jakarta with a focus on musical programs and exhibitions. The Erasmus Huis is not only a showcase for Dutch culture, but is also a home for Indonesian art & culture. Two HKU students will attend the Erasmus Huis International Film Festival starting in October 2013.
- ❖ **DUTCH CHAMBER OF COMMERCE - INDONESIA NETHERLAND ASSOCIATION (INA):** Official Benelux Chamber of Commerce in Indonesia. The association aims to facilitate, encourage and support business cooperation between Indonesia, the Netherlands, Belgium and Luxembourg, and services more than 250 members.

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<sup>31</sup> The Erasmus Huis in Jakarta, <<http://erasmushuis.nlmission.org/erasmus-huis>>

<sup>32</sup> Timmermans Frans. The Government of the Netherlands. Ministry of Foreign Affairs. Kamerbrief met verslag recent bezoek Timmermans aan Indonesië.

- ❖ **ISI – INDONESIA INSTITUTE OF ARTS IN YOGYAKARTA:** Important art education institute in Indonesia and counts over 2500 students spread over three faculties: Performing arts, Visual arts and Multimedia faculty.
- ❖ **IKJ JAKARTA – JAKARTA INSTITUTE OF THE ARTS:** Important art education institute especially for the film and television industry with a number of around 1000 students spread over three faculties: Visual arts, Performing arts and Film and Television faculty.
- ❖ **ISI – INDONESIA INSTITUTE OF ARTS IN SURAKARTA (SOLO):** Art University specialized in dance education.
- ❖ **YOGYAKARTA STATE UNIVERSITY, FACULTY LANGUAGE AND ART:** The faculty houses eight departments and offers eleven study programs, including foreign and local language study programs.

# 6. CONCLUSION AND RECOMMENDATIONS

HKU, University of the Arts Utrecht is unequivocally the best partner for CCA to cooperate with.

In light of the expressed by BPPT and CCA desire to gain an international organization to cooperate with, while contributing to the realization of the vision of CCA, its strengths, weaknesses, opportunities and threats of the organization have been made clear. (see chapter 3.)

CCA appears to be strong in building a community, and the offering support to the youth in utilizing their creative talent in a growing Indonesian consumer market driven on mobile and digital products. This and the rich, unique, and diverse Indonesian culture, in combination with creative talent must be the perfect situation for forming a cluster of creative industries, stimulating the Indonesian creative economy.

However, international assistance is needed, due to the lack of knowledge and sources concerning industry shaping and policy management, the tough competition of overseas productions, a fragmented value chain, and its weak creative education institutions.

The constructed framework of selection criteria allows for assessing potential cooperation partners as to whether they are suitable for cooperation.

HKU matches all the assessment criteria. It, moreover, has a long track record in international research collaboration concerning the creative industries and economy in developing and transition countries worldwide. Main reasons for this result are that, as an educational institution in the field of creative disciplines; strengthening the human resources of the creative economy can be seen as the core business of HKU. Furthermore their staff conducts research in all aspects of the industry, making it a center of valuable knowledge. In addition, HKU has an impressive track record when it comes to creative industry shaping in developing and transition countries. In several African countries and India, the university participated in research projects with local governments, private enterprises and educational institutions on developing creative industries. Besides all these knowledge HKU possess valuable sources in form of a huge network, educated students, and qualified staff that are able and willing to cooperate with CCA. This statement has been confirmed via interviewing the responsible representative within the HKU.

After interviewing the responsible persons within the four organizations having a positive score with respect to the assessment criteria, HKU still stands out as the best partner, since it is very positive about a possible cooperation.

Five of the possible cooperation options have been discussed and further elaborated: Internships; Project exchange and living lab philosophy; Research and staff exchange; Research collaboration related to the creative industries; and Network building. (see paragraph 5.3.1.)

The 7s-framework of Mc Kinsey has been the instrument to map out the SOLL situation of CCA, which briefly describes the situation CCA aspires to have reached in 2020. The seven aspects of this framework have been used also to determine and to describe the directions cooperation between CCA and HKU could take, and its possible objectives.

In the following table, the seven aspects are used again to describe these objectives. Per objective is indicated which instrument or cooperation option can be used in realizing it. This table shows all the foreseen objectives regardless its executing time, which will be discussed in *chapter 6.1 Term Strategy*.

**Table 5. Cooperation objectives**

ASPECT	OBJECTIVE	INSTRUMENT
SHARED VALUES	The cooperation with HKU has put in motion an internationalization process within the internal organization of CCA. Both the management and the staff do now have the opportunity to get in contact with experts and students from HKU, making it possible to implement the aim (and second part of the mission statement) to compete on the international market within the body of thought / superordinate goals of the organization.	INTERNSHIPS  RESEARCH AND STAFF EXCHANGE  NETWORK BUILDING
STRATEGY	With the long track record of HKU in developing creative industries in developing and transition countries, the cooperation will contribute to the creation of a structured value chain for the local creative industry. HKU researchers will work on a plan that can be executed by CCA. Then the next step is the production of the first digital content (small software contents for digital applications, short animations for commercials, television broadcastings or movies) that enters the regional international markets Singapore, Malaysia or South-Korea. This will raise attention in the international world and will help in becoming the number one destination for international organizations.	RESEARCH COLLABORATION RELATED TO THE CREATIVE INDUSTRIES  RESEARCH AND STAFF EXCHANGE

ASPECT	OBJECTIVE	INSTRUMENT
STRUCTURE	<p>HKU will be added to the organization structure as an advisory partner and fulfils a supportive role in the development of the project by advising CCA, BPPT and the (local) government on industry shaping and policy management.</p>	<p>NETWORK BUILDING</p> <p>RESEARCH COLLABORATION RELATED TO THE CREATIVE INDUSTRIES</p> <p>RESEARCH AND STAFF EXCHANGE</p>
SYSTEMS	<p>The cooperation with HKU provides excess to high quality knowledge and sources that are used in the development of the animation school and the value chain.</p> <p>Via three process periods (see <i>chapter 6.1. Term Strategy</i>) the SOLL situation is reached and the systems work as follows:</p> <p>In 2020, a creative industrial cluster emerged. The animation school supplies each year 200 skilled / talented student. The start-up club of CCA supplies each year 10 new enterprises that form the basis of the value chain. Universities and the bigger production studios in Bandung and Jakarta see CCA and its projects as a breeding ground for creative talent. On a constant basis CCA delivers digital products to partners in Singapore, Malaysia and South Korea. In this way, international attention is aroused, and occasionally products are developed for the Western market. Cimahi is seen as the center of animation and digital products in Indonesia and (inter)national organizations active in the sector are attracted to Cimahi.</p>	<p>LIVING LAB</p> <p>RESEARCH COLLABORATION RELATED TO THE CREATIVE INDUSTRIES</p> <p>RESEARCH AND STAFF EXCHANGE</p>

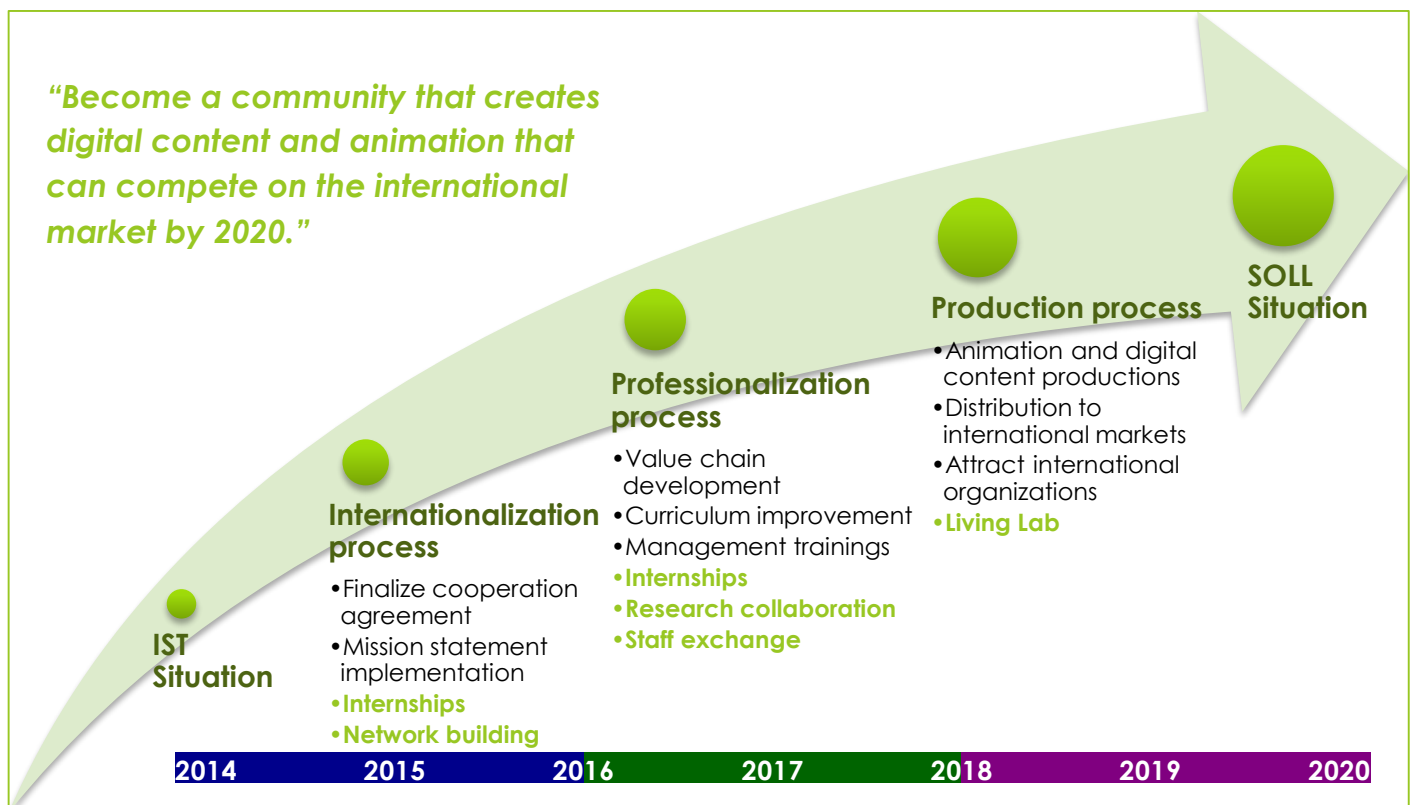


ASPECT	OBJECTIVE	INSTRUMENT
STYLE	The cooperation with HKU has made CCA common with the Western organization culture. The organization is aware of intercultural problems that can appear caused by differences in for example power distance and individualism/collectivism.	ALL FORMS OF COOPERATION
STAFF	HKU's knowledge concerning creative industry shaping and policy management in that field is shared with the management of CCA, making it possible to optimize their activities and attract more creative and talented youth.	RESEARCH AND STAFF EXCHANGE
SKILLS	Through the cooperation with HKU on several levels, CCA has gained sufficient knowledge to become a knowledge center and example in the field of creative industry shaping and policy management in Indonesia.	ALL FORMS OF COOPERATION

## 6.1. TERM STRATEGY

Now that is clear how the seven internal aspects need to be developed during the cooperation between HKU, it is necessary to come up with a term strategy on how to execute the several objectives. Figure 6 shows a timeline including three processes, respectively: internationalization process, professionalization process and productions process. The timeline starts at the current IST situation in 2014 and leads the organization through the three phases to reach eventually the desired SOLL situation in which CCA has become a community that creates digital content that can compete on the international markets in 2020. Each process shows several itemized key activities followed in blue by the cooperation instruments that need to be used during the process. Below, the three processes are described more comprehensively. The financial sources that are needed for the cooperation are not given in this research. The cooperation instruments that are described already include activities that HKU is executing already; this means budgets for those activities are present within HKU. This is also the case for CCA that has a budget for international cooperation. In other words this strategy attempts to build upon existing processes of the parties that are already covered by an intern budget. How the allocation of the costs is going to be, and who will be responsible for it the role of both parties themselves.

Figure 6: Timeline 2014 - 2020



### 6.1.1. INTERNATIONALIZATION PROCESS

**Executive period:****2014 – 2016****CCA objective:**

*To internationalize the organization and implement the entire mission statement; obtain, via international partners and projects, access to knowledge and sources that are necessary to start the professionalization process.*

**Instruments:**

*Internships and network building*

**Role of HKU:**

*To occasionally visit CCA in order to finalize cooperation agreements and connect CCA to other HKU partners and projects (Dutch Embassy, art universities etc.) in Indonesia. Offer its students placement opportunities and project involvement at CCA.*

Internationalization is needed in order to gain the necessary knowledge to start the professionalization process of the organization. The required knowledge can only be obtained via an international organization since it is not available in Indonesia. During this process the cooperation agreement (including financial agreements) between HKU and CCA need to be finalized, HKU can be added to the organization structure as an advisory body, fulfilling a supportive role in the development of the project.

When this step is taken the *internal* internationalization process can begin in order to implement the aim (and second part of the mission statement) "to compete on the international market" within the body of thought / superordinate goals of the organization. This is mainly the task of the CCA management. However, placing internship student from HKU on the working floor can increase the international awareness among the CCA staff. In addition this will give the organization the opportunity to work together with persons that have a different cultural background. In this process the challenge is to overcome intercultural problems that may appear, which makes the organization stronger in its approach to the international market (*refer to paragraph 3.3.3. Culture*) Besides that network building through HKU is a cooperation instrument that needs to be used during this process. CCA can be brought in contact with the Embassy of the Netherlands in Jakarta and the several organizations as listed in *paragraph 5.3.2. Assisting parties*. Overall this phase can be seen as: gathering the right partners and sources to implement the right direction of the organization, in order to make it ready for the professionalization process.

## 6.1.2. PROFESSIONALIZATION PROCESS

**Executive period:**

**2016 – 2018**

**CCA objective:**

*To create a detailed plan on how to develop a structured value chain and the animation school curriculum. Train and educate its staff in the field of industry shaping and policy management, in order to prepare them for conducting the strategy plan.*

**Instruments:**

*Internships, research collaboration and staff exchange*

**Role of HKU:**

*To give its students (Art and Technology and Art and Economics) the opportunity to complete their graduate research on projects in Cimahi focused on the development of the organization and the cluster. Furthermore HKU's professors and researchers must start research collaboration with CCA and its partners on determine a final strategy on the development of a creative economy. At last HKU must welcome CCA staff to train and professionalize them in Utrecht.*

During the internationalization process the foundation for the professionalization process of the organization has been laid. The mission statement is implemented in whole and a coherent network has been formed. All necessary knowledge is now accessible for CCA and during this phase it will be executed on the project. The main activities in this important phase are the development of a structured value chain, improvement of the animation school curriculum and training of the CCA staff and management.

In this phase the internships within CCA can be more focused on creative industry shaping instead of internationalization. This can create graduate research topics in Cimahi for HKU students. These internships can be combined with research collaboration between HKU researchers and, for example, researchers from BPPT and IBT. As mentioned before the researchers from HKU were involved in several projects in the field of industry shaping in both developing countries such as Zambia and transitions countries like India. This professionalization period is a perfect occasion for HKU to increase its track record. Eventually this internships and research collaboration will provide a plan and strategy in more detail on how to structure the value chain and improve the curriculum, making it ready to start the production process. At the same time the involvement of the CCA management and staff in these research and mutually staff exchange will improve the knowledge of them concerning industry shaping and policy management, which is essential for being able to conduct the developed plan and strategy.

At the end of this process the foundation for the development of products that can compete on the international market on a constant base is laid and the step to the production and distribution process can be made.

### 6.1.3. PRODUCTION PROCESS

**Executive period:**

**2018 – 2020**

**CCA objective:**

*To produce and distribute digital content to the regional international market (Singapore, Malaysia or South-Korea). Gain recognition both national and international as being the center of animation and digital content production in Indonesia.*

**Instruments:**

*Living Lab*

**Role of HKU:**

*As being one of the parties involved in the Living Lab project, HKU will be responsible to select capable students and staff that will join the project. Together with CCA the HKU will be the main organizing institution of the project and will therefore have an important task the completion of the Living Lab project proposal, including the recruitment of relevant participants.*

The internationalization process has led to access to essential knowledge and sources. Then the professionalization process has implemented and executed these knowledge and sources in and on the organization, making it prepared to realize its ambitions. This last phase is an executive phase in which production and distribution are central. Eventually this will result in a product that can compete on the regional international market (Singapore, Malaysia, or South-Korea). Furthermore this last phase will increase awareness both in Indonesia and the international world, making CCA to become a knowledge centre and example of creative industry shaping and industrial clustering in Indonesia. On its turn, it makes easier for CCA to convince the national government about the superiority of the creative economy and the need for a supportive policy.

The cooperation instrument used in this phase is the encompassing Living Lab project. This so-called Quadruple helix cooperation model consists of multidisciplinary cooperation projects between universities, enterprises, government agencies and civil society organizations. They work together on design solutions for societal themes contributing to innovation, economic development or human wellbeing. When applying the composition of involved parties on this project the following consortium can be created:

- ❖ Universities – HKU AND ITB
- ❖ Enterprises – INDONESIAN AND DUTCH ANIMATION STUDIOS
- ❖ Government agencies – BPPT, CIMAHI MUNICIPALITY, THE NETHERLANDS EMBASSY
- ❖ Civil society organizations – CCA

Theme of this Living Lab should be the production and distribution of digital content in Indonesia with a focus on industry shaping in Cimahi. For the involved Dutch organizations it can create access to markets they were not yet active on in Asia. For CCA this project can be the initiation of its development process and the realisation of its ambition to in reach the following situation:

## 6.2. IDEAL FINAL SITUATION

When the term strategy executed, and the CCA organization been through the three described processes in 2020, a cluster of creative industries in Cimahi has emerged. Ideally it will look as follows:

- First of all, HKU has become an indispensable partner for CCA, and both parties strengthening each other through intensive cooperation. Throughout the whole year, students of HKU fulfill their internships at CCA or a CCA related party. In addition, every quarter staff from HKU is visiting CCA to maintain and improve collaboration opportunities. CCA staff members travel to Utrecht on a regular base and attend training and courses at HKU.
- The living lab project that was focused on the production of Indonesian animation and digital content and the distribution of these products to the regional international market has led to permanent contracts with production studios in South-Korea, Singapore or Malaysia.
- In addition, after the internationalization and professionalization process of the CCA community, the living lab project was the last step in making the Indonesian government to recognize the importance of the creative economy.
- As a result CCA gets full support of the national government, and therefore Cimahi becomes Indonesians undisputed center for animation and digital content. From that moment CCA has become an information center and example of creative industrial clustering in Indonesia and will take the lead in the development of the national creative industry.
- The animation school has been professionalized and combines technology, creativity and entrepreneurship in its curriculum, as a result over 200 skilled / talented students graduate each year.
- The Start-Up Club of CCA supplies each year ten new young entrepreneurs. This young business man and women and the talented and good educated students do attract private investors to the region.
- Major production studios from Bandung and Jakarta get interested and open an office in the Baros district.

### 6.2.1. CCA AND HKU AFTER 2020

Throughout the three processes described before, CCA and HKU have intensively worked together in several ways in order to pursue CCA's objectives and mission statement of becoming a community that creates animation and digital content that can compete on the international market. The items listed above show where the collaboration has led to. After six years, starting at the IST situation, the SOLL situation has been reached. One could say CCA and its cooperation with HKU has been successful. The market is interested and CCA's job is done; an industrial cluster has been formed. Basically CCA's activities and cooperation with HKU can be determined.

It must be stressed on the other side, however, that CCA can keep function as an interest group and information center for all stakeholders in the industry and the Cimahi cluster. To strengthen the image of Cimahi as a center of animation and digital content, CCA can start its own broadcasting brand, making possible to label products with for example: *A Cimahi*

Movie. Anyhow, CCA can continue focusing on the internationalization process of the Indonesian creative economy. The cooperation with HKU and the connection with the Netherlands Embassy can open doors towards the European and Western market. The promotion of Cimahi as an outsource location for Dutch or European producers can be a new activity of CCA. So, it is essential that CCA has to adapt its future activities when approaching this ideal situation in which its current vision has become reality.

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#### *Towards complementary cooperation*

At the same time the cooperation with and the role of HKU should be looked at again. Now that CCA has become more and more an organization that can function on its own, a collaboration with HKU in which last mentioned fulfils an advisory roll may not be needed anymore. In this new situation the relationship between both parties may be able to change to a more equivalent one, in which they complement instead of advising each other. CCA and other organizations within Cimahi can continue offering internships and project to HKU students which supports both. The educational institutions in Cimahi can still cooperate with HKU and student exchanges can be arranged. This complementary form of cooperation enables both parties to keep up the good ties while at the same time they can operate individual. It will also allow HKU to use its knowledge and sources in other project in order to continue developing creative economies worldwide.

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- Van Risseeuw, Anne-Lies (Senior Project Manager, VNG International) Telephone Interview. 11 Apr 2013.



# APPENDIX 1.

## INTERVIEW REPORTS

### **Crone, Ton (Chairman NIAF & VNAP) Telephone Interview. 11 Apr 2013.**

Since 1993 Mr. Ton Crone is producer and chairman of the NIAF, and later also of the VNAP. In his work focus is on talent development and promotion of Dutch animation. The scorecard has shown that both NIAF and VNAP had a positive score. Therefore, the objective of this telephone interview was to determine whether NIAF or VNAP indeed are a potential partner for CCA.

After an introduction of the CCA, the interviewee was given the following: Since the role NIAF fulfils within the Dutch animation film industry is the one CCA aims to fulfil in the future for the local industry and eventually for the industry in Indonesia. Therefore, by sharing their expertise about being an information and expertise centre for an animation film industry, NIAF can definitely contribute to the development of CCA. At the same time, it is clear that the NIAF can benefit from a cooperation with an organisation as CCA. At this moment, CCA is a major key organisation in the development of the Indonesian animation industry. Cooperation with CCA can give access to the still in its infancy, but developing Indonesian animation industry, and create new opportunities for Dutch animators who are looking for new markets and opportunities overseas. The Indonesian consumer market is growing fast, and social media including digital content are characteristic drivers for Indonesian consumers. Members of the NIAF can start with outsource basic activities to Cimahi, which can function as learning materials for CCA, and reduce production costs for Dutch producers. Knowledge provided by CCA about entering the Indonesian market, local business ethics, and the course of events can strengthen NIAF's activities in storing and communicating relevant information, and stimulating innovation and new distribution channels.

As an answer NIAF has indicated not being interested in expanding their relations and network to Indonesia on the moment. To clarify whether Dutch private animation producers are interested in cooperation, the interviewee was whether the sister organisation of the NIAF the Association of the Netherlands Animation Producers / Vereniging Nederlandse Animatie Producenten (VNAP) or its members (Dutch Animators) are interested in a cooperation that can create new international opportunities for them. This question was taken into account, and more information about the CCA project was provided. However after follow-up contact, this did not lead to a first meeting or introduction.

### **Van Risseeuw, Anne-Lies (Senior Project Manager, VNG International) Telephone Interview. 11 Apr 2013.**

Ms. Anne Lies van Risseeuw is Senior Project Manager Asia, Sub Sahara Africa & Latin America. The objective of this telephone interview was to determine whether VNG International can be cooperation partner for CCA.

The tenth objective of CCA reads: Provide development information for industrial clustering based on ICT. The goal is to support the Cimahi government during their process in developing a creative industrial cluster. Knowledge from third parties or other local governments can contribute to the realisation of this objective. Looking at the activities and objectives of VNG International, the organisation can be considered as one that can support CCA and the local government in their policy forming process concerning creative industrial clustering. VNG International aim is to support local governments in both developing and transition countries. A cooperation with CCA in which VNG International is active in

strengthening the local Cimahi government therefore can be considered as interesting for VNG International. In the context of this research the organisation was approached to propose the project. Unfortunately, at this moment, VNG International does not start new projects of this kind in Indonesia was concluded at the end of the conversation.

**Paardekooper, Marjanne (Coordinator International Projects University of the Arts Utrecht, HKU). *Personal Interview*. 07 May 2013 Centraal Bureau HKU, Utrecht**

Ms. Marjanne Paardekooper is coordinator International Projects at the HKU, University of the Arts Utrecht. Furthermore she is responsible for the acquisition of international partners and projects. The interview topics below were handed to her one week before the interview:

#### **International projects / cooperation HKU**

- International policy
- Motives, objectives and benefits
- Forms of projects/cooperation

#### **International Partners**

- Realization/acquisition international cooperation/partners
- Requirements and criteria
- Coordination international projects

#### **HKU as a partner**

- What does the HKU have to offer?
- Role of students, professors and other staff
- How do international partners benefit from cooperation

#### **CCA project**

- First impression CCA
- Possibilities for HKU
- Cooperation form
- Possible

During this first encounter with HKU an introduction of CCA and HKU was given. The interview has revealed that HKU is positive about possible cooperation with CCA. The project in Cimahi is inspired by the UNCTAD research on creative industries and therefore interesting for the HKU. Emphasized is that the UNCTAD report describes the context in which this project takes place, and that at the basis of a good functioning value chain is the creative individual and culture. When it comes to this, Indonesia is a step ahead. Concerning international cooperation and involvement in development projects with creativity as the guiding principle, the HKU has some impressive experience. The interviewee and Dr. Jan IJzermans (Associate Professor HKU & Director HKU Centre for Research and Innovation) wrote together a Project Proposal on Supporting the Development of the Creative Industries in Zambia, The establishment and development of a Creative Media Academy, a Projects Bureau and a Centre for Living Culture. This proposal is included in an UNCTAD following up report in cooperation with the national government of Zambia. In Tanzania HKU students, together

with staff and students of TaSUBA, created the first Tanzanian short animation movie with the topic of cultivation methods for the local farmers.

Research involvement and collaboration as in the described example above could be one of the cooperation instruments. During the interview also other forms of cooperation were discussed, such as, internships, network building, staff exchange and a living lab project. However, main conclusion of the interview was that, to get a cooperation of the ground an encounter between HKU and CCA had to take place. As a result of this interview the first encounter took place on 23th of May 2013 in Cimahi and Bandung:

### **Report Meeting 23 May 2013, HKU lecturer visit to Cimahi & Bandung**

#### **1<sup>st</sup> meeting, between Lecturers HKU (Utrecht School of the Arts) and CCA (Cimahi Creative Association)**

**Datum: 23 May 2013, 15.00—18.00.**

**Place: Baros IT Creative Center Cimahi**

**Facilitator/ moderator by HS Prabowo & Oni Bintoro from BPPT (Badan Pengkajian dan Penerapan Teknologi)**

#### *Meeting Participants:*

1. Mr. Hans Timmermans, senior lecturer Computer Music & Music Technology.
  2. Mr. Gerard van Wolferen, senior lecturer Computer Music & Music Technology
  3. Mr. Piet Hein van de Poel, senior lecturer
  4. Mr. Rudy Suteja, CCA Chairman
  5. Mr. Budi Raharja, Kepala Dinas Kopindagtan Kota Cimahi
  6. Mr. Agung Darajatun, Art Director, Head of Animation Division CCA
  7. Mr. Dodi Darsiyar, CCA Member
  8. Mr. Herwanto Prabowo, BPPT
  9. Mr. Oni Bintoro, BPPT
- 
1. The meeting opened at 15.00 by Mr. Oni Bintoro, the meeting welcomed the arrival of two experts from the universities of the Netherlands to Cimahi, BPPT do intermediation and facilitation for the initiation / partnership talks with both parties together, witnessed by Head Department of Trade, Industry and SME, as representatives of the Government Cimahi representatives (Mr Budi R).
  2. Mr Hans Timmermans, Senior Lecturer at Utrecht School of the Arts, Composer of Electroacoustic Music, Music Software Developer incl. Animation, Game, and Creative Design. Mr. Gerard van Wolferen, Project Leader of the Creative Design for Inclusion Research Program at Hogeschool voor de Kunsten, Utrecht. Both senior lecturers from HKU are specialized in music technology that is an important part of animation and movies production. They gave video demonstration on various achievements of HKU students and lecturers. HKU (Utrecht School of the Arts), is an important creative education institution in Europe which has long and relevant experience in the field of research concerning creative products, including animation. The curriculum of HKU largely consist of "real" projects provide by companies or third not HKU related parties in order to let the student gain experience in working on realistic and relevant projects. This has led to that during and after their study HKU students develop interesting and innovative products. Also experience within an international context is important for students and will give them new knowledge about different markets and working methods in their field of interest. International cooperation with relevant parties gives HKU excess to new projects and knowledge concerning creative industries worldwide. These connections can strengthen the position of knowledge center in the field of creative education.

3. Mr. Rudy S & Mr. Agung D gave their response by explaining CCA activities. CCA (Cimahi Creative Association) is working hard on the development of a creative industry in Cimahi in which animation and movies are the main priorities. Since the founding in 2008 many activities are held and lots of products are made. The BITC building is the centre of the projects and houses good facilities for the development of all kind of creative activities including animation. On local base the CCA has become an important community in their field of interest and also on national level they become more and more known. The project is included within the governments' Master Plan for the Acceleration and Expansion of Indonesian Economic Growth. At this moment the CCA is the most important project in the development of the animation industry within Indonesia. In order to develop the creative industry, knowledge and resources are needed, also from international parties that have much and relevant experience in the field concerned.
4. This encounter between HKU professors and the CCA/BPPT are the starting point of further exchange of knowledge and resources. A sort of cooperation in the future can be interesting for both HKU as CCA. On both sides objectives and desires concerning international policy has been discussed. Possible collaboration in the area of music technology topics can be related to the interests of both parties and their international interests. Within the CCA the music technologies area needs special attention in order to make successful animation and movies products. Hans Timmermans and Gerard van Wolferen can explain to the CCA management what are the main aspects of this topic and can give advice, since both are international experts in that field. As described above for both the HKU and the CCA, possible international cooperation is important. There are four (4) possible cooperation:

1<sup>st</sup> option:

CCA needs International connections in order to develop to gain knowledge about the forming of creative industries. HKU has international connections in order to gain knowledge about markets and creative industries worldwide. CCA can visit HKU for short courses in the area of music technology.

2<sup>nd</sup> option:

HKU representatives can visit CCA in order to give short courses about the animation/creative industry or music technology. HKU can provide CCA students and knowledge about international creative industries.

3<sup>rd</sup> option:

HKU can help CCA in making the curriculum for the new community college (two year college) in Animation and game industry which will start on June 2013 with 100 student's intake. In which way both parties can work together in developing a curriculum for long term collaboration.

4<sup>th</sup> option:

During visits to Indonesia, HKU lecturers can give guest lectures at CCA and can visit possible placement students. CCA can provide student internships/placements, facilities, knowledge about the Indonesian market and culture.

The possibilities of other option of collaboration can be discussed when both parties see the advantageous of a cooperation. The parties that need to be included are: Director General of Higher Education, Ministry of Education, Indonesia, Ministry of Tourism and creative industries, Dutch Embassy and NUFFIC (Nuffic is the Netherlands organisation for international cooperation in higher education).

This is the news that CCA publish in their social media forum (3000 members).

### Irvan Sp

23 mei'13 kunjungan team lecture dari utrecht school of art holland drs.gerard van wolferen, hanstimmermans,Msc, MMus, dan kepala dinas perindustrian pa Budi @CCA menjajaki peluang kerjasama pendirian sekolah atau college bidang creative digital di cimahi



### **Report Meeting 23 May 2013, HKU lecturer visit to Cimahi & Bandung**

**2<sup>nd</sup> meeting, between Lecturers HKU (Utrecht School of the Arts) and KID (Komite Inovasi Daerah) Cimahi.**

**Date: 23 May 2013, 19.30—23.00.**

**Place: Hotel Sawunggaling, Jln. Sawunggaling 13, Bandung**

#### *Meeting Participants:*

1. Mr. Hans Timmermans, MSc, MMus, senior lecturer Computer Music & Music Technology
2. Mr Drs Gerard van Wolferen, senior lecturer Computer Music & Music Technology
3. Mr. Dr. Richard Mengko, Cimahi Innovation Committee, ITB senior lecturer
4. Mr. Dr-Ing Suhardi, Head of Incubation and Commerce, Cimahi Innovation Committee, ITB senior lecturer
5. Mr. Oni Bintoro, MBA, MBI, MSc, Dr (can) researcher at BPPT, SBM ITB Lecturer
6. Mr. Herwanto Prabowo, M.E. researcher BPPT.

#### *Not present:*

1. Dr Itoc Tochija, Mayor of Cimahi (2002-2007, 2007-2012), member of Cimahi Innovation Committee (KID).

The meeting opened at 15.00, the meeting welcomed the arrival of two experts from the universities of the Netherlands to Cimahi, BPPT do intermediation and facilitation for the initiation / partnership talks with both parties together. Cimahi Innovation Committee were represented by Dr Richard Mengko and Dr ing Suhardi.

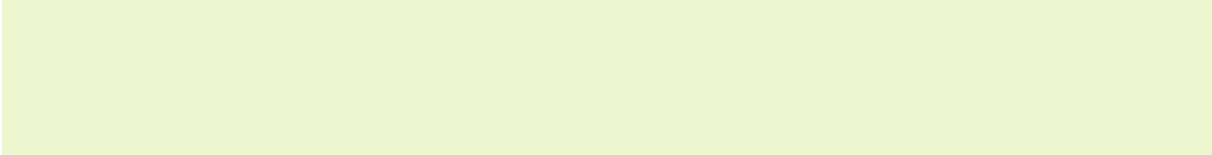
Oni Bintoro presented the 4 possible cooperation that had been discussed in the 1<sup>st</sup> meeting above.

KID has indicated their intention to invite HKU representative to participate in international animation festival that will be held in October 2013 at Baros, Cimahi. HKU representative agreed that will be in good direction and it will explore the possibility.

BPPT suggested that if Cimahi is looking for 'sister city' collaboration with one city in the Netherlands, it should be with Hilversum, Dutch media city, where the school of muziek technology of HKU is located.

The participant, by consensus, agreed that participation in international festival in October will be explored, with the seminar 'creative industry perspective' from HKU and/or Dutch institution. It shall also be planned to have an agenda of signing "memorandum of understanding" (MOU) between Cimahi and HKU.

















Some follow ups: Both Dutch lecturer will meet with the Dutch embassy to get more responses and will discuss with HKU board of director. Cimahi will also follow up with relevant stakeholder for preparing of Animation festival and signing of MOU.

Vriendelijke groet,  
Herwanto Prabowo,  
Oni Bintoro







# APPENDIX 2.




## EXPLANATION ON SCORECARD









Aspect 1.	<b>Aim on strengthening the human resources of the creative industry or creating communities, associations or other industry platforms.</b>
VNAP 	<p><i>To look after the interests of its members - the animation producers - and to help bring about and export animation productions for all media formats and stimulate the animation industry in the Netherlands.</i></p> <p>This is the purpose of the VNAP. It shows that it forms an industry association aims on strengthening the industry. However it is not especially focused on the strengthening of the human resources, it's enough to get the highest score on this aspect.</p>
NIAF 	<p>On of the three working pillars of NIA reads: stimulate talent by organising master classes and workshops for animation filmmakers and lecturers, aimed at promoting expertise in the field. Furthermore the institute functions as a knowledge and education centre. It offers information about the industry and about the technology, and it provides an extensive database of relevant literature and records.</p> <p>This working method and aim of NIAF makes it gets the highest score on this aspect.</p>
City of Hilversum 	<p>Although the city of Hilversum is home to many relevant organizations in the field and it therefore forms a knowledge centre as well, it can not be said it is its aim to do so. Therefore it does not get a positive score on this aspect.</p>
HKU 	<p>As an educational institution in the field of creative expertise's, strengthening the human resources can be seen as the core business of HKU. Furthermore HKU staff conducts research in all aspects of the industry making it a center of valuable knowledge. It is therefore it gets the maximum score on this aspect.</p>
Il Luster Productions 	<p>As a private enterprise this organizations does not aim on strengthening the human resources of the whole industry. The interest of the sector will always be in second place after its own interests. That is way it gets a negative score.</p>
VNG International 	<p>Although VNG International aims on forming associations and strengthening communities, the organisation is not focused on the development of the creative industry in particular. That is the reason why it gets a negative score.</p>
Aspect 2.	<b>Be able to contribute to the development of the CCA project by enhancing the knowledge of industry shaping and policy management, contributing to the creation of a structured value chain, or improving the educational institutio</b>

<p>VNAP</p> <p></p>	<p>-The VNAP forms a network of animation producers that comes together every two months and where members advise and inform each other.</p> <p>- The VNAP organises supporting activities like seminars, presentations and talks, and other ways of exchanging information about Dutch productions and about producing animation nationally as well as internationally.</p> <p>These are two working methods of the VNAP that indicate that the organization shares and rise knowledge concerning animation productions. Since this knowledge is particularly focussed on production, it gets a one plus and not the full score on this aspect.</p>
<p>NIAF</p> <p></p>	<p>As an institute that functions as a knowledge and education centre it offers information about the industry and about the technology, furthermore it provides an extensive database of relevant literature and records. All this knowledge can be used in the development of a creative industry and related policy management. Nevertheless it does not have experience in the development of new industries; therefore it does not get the full score.</p>
<p>City of Hilversum</p> <p></p>	<p>The city of Hilversum houses many broadcasters and television productions business. It is home to the so called Mediapark, which is a industrial cluster for media, entertainment and technology. The municipality of Hilversum tries to create a excellent business climate for this sector by implementing supportive policies and attract relevant stakeholders. This working method is in line with the aim of CCA and the city of Hilversum. Therefore on this aspect the city of Hilversum gets a full score.</p>
<p>HKU</p> <p></p>	<p>HKU has an impressive track record when it comes to creative industry shaping in developing and transition countries. In several African countries as well as in India the university participated in research in collaboration with local governments, private enterprises and educational institutions on developing creative industries. This experience could perfectly be shared with CCA, which is way it gets a full score.</p>
<p>Il Luster Productions</p> <p></p>	<p>As a private enterprise the organization is not focused on industry shaping and the development of a structured value chain.</p>
<p>VNG International</p> <p></p>	<p>The focus of VNG international is on the strengthening local government and therefore not on the development of industries and value chains.</p>

Aspect 3.	<b>Function as an industry organization, association or society, information centre, specialist or development organization active within the creative industry of animation, movies and other digital content.</b>
VNAP 	<i>Association of the Netherlands Animation Producers</i>  The name of the organization says it all. This organization is the main association when it comes to animation productions. Therefore it gets the highest score on this aspect.
NIAF 	The NIAF is seen as the most important interest representation for the Dutch animation film industry and is therefore a relevant association when it comes to the development of digital content.
City of Hilversum 	Although the city of Hilversum definitely is a knowledge centre for the industry it is not the municipality itself that holds all the sources and knowledge. The organizations, such as the HKU, that are active in the city hold it. Therefore Hilversum gets a negative score on this aspect.
HKU 	As one of the largest universities of applied sciences in the arts in the Netherlands and Europe and with lots of relevant experience in the field of research collaboration related to the creative industries, including creative media design (animation, film and music), HKU can definitely be seen as an information centre and development organization within the industry. Resulting in a maximum score.
Il Luster Productions 	As the biggest producer of short animation films in the Netherlands the organization is a specialist in the field, holding plenty of valuable knowledge and sources. Highest score because of its specialism.
VNG International 	VNG International is a development organization but not active within the creative industry, resulting in a negative score.
Aspect 4.	<b>Believe to grow, and strengthening the industry by working together with, and connect to relevant stakeholders and research institutions.</b>

<p>VNAP</p> <p></p>	<p>- The VNAP plays an active role in the promotional policy towards Dutch broadcasters, festivals, film theaters and funds concerning more production and screening possibilities for animation.</p> <p>- The VNAP takes part in the 'Federatie Filmbelangen' (The Netherlands Federation of Film Professionals). The animation producers now have a vote and a seat in the Federation Council.</p> <p>These two working methods show VNAP tries to create a coherent network to improve the industry. Nevertheless it is mainly focused on the commercial interests of the industry and not the education etc. Therefore it does not get the full score.</p>
<p>NIAF</p> <p></p>	<p>As the umbrella organization of the VNAP, and as main expertise and information centre for the industry we can say NIAF actively works together with and connects relevant stakeholders within the industry. That is way NIAF gets full score on this aspect.</p>
<p>City of Hilversum</p> <p></p>	<p>The city of Hilversum does not get a positive score since this aspect is not one of there core activities. Hilversum tries to create an environment in which these connections can be made, but does not directly contribute in making these connections.</p>
<p>HKU</p> <p></p>	<p><i>...HKU seeks to make critical connections between educational, research and industry-based activities...</i></p> <p>As one of the most important educational institutions it is essential HKU has good relations with every relevant party within the sector. The quote as mentioned above shows HKU tries to do so. Therefore it gets the highest score.</p>
<p>Il Luster Productions</p> <p></p>	<p>As member of VNAP and a specialist in the field, the organization regular joins educational events and festivals in order to stimulate and improve the industry. Since it is focussed on own interest and not by definition on those of the industry it does not get the full score.</p>
<p>VNG International</p> <p></p>	<p><i>..VNG International provide capacity building services to strengthen local governments, their associations, training institutes and decentralisation task forces...</i></p> <p>Although this is not focused on the development of a creative industry, it can be a topic of a project of VNG International. Before the organization has join in projects on the development of certain sectors in countries. Making relevant connections is priority in their work. Therefore it gets a full score.</p>

Aspect 5.	<b>Have a strong commitment to international cooperation, and is able to take in account (organization) culture differences.</b>
VNAP 	Look after the interest of its members in the Netherlands. Concerning international issues there is no direct policy.
NIAF 	Is focussed on the Dutch industry. Also aims on contributing to the promotion and distribution of Dutch animation abroad, but this is just a side activity. Therefore it gets a negative score.
City of Hilversum 	Sister cities or international cooperation between municipalities more and more becomes an uneconomic matter. Also the city of Hilversum does not start new international partnerships anymore.
HKU 	Spread around the world HKU has relevant partners and cooperation agreements with educational, private and governmental organizations. Via research collaboration, project involvement, internships and staff exchange HKU staff and students are active worldwide on a constant base.
Il Luster Productions 	Il Luster Productions cooperate with some international partners; nevertheless they do not have a strong commitment to international cooperation.
VNG International 	As it is the 'international' section of the domestic VNG, al activities of this organization are focused on international collaboration. Therefore it gets the highest score.
Aspect 6.	<b>Have staff with wide knowledge about all aspects of the creative economy and industries and offers young creative talent the opportunity to further develop themselves.</b>

VNAP 	As society of animation producers the staff or members of this organization does not have knowledge about all aspects of the creative economy. It is limited to their own situation and Dutch animation industry.
NIAF 	The NIAF is focussed on animation film and is not home to experts in the field of the creative economy in the whole. Therefore it scores not positive.
City of Hilversum 	Within the city of Hilversum work experts in creative economy shaping. It is essential for the municipality that it creates a supportive environment for the creative industries and that it attract talents in that field. It is not for nothing HKU has one of its faculties located in Hilversum.
HKU 	Staff of the HKU actively participates in research on creative economy shaping worldwide. Experts from HKU travel around the world to consult other institutions active on the topic. At the same time it attracts and educates young talent. As result it gets the highest score on this aspect.
Il Luster Productions 	Have staffs with wide knowledge about the development of its product. When in it comes to the creative economy as a whole the knowledge is limited.
VNG International 	Since the creative economy or industries is not linked to one of their core activities the staffs does not possess much knowledge about it. Therefore it gets the lowest possible score.
<b>Aspect 7.</b>	<b>Have, making connections between relevant organizations, building local communities and create associations to further foster projects and individuals as a priority.</b>
VNAP 	VNAP makes connections between relevant stakeholders within the industry. Nevertheless foster projects and individuals is not their priority. Their activities are more focused on represent the interests of their own members. Therefore the VNAP get a negative score on this aspect.
NIAF 	With the trainings and workshops organized by NIAF creative individuals are attracted and educated in order to further develop themselves. In addition NIAF promotes distribution of Dutch animation in the Netherlands and abroad. So, stated can be hat NIAF has foster project and individuals as a priority. Result: positive score



City of Hilversum 	<p>The described priority of this aspect is not a core business of the City of Hilversum. Nevertheless, when we look to the contribution of a municipality in the development of a industrial cluster within their city man can say making connections between relevant parties is one of their activities. The city of Hilversum creates a business climate in the city that attracts and connects organizations active in the concerned field. Local communities and associations are offered support by the city in order to create an infrastructure of relevant parties. Therefore it gets a positive score on this aspect.</p>
HKU 	<p><i>HKU seeks to make critical connections between educational, research and industry-based activities, and offers a challenging and stimulating educational environment that rewards curiosity and experimentation.</i></p> <p>The sentence mentioned above perfectly indicates why HKU gets the highest score on this aspect. HKU connects aims to connect all relevant parties within the industry with each other and offers projects and individuals the opportunity to foster themselves via their education programs.</p>
Il Luster Productions 	<p>Il Luster Productions off course has as a priority to foster their projects and staff. However they do not make critical connections between relevant parties within the industry other than working together with their own partners. So, no positive score on this aspect.</p>
VNG International 	<p><i>VNG International supports decentralisation processes and facilitates decentralised cooperation. They provide capacity building services to strengthen local governments, their associations, training institutes and decentralisation task forces both in developing countries and countries in transition. They build on existing experience, with high quality services such as benchmarks, tools for tax collection and handbooks.</i></p> <p>One of the core priorities of CCA is to assist and advice the local Cimahi government to create a supportive policy on the creative economy and how to attract and connect relevant parties. VNG International's activities are focused on these aspects and contribute in connecting relevant parties and foster projects and individuals in a certain area the municipality has to deal with. In this case it could be the creative industry.</p>

# APPENDIX 3.

HOFSTEDE: IND. VERSUS NED

The merged text below is authored by Geert Hofstede and is published a part on his website which can be reached via the following addresses:

IND: <http://geert-hofstede.com/indonesia.html>

NED: <http://geert-hofstede.com/netherlands.html>

### Powerdistance

This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us. Power distance is defined as *the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally*.

**IND:** Indonesia scores high on this dimension (score of 78) which means that the following characterises the Indonesian style: Being dependent on hierarchy, unequal rights between power holders and non power holders, superiors in-accessible, leaders are directive, management controls and delegates. Power is centralized and managers count on the obedience of their team members. Employees expect to be told what to do and when. Control is expected and managers are respected for their position. Communication is indirect and negative feedback hidden. High Power Distance also means that Indonesian co-workers would expect to be clearly directed by the boss or manager – it is the classic Guru-Student kind of dynamic that applies to Indonesia. Westerners may be considerably surprised with the visible, socially acceptable, wide and unequal disparity between the rich and poor.

**NED:** The Netherlands scores low on this dimension (score of 38) which means that the following characterises the Dutch style: Being independent, hierarchy for convenience only, equal rights, superiors accessible, coaching leader, management facilitates and empowers. Power is decentralized and managers count on the experience of their team members. Employees expect to be consulted. Control is disliked and attitude towards managers are informal and on first name basis. Communication is direct and participative.

### Individualism

The fundamental issue addressed by this dimension is *the degree of interdependence a society maintains among its members*. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist societies people belong to 'in groups' that take care of them in exchange for loyalty.

**IND:** Indonesia, with a low score of (14) is a Collectivist society. This means there is a high preference for a strongly defined social framework in which individuals are expected to conform to the ideals of the society and the in-groups to which they belong. One place this is visible clearly is in the aspect of the Family in the role of relationships. For example, In Indonesia, if one wishes to marry, it is important to meet a woman's family because the family is so important to her. If a man wants to be taken seriously by a woman, he has to visit the latter's family and introduce himself formally to the parents of the girl. It is inappropriate to court a woman and formalize the relationship without informing the parents of the girl first. Another example of collectivist culture of Indonesia is in the equation between child and parent

Indonesian children are committed to their parents, as are the parents committed to them all

their growing lives. Their desire is to make their parents' life easier. There is a desire to take care of parents and give them support in their old age. There is an Asian saying that is accepted in Indonesia, "You can get another wife or husband but not another mother or father". This family loyalty is also apparent in the fact that Indonesian families keep elders (such as grandparents) at home instead of sending them to any institution. In individualistic societies the focus is on the nuclear family only.

**NED:** The Netherlands, with the very high score of 80 is an Individualistic society. This means there is a high preference for a loosely-knit social framework in which individuals are expected to take care of themselves and their immediate families only. In individualistic societies offence causes guilt and a loss of self-esteem, the employer/employee relationship is a contract based on mutual advantage, hiring and promotion decisions are supposed to be based on merit only, management is the management of individuals.

### **Masculinity**

A high score (masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school and continues throughout organisational behaviour. A low score (feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. *The fundamental issue here is what motivates people, wanting to be the best (masculine) or liking what you do (feminine).*

**IND:** Indonesia scores (46) on this dimension and is thus considered low Masculine. While not entirely like most North European countries who are very low in Masculinity and thus considered Feminine, Indonesia is less Masculine than some other Asian countries like Japan, China and India. In Indonesia status and visible symbols of success are important but it is not always material gain that brings motivation. Often it is the position that a person holds which is more important to them because of an Indonesian concept called "gengsi" – loosely translated to be, "outward appearances". It is important that the "gengsi" be strongly maintained thereby projecting a different outward appearance aimed at impressing and creating the aura of status

In feminine countries the focus is on "working in order to live", managers strive for consensus, people value equality, solidarity and quality in their working lives. Conflicts are resolved by compromise and negotiation. Incentives such as free time and flexibility are favored. Focus is on well-being, status is not shown. An effective manager is a supportive one, and decision making is achieved through involvement. In contrast, Masculine countries and to an extent lower Masculine countries that do not score too low on the scale to be called Feminine countries, display the traits of the Masculine societies but in a lesser degree.

**NED:** The Netherlands scores 14 on this dimension and is therefore a feminine society. In feminine countries it is important to keep the life/work balance and you make sure that all are included. An effective manager is supportive to his/her people, and decision making is achieved through involvement. Managers strive for consensus and people value equality, solidarity and quality in their working lives. Conflicts are resolved by compromise and negotiation and Dutch are known for their long discussions until consensus has been reached.

### Uncertainty avoidance

The dimension Uncertainty Avoidance has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. *The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these* is reflected in the UAI score.

**IND:** Indonesia scores (48) on this dimension and thus has a low preference for avoiding uncertainty. This means that there is a strong preference in Indonesia toward the Javanese culture of separation of internal self from external self. When a person is upset, it is habitual for the Indonesian not to show negative emotion or anger externally. They will keep smiling and be polite, no matter how angry they are inside. This also means that maintaining work place and relationship harmony is very important in Indonesia, and no one wishes to be the transmitter of bad or negative news or feedback. Another aspect of this dimension can be seen in Conflict resolution. Direct Communication as a method of conflict resolution is often seen to be a threatening situation and one that the Indonesian is uncomfortable in. A tried and tested, successful method of conflict diffusion or resolution is to take the more familiar route of using a third party intermediary, which has many benefits. It permits the exchange of views without loss of face as well as since one of the main manifestations of Indonesia's uncertainty avoidance is to maintain the appearance of harmony in the workplace; an intermediary removes the uncertainty associated with a confrontation.

Perhaps one very key phrase in Indonesia that describes how this works is "Asal Bapak Senang" (Keep the Boss Happy). The reason is multifold; but if you extrapolate to UAI dimension you can see that keeping the boss happy means you will be rewarded and if you are rewarded you have no economic or status uncertainty as you will keep being a valuable member of the company.

**NED:** The Netherlands scores 53 on this dimension and thus exhibits a slight preference for avoiding uncertainty. Countries exhibiting high uncertainty avoidance maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas. In these cultures there is an emotional need for rules (even if the rules never seem to work) time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted, security is an important element in individual motivation.