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FOREWORD

Digital world is constantly changing and it seems to affect our lives and work in a dramatic and somehow unpredictable way. New skills and competencies are required and more than ever our learning efforts must be equally distributed between old, traditional and new knowledge, more abundant and diverse, far from what we've learned before and beyond any imagination a decade ago.

Performance at work is redefined in such a way that has no connection at all with what was expected from us at the beginning of our working life. We have been trained to use our knowledge to solve problems, now we need to be trained to use machine learning systems to deal with complex problems and to rely on artificial intelligence when it comes to understanding our digital world and its diverse connection with our real life.

The Fourth Industrial Revolution is about how digital technologies have changed our lives, our society and of course our experiences at work. These changes are visible in many countries and impact every company and are linked with a new workforce who is culturally diverse, narrow specialized in new IT technologies and more demanding in terms of mobility. Companies should have something really interesting to offer in the long term to retain this workforce enough to benefit from their outstanding productivity. For example, in *Predictions for 2017: Everything is Becoming Digital*, Bersin by Deloitte observes that the need to "be digital" is forcing organizations to completely rethink ways to manage, engage, lead and develop people.

The new digital world of work is transforming people, companies and the society through new tools that make us more efficient, constantly connected to others and strongly focused on results and deeply immersed into the virtual reality. The profile of the digital worker is constantly changing, for most of them learning is taking place in virtual spaces, mediated by computers, in parallel with solving current tasks; specialization becomes narrow and oriented to the future rather than to solving current tasks. In this work environment, performance is as important as "happiness at work". Working life is understood differently, money is not enough motivator and people are responsive to a lot of other motivational drivers: prestige, recognition, self-esteem, work status. Sometimes good communication is vital, team cohesion and performance depend on the ability of workers to think, work and perform as a complex and efficient body.

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Happiness at work becomes an increasingly appealing research topic among human resources specialists, firm managers or academics looking for new methods to support and foster performance at work. Over the years, scholars and executives alike have been obsessed with increasing their employees' productivity. In particular, happiness as a way to boost productivity seems to have gained increased attraction lately.

Recent studies reveal that in order to be happy at work, we need three things: (1) to feel that we are making a difference; (2) to see the link between our work and our vision for the future; and (3) great relationships.[1]

Closing in a positive manner, we believe that JEDEP authors make a difference through valuable content and interesting ideas shared with all our readers, we really think there is a tight link between our work to promote Open Access to knowledge and our vision about the future of knowledge sharing, and definitely believe that we are contributing to establishing great relationships and we are looking for solutions to create and maintain a JEDEP network of authors and readers.

Enjoy our content and we hope to bring you, dear reader, inspiration and willingness to contribute to our next issues.

Editor-in-chief,

Prof. Manuela Epure, PhD

[1] Annie McKee – Take this Quiz in order to figure out how to be happier at work, Harvard Business Review, 13 Oct.2017, retrieved at https://hbr.org/2017/10/take-this-quiz-to-figure-out-how-to-be-happier-at-work

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Discourses of leadership change or changes of leadership discourse?

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Abstract. *The present study focuses on the discursively performed leadership during periods of transition and change in the context of competition-driven organizations. It explores discourses of leadership in a diachronic perspective, scrutinising the ways in which they construct and re-construct corporate and culture-related identities. Drawing on interviews and press conferences with several CEOs of two multinational companies, Nokia (Finland) and Ericsson (Sweden), an investigation of the challenges of leadership branding was carried out in a discourse-analytical and pragma-rhetorical perspective. Particular emphasis has been placed on systematically comparing the presentations in letters to employees by the CEOs of Nokia and Ericsson. This comparative study provides evidence for the internal and external challenges underlying leadership discursive construction and re-construction aimed at ensuring a consistent interconnectedness between a company's values and its competitive qualities.*

Keywords: eadership, discourse, change, Nokia, Ericsson, values, identities

JEL Codes: M1, M21

1. Introduction

In many business organizations, people are becoming increasingly aware that there is an interdependence between organizational outcomes and the impact of leadership discourses (Putnam and Fairhurst 2001; Clifton 2012). This is particularly noticeable in times of change, which is one of the few certainties an entrepreneur can count on in business. Change comes in different forms and even a minor change can have big consequences, where there is a fine line between success and failure.

A significant paradox can be noticed in current research on leadership. While theories of leadership convincingly show that leadership is a distributed and participative process rather than the individual action undertaken by any one person, considerable attention is equally being paid to influential leadership discourses widely circulated in the traditional media, social media and the public sphere, which continue to focus on the profile, role, (mis)behaviour, (in)actions and (un)successful communication skills of the CEO, who is ultimately held responsible and accountable for 'doing' leadership that amounts to change, success or failure of the company. It is particularly symptomatic that nowadays the multilayered leadership performance of a CEO – both discourse-shaped and discourse shaping – is under continuous scrutiny,

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internally (by board members, collaborators, subordinates) and externally (by shareholders, competitors, customers, business analysts, media reporters).

The words, phrases, feedback and statements expressed by CEOs are quickly noticed and perceived as the externally directed voice, vision and view of the company. This is why it is relevant to note the emergence and development of the 'leadership-as-practice' (L-A-P) movement (Carroll et al. 2008; Raelin 2016a), according to which leadership is conceived of as a practice rather than as residing in the traits or behaviours of particular individuals. The L-A-P approach resonates with closely related leadership traditions, such as collective, shared, distributed and relational leadership. For Raelin, leadership becomes evident when agency appears as a constraint to structure: "Using such resources as self-consciousness and deliberation, agents can use individual and collective reflexivity to overturn the historical contexts and expectations imposed on people and institutions" (p. 5). Although agency is normally exhibited during everyday routines, it becomes more visible during moments of crisis, indeterminacy or uncertainty. An individual's idea or thought may spur other members of the organization to start a creative initiative, to find a way out in a critical situation or to overcome unexpected challenges or disruptions.

2. Aim and focus of the study

The present study examines the interrelatedness between organisational change and leadership-enacted discourses, by focusing on two telecommunication companies, Nokia and Ericsson. In both cases, there is a continuous and deliberate search for a way to revolutionise the concept of IT through the development of competitive, highly performing leadership and organisational teams, motivated through strongly articulated commitment discourses. Drawing on presentations and mission statements of CEOs of two Nordic multi-national companies, Nokia (Finland) and Ericsson (Sweden), a comparative analysis of the challenges of enacting participative leadership is carried out from a discourse-analytical and pragma-rhetorical perspective.

The focus of the present study is on the discursively constructed and publicly displayed performance of CEO leadership in the context of competition-driven organizational change. It explores the focus, scope and essence of discourses of leadership in a comparative perspective, scrutinising the ways in which they contribute to constructing and reconstructing organisational and culture-related identities. From an analytical perspective, CEO leadership practices of Nokia and Ericsson are examined as a communicational, relational and context-sensitive phenomenon that is enacted and re-enacted through discursive practice.

Both companies are known to have started with a strong link to their respective national identity, but overtime they have often displayed shifting discursive leadership strategies in the national and international context. Nokia is part of the modernisation process of Finnish society and related to a strong national narrative of catching up, while Ericsson represents the continuation of a proud industrial tradition where Swedes for decades have been a most advanced nation (Lindén 2012). Doing leadership, this has been a cornerstone in the process of discursively and interactively articulating the intermittent re-contextualisation and re-invention of these two companies, has at times worked differently in the two cases, in terms of innovative change and competitive advantage. This comparative study exposes stereotypes and counter-stereotypes, providing evidence for the internal and external challenges, as well as the personal and interpersonal dynamics that underlie leadership discursive construction and reconstruction aimed at ensuring a consistently adaptive interconnectedness between a company's values and its competitive qualities.

3. Discourse-Driven Change in Business Organisations

The process of social change raises questions about causal relations, interdependencies, transitional processes, innovative problem-solving, strategic decision-making, all of which construct and get articulated through discourses (Berger and Luckmann1966). Examining discourses emerging in connection with organisational change enables us to connect particular conceptualisations and representations of leadership in terms of prerequisites, end-goals and relations of power.

Adopting a systemic leadership approach, Beerel (2009) starts from the assumption that organisations are expected to grapple with change at all levels all the time. They break or recreate new paradigms that do not follow a classic cycle path. As a result, she views leadership as fundamentally concerned with the process of change. John P. Kotter, renowned for his work on leading organisational change, found that unsuccessful transitions almost always fail during at least one of the following phases: generating a sense of urgency, establishing a powerful guiding coalition, developing a vision, communicating the vision clearly and often, removing obstacles, planning for and creating short-term wins, avoiding premature declarations of victory, and embedding changes in the corporate culture (Kotter 1988, 1996). Processes of social and institutional change construct and get articulated through discourses of change and changes of discourse. As has been pointed out by Fairhurst and Putnam (2004), organisations may be seen in a perpetual condition of becoming through the ways in which the properties of discourse shape organising. Important transformations often occur when an organisation has a new CEO who is supposed to be an effective leader and to be able to engage in dialogue and communicate appropriately the unavoidability and/or the need for a major change.

4. Theoretical Approaches to Discourses of Leadership

A notion of agency relevant to this study was developed by Emirbayer and Mische (1998), who see it as a temporally embedded process of social engagement, and at the same time as a variable and always changing phenomenon. The temporality of agency is manifest in the way social actors display different temporal orientations towards past, present, future since in concrete instances of action all three elements are present, although usually one of them predominates. A discursive perspective on agency conceptualisation (Emirbayer and Mische 1998; Fairhurst and Connaughton2014) and on L-A-P (Raelin 2016a, b) underpins the overarching research question of the present analysis: In what ways and to what extent do discourses of leadership and agency overlap interact and co-construct shared meanings?

Since discourses are socially and contextually co-constructed (Phillips and Hardy 2002), they arise through the interplay of discourse, text, and context. In this respect, socio-pragmatics (Leech 1983; Thomas 1983) offers relevant analytical tools for a context-sensitive approach to patterns and norms of language use, for example, as they are instantiated in the realisation of speech acts (Austin 1962;Searle 1969, 1975).

In order to scrutinise and compare the ways in which discourses of leadership are articulated in the Swedish and the Finnish company, respectively, it is necessary to examine how organisational, cultural and (inter)personal context-specific factors determine particular linguistic choices, and primarily the nature and

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force of the speech acts and the corresponding agency-related pronominal forms. Significant aspects of speech act performance are degree of (in)directness, audience involvement and speaker–audience relationship. In particular, the speech acts performed in discourses of leadership can be seen to sometimes reinforce and at other times challenge stereotypical representations of organisationally, interpersonally and culturally situated discursive leadership practices.

Although theorists set forth several categories of speech acts (e.g. assertive, declaratives, expressive, directives, commissives), many studies on organisational discourse have focused particularly on directives or speech acts meant to bring about a particular state of affairs (Hill and Jones 1992;Heracleous and Marshak 2004). As the present analysis will show, the speech acts used in CEO leadership discourses tend to display a much greater diversity and multi-functionality.

5. Leadership Practices at Ericsson and Nokia

During their long history, the two Nordic sister companies, Ericsson and Nokia, came to be seen as "the industrial projections of national identity" (Hayward 1995,p. 2). Over time, Ericsson and Nokia have been close partners in the advancement of mobile phone technology based on the Nordic standard of NMTand later the pan-European GSM that led the fields of different competing standards. The success stories of the two companies often followed converging, but sometimes also diverging, directions.

Nokia—Discourse of Leadership and Change

By 1998, Nokia's focus on telecommunications and its early investment in GSM technologies had made the company the world's largest mobile phone manufacturer, a position it would hold for 14 consecutive years. After periods of Finnish and Canadian leadership, in 2014the India-born Rajeev Suri (who first joined Nokia in1995, working across the board from production to handling key divisions), was appointed as CEO of Nokia. Under his leadership, Nokia is developing into software and services company that will compete with the likes of Ericsson, Huawei and Google. The most recent acquisitions, the French Alcatel-Lucent, positions Nokia as an innovation leader in next-generation technology and services.

Ericsson – Discourse of leadership and change

The so-called 'Swedishness' of Ericsson was often stereotypically emphasized by board and leadership team members, especially when recruiting a new CEO. A case in point was the recruitment process in 2002 when the board was looking for a new CEO. The chairman Michael Treschow was searching for a Swede since, in his opinion, Ericsson is a Swedish company with a Swedish management and a Swedish culture (Karlsson & Lugn 2009). The new CEO recruited in 2003 was indeed a Swede, Carl-Henric Svanberg, who successfully introduced a more informal behaviour and more relaxed leadership communicative style. Hans Vestberg, an international Swede who had management positions for Ericsson in China, Brazil, Mexico and the US, was appointed CEO in January 2010.He actively promoted diversity and inclusion as the basis for innovation and success. In July 2016, Hans Vestberg had to resign, after facing pressure to step down as the company was struggling with profitability in a period of slowing demand and intense competition. Vestberg's leadership discourse style is the focus of the present investigation.

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Value-based leadership – Ericsson and Nokia

Ericsson and Nokia organisational cultures are each guided by a set of core values in their ways of doing business, making decisions, and overall ways of acting, behaving and communicating internally and externally.

On its website, Ericsson indicates three core values: Respect. Professionalism. Perseverance. They are described as the core values that define Ericsson culture and guide those working for the company in their daily work and in the way they do business.(https://www.ericsson.com/about-us/our-vision)

The Nokia core values are similarly described on the company's website as "designed to guide our decisions, our way of working and the responsibility we have towards our customers and other stakeholders." (http://company.nokia.com/en/about-us/our-company/our-values). Four values are listed and accounted for as embraced by all employees and executives at Nokia:

Respect – We treat each other with respect and we work hard to earn it from others.

Achievement – We work together to deliver superior results and win in the marketplace.

Renewal – We invest to develop our skills and grow our business.

Challenge – We are never complacent and perpetually question the status quo.

A parallel can be drawn between the sets of core values that guide the two companies. The first of the two sets of core values – Respect – is identical for the two companies and is based on a fundamental ethical principle shared by both companies. What actually make the difference between the two companies are Nokia's last two core values: Renewal & Challenge, which point to basically encouraging and fostering an innovative and challenging spirit in the Nokians.

For obvious reasons, all these core values are widely used as recurring keywords in both internal and external company documents, CEO letters and statements, press releases, a.s.o., and thereby they play an important role in both reflecting and shaping discursively each of the two corporate cultures, as well as their respective leadership styles and practices. At the same time, it is worth noting that they also contribute to spreading common stereotypes about Swedish and Finnish culture-specific business strategies and corporate leadership styles, which may sometimes lead to unfounded overgeneralisations.

6. Stereotypes and Counter-Stereotypes of Nordic Leadership —the Finnish and Swedish case studies

The obvious historical similarities between Finland and Sweden have often led to overgeneralisations about an undifferentiated 'Scandinavian culture', with the implicit understanding that all Nordic countries have very similar cultural values (Smith et al, 2003).Some of the most widespread stereotypes about Finnish and Swedish cultures as ascribed to business companies such as Nokia and Ericsson.

- Nokia and Ericsson are often stereotypically seen (both in their home countries and abroad) as representing the national identities of Finns and Swedes respectively, although we know that identities are hardly homogeneous and particularly complex and dynamic phenomena, neither unitary nor static.

- A widely acknowledged view is that in Finland and Sweden business organizations tend to be quite 'flat', with power relatively equally distributed. While the two cultures share elements of a so-called 'Scandinavian type of leadership' (Tyrstrup, 2005), this view can sometimes turn into a stereotype when it

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is applied indiscriminately to two distinct cultures, which happen to exhibit slightly different models of a basic 'flat' power distribution through leadership among peers (Lämsä, 2010).

- A principle that is stereotypically assumed to be shared by both Finnish and Swedish cultures is the principle of consensus in decision-making, which would reflect their egalitarian and equality values. While it is correct to say that the two cultures are consensus-oriented, this orientation can take different forms in individual instances. Thus, Finnish culture tends to exhibit a "combination of strong consensus and deep controversy" (Luhtakallio 2010: 211), and in Swedish culture consensus is seen primarily as a condition for dialogue, but also as a preferred outcome of the dialogue (Czarniawska-Joerges, 1993; Ilie, 2007).

Leadership discourse stereotypes – the case of CEO letters

In order to analyse and compare the whys and hows of leadership discourse as discourse-in-action in two Nordic companies, the present investigation focuses on the respective CEOs' letters to employees. As leadership agents, CEOs impact the situational context of their company as much as they are impacted by it. The aim of a CEO letter is to build credibility, to impart confidence, to highlight visions, and to convince the audience (i.e. investors, shareholders, stakeholders…) that the company is pursuing effective strategies, and delivering profitable performance. This letter functions as a personal and public statement with multiple potentialities: through it, the CEO of a major corporation exercises his/her power to define social reality for corporate stakeholders, thus shaping the context in which events or proposals are perceived and understood by the public. On Argenti and Forman's view (2004), a CEO is considered the most credible voice of an organization since he/she is well situated to communicate the company's position and core values, and also articulate its major issues of interest.

There are several commonalities between Hans Vestberg, Ericsson's latest CEO and Rajeev Suri, Nokia's current CEO. Both of them belong to the same generation of leaders – Vestberg was born in 1965, Suri in 1967 – ;,both of them had worked for about two decades for their companies prior to being appointed CEOs – Vestberg joined Ericsson in 1991, Suri joined Nokia in 1995 – ; both of them have international working experience. It is therefore interesting to examine, against the backdrop of these commonalities, the elements that distinguish them in terms of their leadership discourse styles as they are manifest in their first CEO letters to employees.

Challenging leadership discourse stereotypes – Nokia CEO's letter to employees

The CEO's motivational goals are meant to reflect and reinforce the organizational core values, to highlight shared experiences, to indicate opportunities and point to challenges to be overcome, while promoting a common organisational identity and commitment. Rajeev Suri is the current CEO of Nokia and the second non-Finnish CEO (after Stephen Elop). His first letter to Nokia's employees, made public in connection with his appointment as CEO (on 3 April 2014), serves both informational and motivational goals. In this letter he reinforces the legitimacy of his newly assumed leadership position by highlighting the emotions (rhetorical pathos) he is experiencing on this occasion. Expressing a feeling of humility is here more than an instantiation of audience-oriented rhetorical pathos, it is an expected attitude to be taken in the context of flat business organizational structures that characterise Finnish (and other Nordic) companies. The next key notion, respect, coincides with the very first of Nokia's core values, and Suri uses it skilfully, alongside with related values, to define Nokia and also to self-define as someone who has already (over 20 years at Nokia) identified himself with the company: "These words and others have defined the

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company and, in turn, have partly defined me […] I am part of Nokia and Nokia is part of me." His brief personal narrative is meant to prove that he, born in India and a world traveller, has developed, during his 20 years at Nokia, a Finnish leadership style.

Since Nokia is a multinational corporation, Suri's letter is implicitly aimed at a multicultural workforce. A major challenge for such a letter in a Finland-based multinational company consists in articulating an energizing and goal-unifying discourse that succeeds in targeting and involving a diverse audience of company employees in terms of cultural, educational and professional background. In the underlined passages in (2) above, Suri is open and straightforward in self-defining ("I consider myself an international citizen") and expressing his beliefs ("I tend to focus more on people than on place"), so as to engage and gain the trust of his employees, many of whom constitute an international workforce in this Finland-based multinational company. By pointing to his own culturally and professionally diverse background, he is identifying with the reality of many employees, establishing a closer proximity through the bond of commonalities and shared experience. At the same time, Suri mitigates his claim to international citizenship by providing a complementary claim of belonging to Finland in his capacity of CEO. He does this by means of two symbolic speech acts: an assertive speech act ("As CEO of Nokia, my place is clearly in Finland, where I have lived since 2009"). He is thereby challenging the stereotypical separation of the two claims (either-or), highlighting instead their complementarities (both-and). Here the counter-stereotypical element in Suri's rhetoric is the claim to Finnish belonging as much as to multiculturalism.

Indicating that Nokia is confronted with a new reality and needs to overcome serious challenges ("removing unnecessary distractions"), he wants to be perceived as a responsible agent of change who is determined to avoid unnecessary risk-taking or short-sighted pursuit of "small cost gain". Rather than showing hesitation in front of unprecedented challenges, or, on the contrary, mindlessly carrying out changes, he assumes instead the pioneering role of a visionary, but careful, leader in times of change. Suri's determination and courage are in line with the Finnish leadership stereotype, but he also displays a counter-stereotypical trait when he recommends exercising prudence when making changes: "We must have the courage to know what to leave behind; to know what we must change and renew.". He upholds his constant eagerness to learn and to ask questions ("I will be asking a lot of questions"), both of which resonate with and correspond to two of Nokia's core values: Renewal and Challenge. Suri emerges here as an enabler of participative leadership, encouraging a consultation dialogue as a two-way street, i.e. both sharing experience with co-workers and motivating them to share information and ideas.

Rajiv Suri's discursive leadership style exhibits both stereotypical and counter-stereotypical patterns of CEO leadership discourse. While generally following a Finnish leadership model that is consensus-based, but also partly authoritative, he also displays the features of a participative leadership discourse whose aim is to motivate and empower the workforce to actively and jointly participate in vision creation, goal setting and problem solving.

Leadership discourse stereotypes – Ericsson CEO's letter to employees

Hans Vestberg served as the latest CEO of Ericsson between 2010 and 25 July 2016. During his first years as CEO, the company solidified its strong position and reputation in the international market. Recently, after months of criticism, with Swedish media questioning his pay and many external leadership

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assignments, and following increasing discontent among stockholders due to fall in net sales and a 26 per cent plunge in net income, Vestberg was forced to step down on 25 July 2016.

Hans Vestberg's first letter as CEO to Ericsson's employees (2010) is rather atypical in that it does not follow the normally used pattern of starting with a self-presentation and continuing with vision presentation and relationship building, by connecting informational and motivational goals. Unlike Nokia's CEO Suri, who started and ended his letter with personal and emotional self-disclosure, Vestberg, in spite of his international experience, can be seen to comply with a traditional Swedish stereotype of non-assertiveness: "Strong emotions are rarely expressed openly in Sweden, so indirect forms are used instead as compensation." (Holmberg &Åkerblom2007: 11).

Nevertheless, even by Swedish standards, the way in which Vestberg starts his letter is unexpectedly un-rhetorical: the first statements provide, on a neutral and impersonal note, a matter-of-fact evaluation of the previous year's investment and financial performance: "2009 was a year of mixed trends and with varied operator investment behaviour. Some markets were impacted by the financial climate while others continued to show growth." These are statements that could very well have been made by a neutral external observer, but not by the CEP of Ericsson.

Vestberg gives a brief summary of Ericsson's unsatisfactory market results, which he accounts for in terms of the "challenging economic environment" during the previous year. Worth noting is the absence of human agents, with the exception of two instances: "we [1] maintained market shares" and "we [2] undertook significant cost reduction activities". The first person pronominal agents fulfil two different indexical functions: we [1] is referring to the company as a whole, whereas we [2] refers solely to the company's leadership team. It is symptomatic that no human agents are held accountable for the negative results: "During the year we undertook significant cost reduction activities. These, in combination with large losses in our joint ventures, affected our earnings negatively."Such a strategy is somehow predictable in manipulative leadership discourse, since in times of low performance levels or severe losses, leadership representatives tend to deliver the bad news strategically by pointing to external circumstances and events, so as to avoid taking responsibility (Thomas, 1997).

His ideas about the future are expressed by means of successive commissive speech acts performed in the first person plural "we": "We will connect people"; "we will connect our cars and trucks to smart road systems". However, these statements can hardly make an impact on the audience, since they fail to outline a clear focus and a shared commitment to core values and goals for the joint work that lies ahead. As has been pointed out in previous research (e.g. Edström and Jönsson (1998), Swedish leadership is vague and imprecise: "the typical Swedish order is 'See what you can do about it!' What does it mean? It obviously has to do with a far-reaching delegation of authority. Managers who say 'See what you can do about it!' demonstrate trust for their co-workers." (Edström & Jönsson, 1998: 167). However, in an increasingly global world with very high levels of dynamics, complexity and competitiveness, this stereotypical Swedish leadership pattern has been undergoing considerable changes lately. Swedish leaders may still prefer to practice a leadership based on an informal and coaching role that leaves space for own initiatives, but they have also started to adjust their leadership styles by providing straightforward guidelines, establishing clear targets, and, above all, engaging and inspiring their co-workers to do their best (Holmberg & Åkerblom, 2006). As a result, recent studies on Swedish leadership have pointed out a rather paradoxical situation

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with a combination of autonomy and team integration, which can be understood as a mirror of the peculiar Swedish combination of individualism and independence on the one hand, and collectivism and cooperation on the other (Holmberg & Åkerblom, 2007).

Vestberg, known for his long-term policy orientation, is simply ventriloquizing the agenda-setting for the "new decade" in terms of organizational mission and goals. But in the process he loses sight of the short-term objectives and the need to motivate the employees to embrace the change by appealing to shared core values and a sense of belonging to Ericsson. The measures of success indicated by him in the last statement above are exclusively performance-oriented with no inspirational appeal to collective commitment, organizational belonging, and interpersonal bonding. The very last paragraph contains the only sentence in the whole letter which is delivered in the first person singular pronoun "I": "I am proud and honoured to lead Ericsson into a new decade where we will undoubtedly break new ground." Vestberg's approach to self-presentation is totally different from Suri's approach. While generally following a Swedish leadership model that is consensus-based, he also enacts the features of a laissez-faire leadership discourse whereby he assigns considerable responsibility with subordinates, but without setting clear guidelines or trying to reach a collective commitment.

Conclusion

Organisational culture contexts and social practices generate implicit models of leadership that are enacted based on institutionally and culturally grounded values. The focus of the present investigation was on the discursively articulated performance of leadership in the context of competition-driven organizational change. It explored stereotypes and counter-stereotypes in discourses of leadership in a comparative perspective, scrutinising the ways in which they contribute to constructing and re-constructing corporate and culture-related identities, as well as being impacted by them. Drawing on presentations in letters to employees by the CEOs of two multinational companies, Nokia (Finland) and Ericsson (Sweden), a comparative analysis of the challenges of leadership discourse practices was carried out in a discourse-analytical and pragma-rhetorical perspective. Doing leadership, always a cornerstone in discursively and interactively articulating the re-contextualisation and re-invention of these two companies, has often worked differently in the two cases, in terms of innovative change and competitive advantage. This comparison provides evidence for the varying internal and external challenges underlying leadership discursive construction and re-construction aimed at ensuring shared commitment and interconnectedness between a company's values and its competitive performance qualities.

Starting with commonalities, the analysis has revealed a number of significant differences between the leadership discourse styles displayed by two CEOs, Nokia's CEO Rajeev Suri and Ericsson's CEO Hans Vestberg. Two main categories of stereotypes have been revealed: on the one hand, the stereotypical representation of Finnish and Swedish leadership practices as undifferentiated 'Scandinavian'; on the other hand, the stereotypical representation of each of the two leadership practices as 'homogeneous' and enacting national identity features.

The examination of Rajeev Suri's first letter as CEO of Nokia reveals a multi-dimensional leadership style in terms of strength of purpose, topical focus, level of commitment, discursive strategies, audience involvement and relationship-building. His style exhibits both stereotypical and counter-stereotypical patterns of CEO leadership discourse. While generally following a Finnish leadership model that is consensus-based, but also partly authoritative, he also displays the features of a participative leadership discourse whose aim is to motivate and empower the workforce to actively and jointly participate in vision creation, goal setting and problem solving.

Vestberg's style exhibits both stereotypical and counter-stereotypical patterns of CEO leadership discourse. While generally following a Swedish leadership model that is consensus-based, he also enacts the features of a laissez-faire leadership discourse whereby he assigns considerable responsibility with subordinates, but without setting clear guidelines or trying to reach a collective commitment.

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The Effect of Government Spending on Education in Aceh Province Indonesia

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Abstract. This study was conducted to examine the effect of government spending on education, poverty, income per capita and the dummy of the main and newly established regions to education in Aceh Province. The data used in this study are panel data of 23 city districts in Aceh Province from 2008 to 2013. To estimate multiple models of data panels, Common Effect Model and The SYSLIN Procedure 2 SLS Estimation using SAS 9.31 Program are used. The study showed that government spending on education, income per capita in main regions are positively and significantly effect on education, while poverty negatively affects on education in Aceh Province. However, education has a small response to government spending on education in Aceh Province. According to the results of the research, it is recommended for local governments to intensify the service and supervision of education in the newly established regions, specifically in remote areas.

Keywords: *Aceh Province Indonesia, Education, Government spending, Poverty.*
JEL Codes: *H4, I25, and I26*

1. Introduction

1.2. Background

Aceh Province has experienced a dark history in development for three decades since 1980, due to various problems in development such as security conflicts and The Military Operations Area (DOM) from the 1980s to the 2000s, as well as the catastrophic earthquake and tsunami disaster of 2004. The prolonged problems have caused the development in Aceh Province experiencing obstacles and backwardness, both in the economic and non-economic sectors. Educational development is one of the sectors that have been impacted by the problems.

The education level measured by the years of schooling (YoS) is one of the determinants of Human Development Index (HDI). Years of schooling in Aceh Province from 2010 to 2015 increased by only 1,082 percent per year, from 8.28 years to 8.77 years. The increase indicates that the average length of education for the people of Aceh Province during the year was very slow. This is directly suspected to affect the development of Human Development Index in Aceh Province which also experienced lag from other provinces. Human Development Index in Aceh Province in 2010 amounted to 67.09 increased to 69.45 in

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2015 or increased by 0.703 percent per year. The increase in educational level and the Human Development Index was very low, whereas the average government spending on education at that period was 7.65 percent annually per year.

Improving the quality of education is a major part of the development strategy, and is controversial as the increase allows a country to improve the economy. Schultz (1961) found that human capital investment, especially in education, has an impact on the increase in income per worker. Further recognizing that human capital has a very important role in economic growth. Further investment of human capital according to Hanushek (2005) of his study stating that the role of quality education promotes economic welfare, specifically states that there is a strong relationship between the ability of the population with individual income, income distribution, and economic growth.

The development of YoS and HDI as described above seemed to be very slow and had been a dilemma. While sub-national spending in the education sector large enough, only a small increase in HDI was occurred. This phenomenon is expected to impact on the slow development of regions in producing output in Aceh province. The importance of human capital advancement is explained by Card (1999) that low level of education will result in low outcomes, whereas higher education will result in high outcomes. Supporting the Card, Hanushek, and Woessmann (2008), in their study of the countries included in the Organization for Economic Co-operation and Development (OECD) stated that the duration of education or RLS has a significant role to the growth of a country's output. This could lead to the conclusion that the accumulation of education plays a very important role in the labour market, greater employment opportunities, and better jobs compared to the lower educated population.

Amartya Sen (2006) explained the importance of educational development, and mentioned countries with high-income levels had high educational standards and vice versa with low education affected low-income people. Yahya (2012) supporting the idea by conducting a study using granger causality in Malaysia stated that human capital education played a very important role in influencing economic growth in Malaysia. This statement emphasizes the importance of education to regional economic development. Aulia (2011) in his study also found that government spending in education is an investment of human capital that increases labour productivity and technology as a proxy of educational investment, and will eventually increase economic growth in real terms. Either in short-term or long-term, it will affect each other's economic growth and GDP.

Efforts have made by the Aceh Provincial Government to increase the level of community education through education expenditures. However, it is also inseparable from other factors namely the existence of the number of poor people, the number of school-age residents served by the education expenditures. In other words, poverty and the age of the population are expected to have a role in improving education.

The implementation of Law No. 22 and No. 25 on Regional Autonomy Year 1999 had caused euphoria in the expansion of the region in Aceh Province. The law had increased the interest of Aceh region to expand the region and had resulted in 13 municipal districts from 1999 to 2007. This has raised a question on the management and educational service of government spending in the area. Therefore, it is necessary to study

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the condition of various factors in influencing education in Aceh Province. Contributions to the journal are welcome from throughout the world.

1.2 Research Objectives

The purpose of this research is to analyze:

1. The growth of educations and government spending on education, poverty, and per capita income in the main regions and the newly established regions in the province of Aceh.
2. Educational responses to government spending on education and other factors in the main regions and the newly established regions of Aceh Province.

2. RESEARCH METHODS

2.1 Location and Research Data

This research was conducted in the district of the city in Aceh Province. The object of the research was 23 districts of the city in Aceh Province with 13 regions as the newly established region and ten main regions. Of 23 districts, four regions were the mining area, and the remaining 19 regions were the agricultural areas.

The study used panel data consisted of cross-section data for the selection of study sites and time series data from 2004 to 2014. The secondary data used were from the Central Bureau of Statistics. The data used were education, government spending in the education, the number of poor people, per capita income, and dummy dummy of regional expansion. The panel data technique used is adopted from Aghion, Meghir, and Vandenbussche (2006). They used data from several countries to explain the relationship between human capital, other variables and economic performance in the country.

2.2 Data Analysis Method

The method of data panel analysis in this study used the Common Effect Model. To analyze the relationships between education with government spending in the education, the number of poor people, and dummy of regional expansion. Multiple Linear Regression Model with panel data referring to Juanda and Junaidi (2012) was used as follows:

Education:

$$EDU = \beta_{0i} + \beta_1\ GOVSPEND_{it} + \beta_2\ PCAP_{it} + \beta_3 POV_{it} + \quad \beta_4\ DER_{it} + \ \mu_{it}$$

βoi : intercept

βi : slope or coefficient of variables (*GOVSPEND, PCAP, POV, and DER)*

µit : error term

i : 1,2, ..., 23 (23 the districts of Aceh Province)

t : 1,2, ..., 6 (number of years, ie from 2008 - 2013).

Where *EDU* is the length of schooling (years); is the intercept; *GOVSPEND* is government spending on education (million rupiah), *POV* is the poor people (thousand people); *PCAP* is income per capita (thousand rupiahs), *DER* is Dummy Expansion Region, *D = 1* for Main Region and *D = 0* is the newly established region.

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β1, β2, β3, and *β4* are the coefficient parameter for variable *GOVSPEND, POV, PCAP,* and *DER* and *µ* are error term. The expected values for the coefficients are: *β0i, β1, β2, β4, > 0* dan *β3 < 0*. Please acknowledge collaborators or anyone who has helped with the paper at the end of the text.

3. RESULT AND DISCUSSION

1.3. Results of Research

Development of Education, Government spending on Education, per capita income, Poverty, in Aceh Province. Indonesia's regional expansion began with the enactment of Law No. 22 of 1999; followed by Law no. 32 of 2004. The regional extension is eagerly awaited by local governments since it will provide opportunities for the region to aspire the wishes of the community in regional development. The Act provides opportunities for regions in Indonesia to conduct regional expansion (Pratikno 2008). In the province of Aceh, the regional divisions were started from October 1999 to January 2007. Initially, there were ten regions in Aceh, and later it is well known as the main regions. The expansion had resulted in another 13 regions, and Aceh now has 23 regencies and municipalities. Detailed expansion of the regions in Aceh Province could be seen in the Table 1.

The first established region was Simeulue District that came from West Aceh District in October 1999. The last one is Subulussalam District which was established in January 2007 and expanded from South Aceh Regency. Until recently, there was no new regional expansion has been done in Aceh Province. The regional expansion of the area illustrates the varied performance of regional development either in the newly established region or in the main regions.

Table 1. Expansion of Regions from the Main Regions in Aceh Province.

No	The Main Regions	The Newly Established Regions
1	Banda Aceh City	Simeulue District
2	Sabang City	Singkil District
3	Aceh Besar District	Bireuen District
4	Pidie District	Lhokseumawe City
5	Aceh Utara District	Langsa City
6	Aceh Tengah District	Aceh Barat Daya District
7	Aceh Barat District	Nagan Raya District
8	Aceh Selatan District	Aceh Jaya District
9	Aceh Timur District	Gayo Luwes District
10	Aceh Tenggara District	Aceh Tamiang District
11	-	Bener Meriah District
12	-	Pidie Jaya District
13	-	Subulussalam City

Source: http://www.acehprov.go.id/kota.html

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Development Performance of Education, Government spending in Education, Per capita income, and Poor People after Regional Expansion Policy in Aceh Province

The regional expansion in Aceh Province had been ended in 2007. Hence, development activities analyzed in Aceh Province were started in 2008. Years of schooling in Aceh Province is still low with an average of about 9 years. The 9-year education is a junior high school. Education in the Main region is higher than in the newly established region. The years of schooling in Aceh Province in 2009 -2016, is shown in Table 2.

Table 2. Years of Schooling in Main Region and Newly Established Region Aceh Province in 2009 -2016 (year)

Year	Main Region	The Newly Established Region
2010	8.6	7.69
2011	8.68	7.89
2012	8.77	8.09
2013	8.84	8.21
2014	8.99	8.35
2015	9.21	8.47
2016	9.32	8.55

Source: Central Bureau of Statistics Aceh Province (2017)

Government spending on Education in the main-regions and newly established-regions of Aceh Province from 2008 to 2016 had a positive trend, but the government spending in education was greater in the main-regions than that in the newly established-regions. Government expenditures in education between in the main-regions and in the newly established-regions could be seen in Figure 1.

Figure 1 showed that on average, government spending on education in the main-regions and the newly established-regions increased from 2008 to 2016, but it was greater in the main regions compared to the newly established-regions. Growth in education expenditures in the main-regions from 2008 to 2014 was about 17.4 percent per year, while in the new established-regions was around 18.5 percent per year. The positive trend of government expenditures in education sector could indicate the effort of the regional government to develop human capital.

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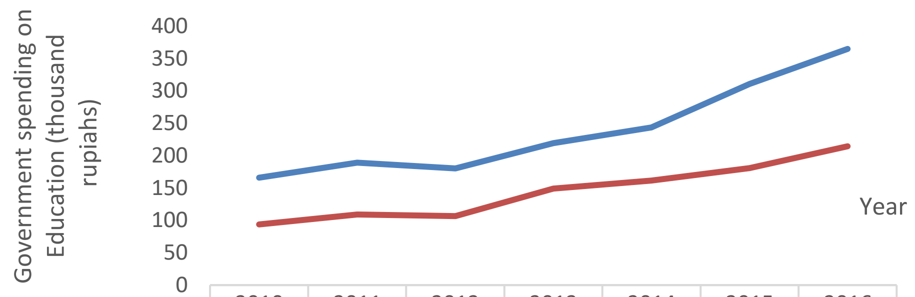

	2010	2011	2012	2013	2014	2015	2016
Main Region	166	189	180	219	243	311	365
The Newly Established Region	94	109	107	149	162	181	214

Fig. 1 : Government Expenditures on Education in the Main and Newly Established Regions of Aceh Province.

Per capita income also plays a role in supporting the community in obtaining educational facilities. Figure 2 demonstrated wide differences in per capita income in Aceh Province from 2008 to 2014 between the main-regions and the newly established-regions. Per capita income in main regions is much greater than that in the newly established-regions. Per capita income of all districts of Aceh province was varied from 6 to 8 million IDR per year, except for Banda Aceh as the capital city of the province which had its per capita income around 13 million IDR per year. The growth of per capita income in the main regions was increased 1.07 percent and in the newly established-regions was 0.397 percent per year. Per capita income previously described could illustrate the ability of the community to obtain education services which were still low and very limited.

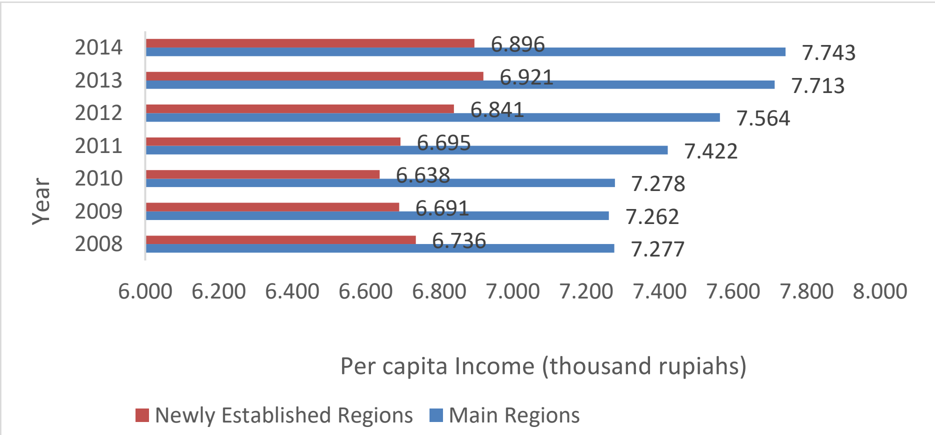

Fig. 2: The Average per capita income of Main and Newly Established-Regions in Aceh Province in 2008-2014

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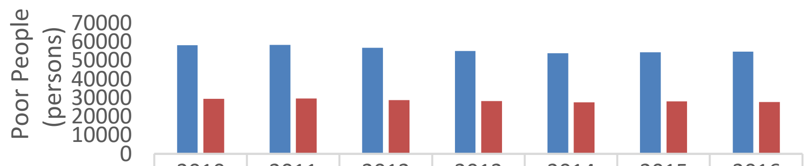
Another factor that affects educational attainment in the province of Aceh is the number of poor people. Poverty reflects the limitations in purchasing power, including getting an education due to low income. Conversely, the smaller the number of poor people, the greater the opportunity to get education services because of its greater ability to pay the cost of education. Therefore, it is assumed that an increase in the number of poor people will decrease the average level of education, and vice versa. The growth of the number of poor people could be seen in Figure 3.



year	2010	2011	2012	2013	2014	2015	2016
Main Region	58128	58240	56715	55019	53797	54307	54715
The Newly Established Region	29497	29554	28778	28234	27566	28126	27817

Fig. 3: Growth of the Poor People in Aceh Province 2008-2016

The number of poor people in the main-regions was greater than that in the newly established-regions, and it had a declining trend. The number of poor people in the main areas decreased by 2.5 percent per year, while in the newly established regions, the number of poor people decreased by 1.8 percent per year.

3.2 Discussion

Influence of Government Spending on Education, Poor Population, Per Capita Income to Education in Aceh Province

The estimation result of multiple linear equations shows that education significantly influenced by government expenditure in the education sector *($GOVSPEND_{it}$)*, the number of poor people *(POV_{it})*, per capita income *($PCAP_{it}$)*, and the dummy expansion regions *(DER_{it})*. All of these factors affect education by 0.4818 percent. This means that government expenditure in education, poverty, per capita income and the dummy of regions affect education by 48.18 percent, and the remaining 52.82 percent influenced by unobserved factors. Education is influenced by government spending on education, per capita income, and the number of poor F test results show Probability > F = <0.0001. The F test result indicates the significant influence of Government spending on Education, per capita income, and the poor population to the education of Aceh Province. The factors affecting on education could be seen in Table 2.

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Table 2. Estimation Results of Equations Model of Education.

Variable Eksogen	Parameter estimation	Elasticity	Prob > |t|
Intercept	7.95754	-	<0.0001
Government Spending on Education *($GOVSPENDi_{it}$)*	0.00667	0.101479	0.0001
Income Per capita *(PCAPit)*	0.12275	0.074162	<0.0001
Poverty *(POV_{it})*	-0.01895	-0.080119	<0.0001
Dummy Expansion Region *(DER_{it})*	0.60007	-	0.0003
F Value = 25.46 ; Pr > F = <0.0001 ; R^2 0.4818			

Government Spending on Education

Government Spending on Education is an important factor for providing public education infrastructure or facilities. It is expected to contribute positively to improving education in the regions. The estimated coefficient of government spending on education is 0.00667. This implies that the Government Spending on Education has a lower impact to the educational level in the regions. In other words, if there is a change in government spending on education amounted to 1 million IDR, it will just increase education for 0.00667 years. The results are supported by Al-Mukit (2012) who found that there was a positive correlation between government spending in education with education in Bangladesh.

Furthermore, the elasticity of government spending on education amounted to 0.101479. The elasticity indicates that for every increase in government spending around 10 percent, the educational level will increase only 1.01479 percent. This suggests that the educational level in the short-term is inelastic to government spending on education. Mladen (2013) explains that human capital is the most important asset for the company and suggests that human capital investment should be a priority so that the benefits for the economy, communication and collaboration between markets and schools will be closer. Mladen suggested improving the curriculum at the university linked to labor market requirements.

Income per capita

Income per capita has a positive and significant influenced on education in Aceh Province with 99 percent confidence level. The estimation results show that a 10 thousand rupiahs increased in income per capita will increase the education in Aceh Province by 0.12275 years. The relationship between income per capita and education is inelastic by 0.074162. This means that if the income per capita increases with one percent that will change the education in Aceh Province around 0.074162. The idea is supported by Ferguson (2007) in his study about the relationship of family income to education. His study showed that the education

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of children from low-income families was behind their peers who came from higher-income families. The incidence, depth, duration and the timing of poverty are all affecting the level of educational attainment.

Poverty

Poverty is closely related to the ability to gain an education. Children from the poor family usually do not have a higher level of education because the family cannot pay the cost of education. Furthermore, the children sometimes have to participate in earning a living for the family and do not have time to study. Therefore, poverty also related to time available for studying. Those conditions imply the negative relationships between poverty and education.

The result of the study supports the idea, that the number of poor people had a negative effect on education around 0.01895 with 99 percent confidence level. This means that the increase of poor people by 10 thousand has caused the education decreased by 0.01895 year and vice versa. The response of the poor to education is small and inelastic by 0.080119. The Government of Aceh Province gives more opportunities to the poor to gain education services. It is expected the number of poor people will be decreased along with the increase opportunities to education services. However, even though the number of poor people increased significantly, the education will only slightly decrease. This indicates that education is inelastic to poor people.

Dummy Expansion Region

Dummy areas are important to be studied because it is a necessity to understand the performance of the main regions and the newly established regions in public education. The results of model estimation show that the dummy extension region has positive and significantly influenced the level of education. The main regions have a major role in supporting the improvement of education. The coefficient for dummy areas is 0.60007 with the confidence level of 99 percent. This indicates that the main regions have a greater influence on educational levels than that of the newly established regions. On the other hand, the newly established regions have lag in education development compared to the main regions. Furry (2013) with his study on the performance of the expansion regions had similar finding. Serang district as the expansion region had its performance in public services almost similar to its main region. However, in term of performance and services in education, Serang Regency was still lag behind the main region.

4. CONCLUSIONS AND RECOMMENDATION

4.1 Conclusions

According to the research results, there are some conclusions that could be drawn as follows:

1. Educational developments, government spending on education, per capita income, and poverty progress slowly in the newly-established regions compared to the main regions.
2. The results of the study indicate that the Government spending on education, per capita income is positively and significantly influenced the education, while the number of poor people negatively affects

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the education. The influence of the whole factors to education is greater in the main regions than that in the newly established regions of Aceh Province.

3. The education has a smaller response to changes in government spending on education and the per capita income. The response of education is also lower to the number of poor people. This means it has a positive effect on the regions because there is a slight influence of poverty on the level of education.

4.2. Recommendations

According to the results of the study, it is recommended that the Aceh Provincial Government should intensify its services and supervision in the education sector in the newly established regions, specifically the newly established regions in the remote areas.

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Brain drain: Propulsive factors and consequences[1]

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Abstract. *When speaking about the total number of highly educated individuals' migration, it is easy to spot that it is rapidly increasing. The brain drain issues should be taken very seriously especially in under developed and in the developing countries, knowing that the human capital is globally mobile and that highly educated individuals can without any issues market their knowledge around the globe. Dealing with it requires a carefully tailored strategy for these countries, which are suffering from severe human capital losses on annual basis. Since the labor markets of today are highly competitive, it is necessary for these countries to secure good advancement and doing business opportunities. The purpose of this research is to provide an insight into the key propulsive factors and potential consequences caused by the brain drain. The method used in order to conduct the research was a carefully designed questionnaire taken by the date subject enrolled at the third and fourth years of state governed and privately-owned universities. This research shows that one of the key reasons for brain drain in underdeveloped and in the developing countries is shortage of further educational advancement opportunities.*

Keywords: *brain drain, family income, higher education, students*

JEL Codes: J24 Human Capital: Skills; Occupational choice; Labor Productivity)

1. Introduction

TACTICS is an acronym compiled by the London School of Economics, the UCL Institute of Higher Education and Times Higher Education to describe a group of selected countries [THE, 2016].

By building a strong and high-quality education system, the economies of a country will provide further growth and development in the future [World Economic Forum, 2016]. The London School of Economics analysed nearly 15,000 universities in 78 countries and came to the conclusion that by doubling the number of higher education institutions in a particular region, GDP growth per capita is 4.7% in five years. Countries that are on the right track to achieve this are:

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1. Thailand
2. Argentina
3. Chile
4. Turkey
5. Iran
6. Colombia
7. Serbia

Viewed from the perspective of higher education, these countries have the opportunity to take over the BRICS countries, Brazil, Russia, India, China and South Africa - the countries that traditionally dominated the production of higher education staff and the quality of the education system.

In the TACTICS countries, the GDP level is less than $ 15,000 per capita, but nearly half of the young people are involved in the higher education system [THE, 2016]. Youth participation in higher education increased by 5% between 2010 and 2014; at the annual level of this country, they publish over 30,000 research papers and all have at least one university listed on THE WORLD University Rankings. This group of countries also recorded a higher Gross Tertiary enrolment ratio, i.e., the gross number of students enrolled each year by faculty from the BRICS countries.

The impact of migration of labor to the countries from which they leave, to the countries they leave, has been the subject of study for a long time. Classical literature agreed that the countries in which emigrants earn profits, while the countries from which they migrate recorded negative effects and consequences [Bhagwati and Hamada, 1974]. This phenomenon is commonly referred to as brain drain. In the framework of the studies conducted by the World Bank and the United Nations, a lot of attention was devoted to the unused potential, acquired knowledge and skills of migrants, if they cannot use the same after leaving a country. This phenomenon is called "brain waste". Recent research suggests different aspects, rather than the phenomena and consequences of leaving and unused labor and their potential after leaving. They focus on the potential benefits that a country can derive from migrants returning to the country of origin. The main benefits that are highlighted on this occasion are money remittances sent to the country of origin, as well as an experience that can potentially be used to raise the productivity of a country. This phenomenon is called brain-circulation or brain-gain.

1. Brain drain - brain drain - "For many people capital means money, shares of a particular company, bank account or real estate" [Kelo & Wächter, 2004]. These are indeed forms of capital that generate revenue over time, but equity capital must also be added to this type of capital. Education and training are seen as key investments when it comes to the formation of human capital. Over time, they will secure the acquisition of a better job, which will result in the realization of higher income of these individuals. They are considered crucial when it comes to the impact and degree of national economies. A higher level of education of the workforce will accelerate economic prosperity. Given that the development of societies and the economies of today, on a much higher level than before, it is largely fuelled by innovations, and therefore investment in knowledge is considered more important than ever before. Since people make capital, that is, their knowledge and skills, it is lost at the moment when people emigrate. This is a loss for the country of origin and profit for the destination of these people. From a point of view of the country of origin, its earlier

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investment in training and training will simply collapse. This loss is the highest in the case of highly qualified individuals.

2. Brain waste - Migration of highly educated people does not necessarily have to be characterized as a gain for a country destination. The case of a win is when a migrant, for example, a nuclear physicist, carries out a job in his area or in areas that match his knowledge and skills. But if he does business in the country where he went which are incompatible with his competencies such as truck drivers or waiters, this is a loss to the country of destination. In this case, the disagreement between the offered skills by the individual and those required by the labor market, experts are characterized as brain waste. Then there are double losses for both the physicist and the country he came in. The fact is that many immigrants start their professional career below their level of expertise and the former

The term "brain drain" appeared in the report of the London Royal Society in the year of 1963. in order to describe exodus of British scientists to the United States [Avveduto & Brandi, 2004]. The term brain drain designates the international transfer of resources in the form of human capital and mainly applies to the migration of relatively highly educated individuals from developing to developed countries [Beineet al., 2008]. Human capital is an aggregate that outlines skills gained by certain individuals in terms of productive capacity [Heckman et al., 2006]. While the size of human outflow is easily and objectively measurable, it is more difficult to analyse the human capital embodied in it [Becker et al., 2004]. According to Docquier, Lohest and Marfouk (2007) the term is commonly used to describe migrations of engineers, physicians, scientists, and other very high-skilled professionals with university training. The migration pressure has increased over the last years and is expected to intensify in the coming decades given the rising gap in wages and the differing demographic futures in developed and developing countries [Docquier, 2006]. It is very important to mention that the brain drain problems have always been under the scope of controversy. Brain drain has always been a commonly accepted concern, especially for small countries where highly educated emigration rates are high. Rizvi (2005) suggest that the most of the recent discussions concerning brain drain have focused on its unfavorable economic impact on developing countries, particularly in the fields of science and technology. "When both receiving and sending economies benefit from brain drain migration, it is possible that the more advanced economy benefits more from this process and for world inequality to increase as a result" [Mountford & Rapoport, 2007]. In a global economy which relies itself mostly upon information, rather than natural resources, it is very important for under developed and the developing countries to be able to control or at least monitor human capital outflows. Unfortunately, in most cases, due to shortage of technological solutions and the lack of financial resources they are not able to do so, although they would probably benefit the most out of it. Due to ferocious global fight for talent, it is very difficult to keep up with developed countries, which are always on the quest for "best and brightest" minds from all sorts of scientific fields.

For students who have tendencies towards migrating after they graduate, it is very important to be able to speak at least one foreign language. "English will be the language of the 'globalised' world" [Straubhaar, 2000].

The main hypothesis of the research relates itself to the relatively low total family incomes and their influence on students' decision whether to migrate, or stay in the country of origin after they graduate. When dealing with brain drain issues, like the Republic of Serbia, Hungary, Croatia have been, it is very important

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to identify what the key propulsive factors that indicate certain ways of demographic changes are. In spite of wide spread information on brain drain in all three countries, there is a need for precise statistical analysis in order to quantify the phenomenon and identify possible solutions to deal with it.

The importance of this paper lays in the contemporary data collected during academic year of 2017. The paper itself will try to depict current tendencies of the third and fourth year students involved in the higher education process.

2. Research methodology

2.1. Submitting (Use "Header 2" style)

The research was carried out in Novi Sad, Republic of Serbia, Budapest, Hungary and Zagreb, Croatia.

The focus group of the implemented research was constituted of the third and fourth year students. Students from 17 different university departments, who are enrolled in the fourth and third year of bachelor studies were asked to fulfil the survey while still involved in the higher education process within the Republic of Serbia, Croatia and Hungary.

They were asked various question related to the topic of brain drain. The questions were close – end and open – end depending on the required information. The survey was administered at the start of the second semester, because the total number of students is much higher on lectures. After collecting the surveys, the data collected were tabled in Windows Excel program in uniquely created table for data import, which allowed us use them later in SPSS quantitative data analysis program. Due to the importance of analysed subject, we have used multiple methodological approaches in order to complete basic methodological approaches such as objectivity and reliability.

A total of 743 questionnaires were given back, representing a 96% response rate among students in attendance at the scheduled lecture at which survey was conducted.

3. Results

The hypothesis refers to the correlation between the total family incomes and students' aspirations towards migration after they graduate. On the basis of the Chi-Square Test of Independence which helped us to determine whether there is a correlation between total family incomes and students aspirations toward migration, it has been concluded that there is not a significant correlation between these two variables ($\chi2$ = 5,52; df = 3; p = 0,137). At this point it is possible to emphasize that relatively low total family incomes are not the only propulsive factor for students to consider leaving the country of origin after they gain a certain academic title. When it comes to highly educated, able – bodied individuals it is important to mention that the overall conditions which refer to the better possibilities for self – development, better technological solutions, knowledge transfer etc. could be the additional key reasons for them to abandon the country of origin. With them leaving, countries' overall economic progress will be slowed down, since the demand for highly educated, young individuals is always high, especially in under developed and in the developing countries. It is possible to conclude that the hypothesis is proven to be correct, since the current financial state is not the only propulsive factor for student to consider moving abroad after they graduate.

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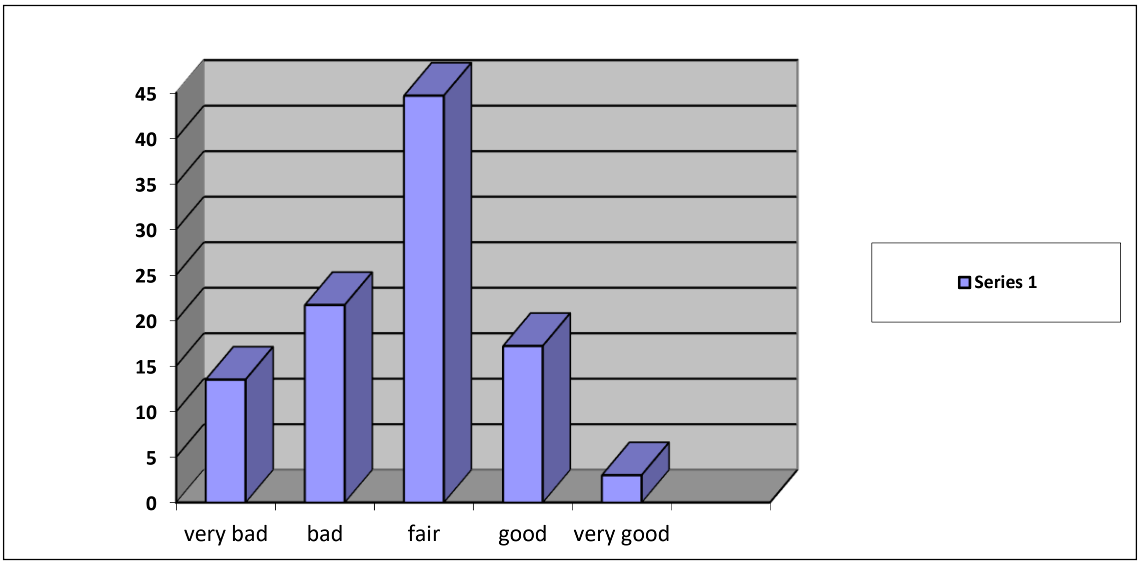
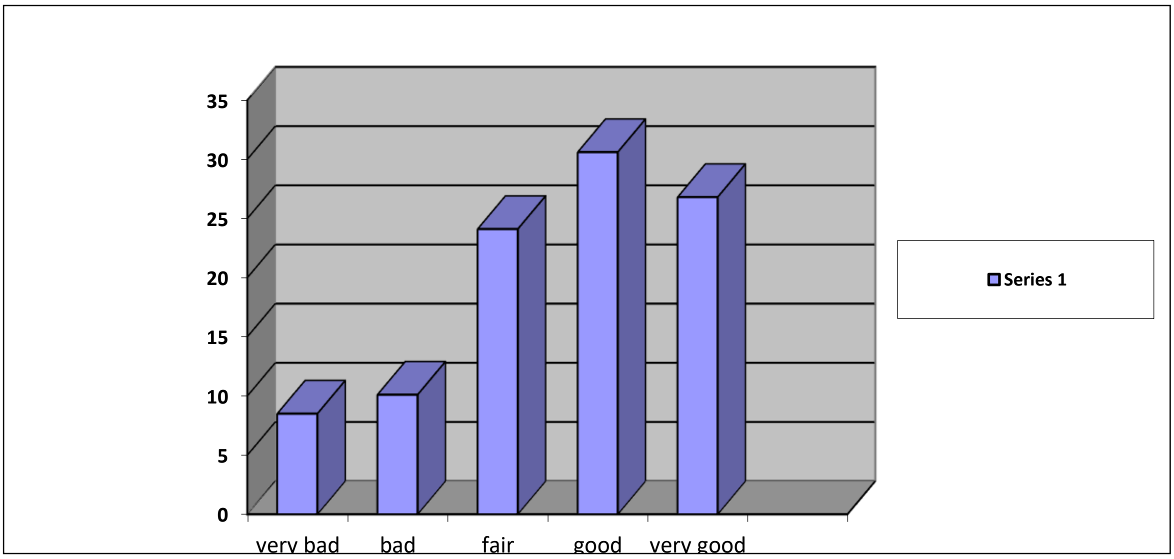
Graphic 1. Overall grade of further self – development opportunities by the surveyed students



Source: Calculation made on the research basis.

The chart shown clearly depicts and contributes to proving earlier exposed facts. Due to shortage of further advancement opportunities, underdeveloped and the developing countries will suffer huge losses of human potential. 332 data subjects have graded the self – development opportunities relatively bad in comparison to these in developed countries.

Graphic 2. Better educational conditions as one of the key reasons of potential migration



Source: Calculation made on the research basis.

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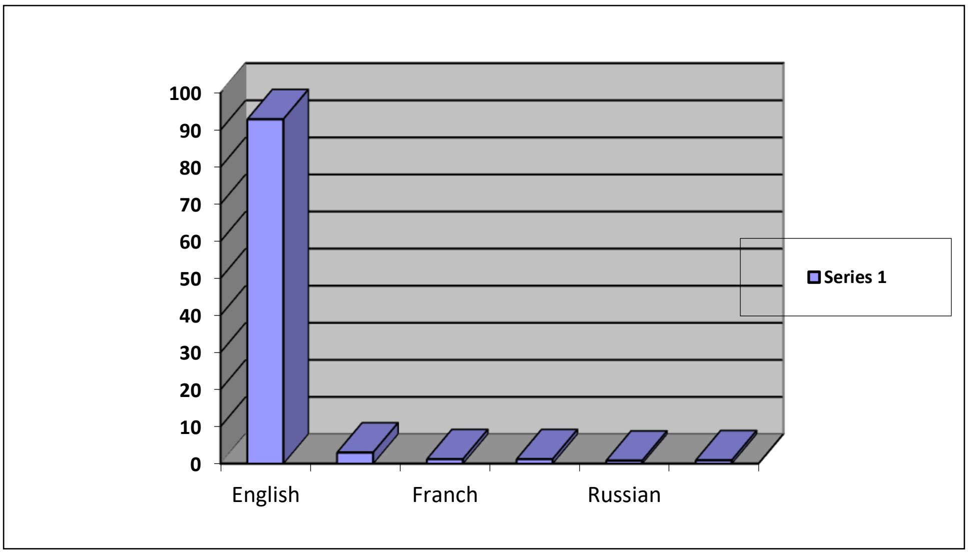
The graphic shown, clearly depicts that out of 743 data subjects, 426 consider better educational conditions one of the key reasons when it comes to making the decision whether to migrate or stay in the country of origin.

What also favors above showed results is the fact, that almost all of the data subject can speak at least one language, besides their mother tongue. English is the most common one as a first foreign language, which is spoken by 690 data subjects.

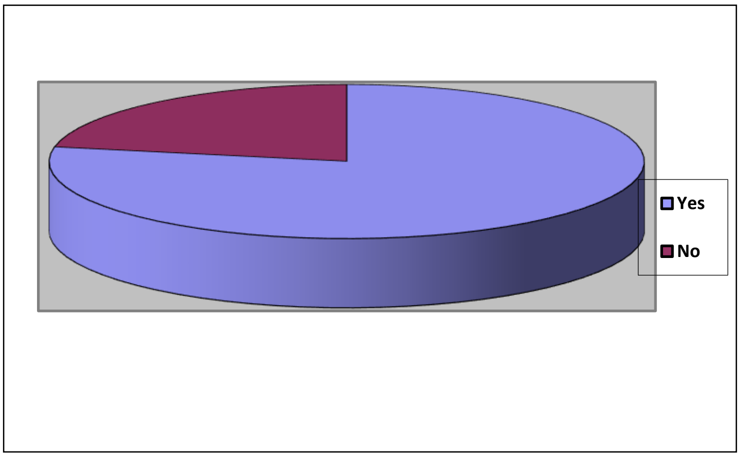
Graphic 3. Foreign languages



Source: Calculation made on the research basis.

What is also important to mention is the fact, that 127 data subjects, have gained internationally accepted language certificates from some of the languages.

Graphic 4. Language certificates



Source: Calculation made on the research basis.

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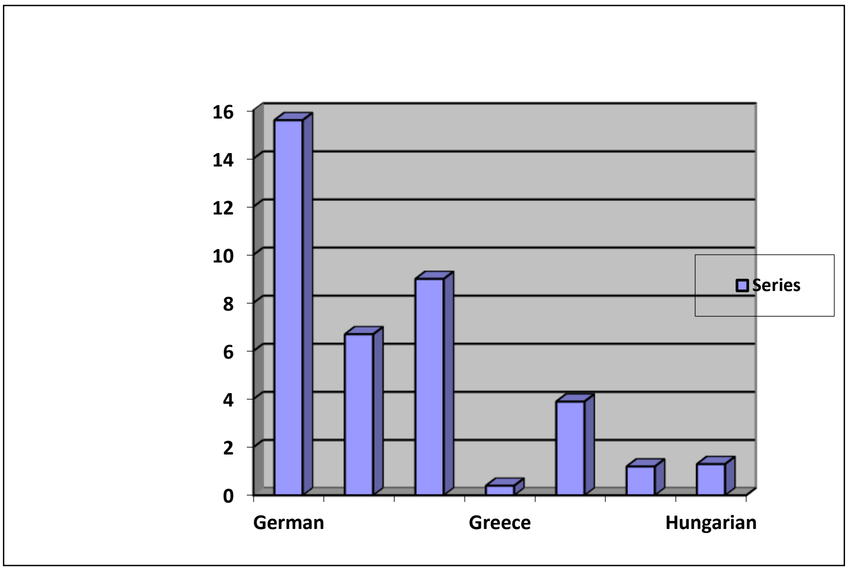
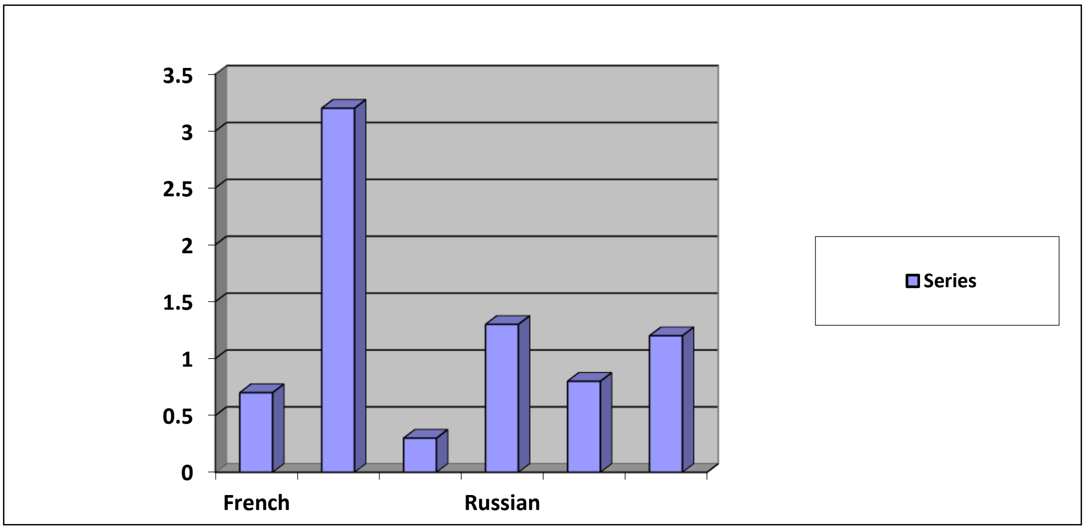
Graphic 5. Second foreign language



Source: Calculation made on the research basis.

From the graph shown, out of 743 respondents, 284 speak two foreign languages, of which the German language is most represented, i.e. 116 respondents speak it as a second language.

Graphic 6. Third foreign language



Source: Calculation made on the research basis.

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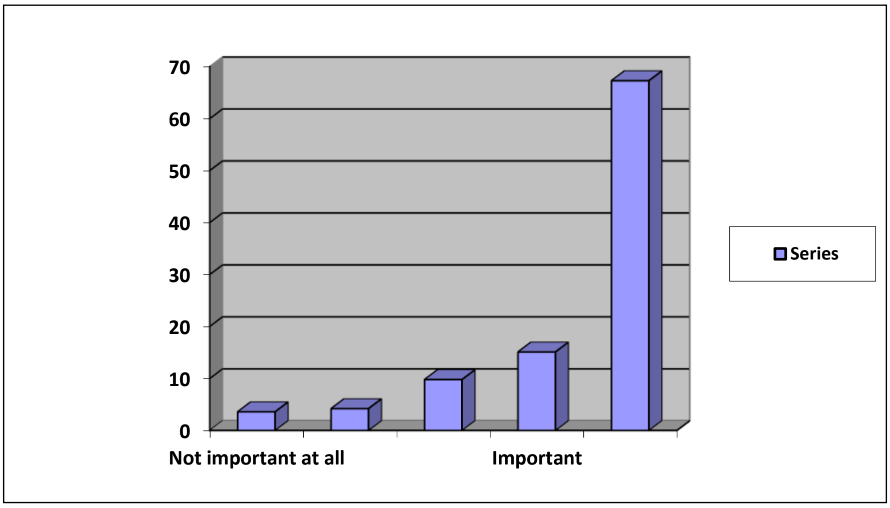
From the graph shown, out of 743 respondents 56 of them speak three foreign languages. The Spanish language is being the most represented, i.e. 24 respondents speak it as the third language.

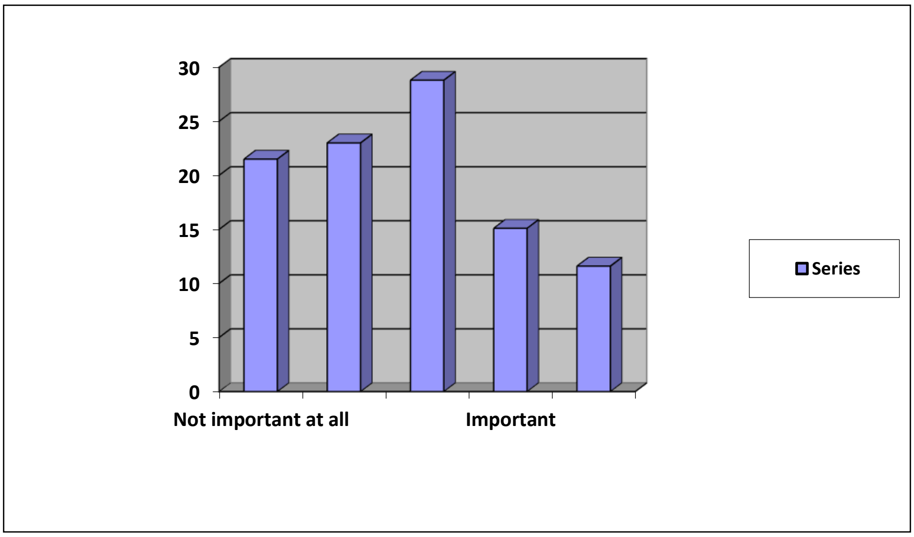
Graph 7. Family and friends as one of the major reasons of potential staying in home land



Source: Calculation made on the research basis.

Out of the total number of respondents, we note that 500 of them, "the family and friends" factor considered as a reason for a potential staying in their country a very important factor. Other reasons for the potential residency in the home country relate to the inadequate mentality of people abroad (Graph 8), patriotism (Graph 9), personal and professional achievement in the home country (Graph 10).

Graph 8. Inadequate mentality of people abroad



Source: Calculation made on the research basis.

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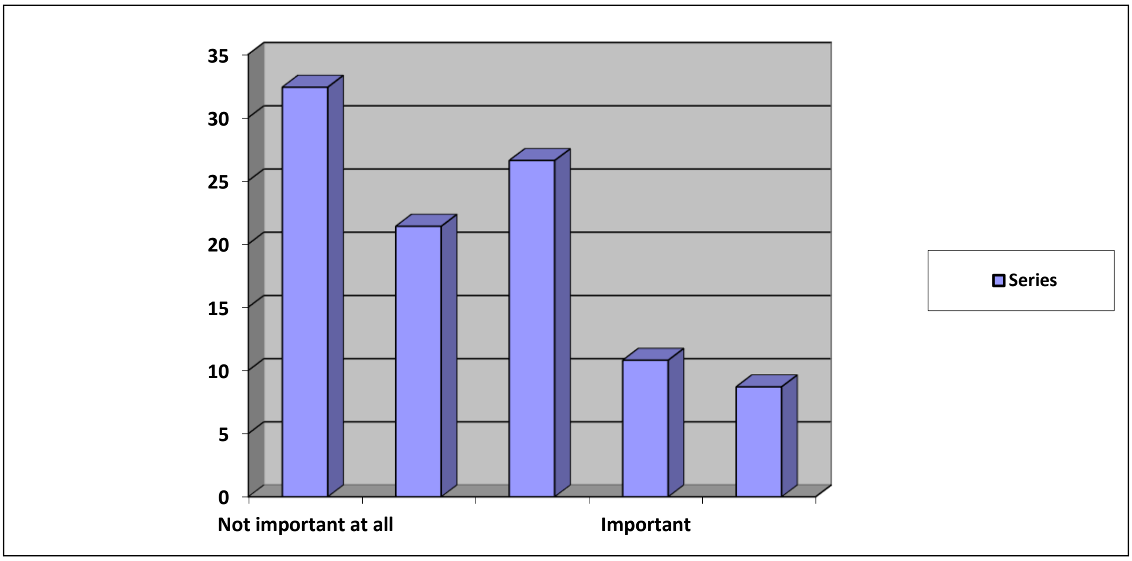
From the graph shown can be seen that the respondents have taken a neutral attitude when it comes to the mentality of people abroad (214 of them).

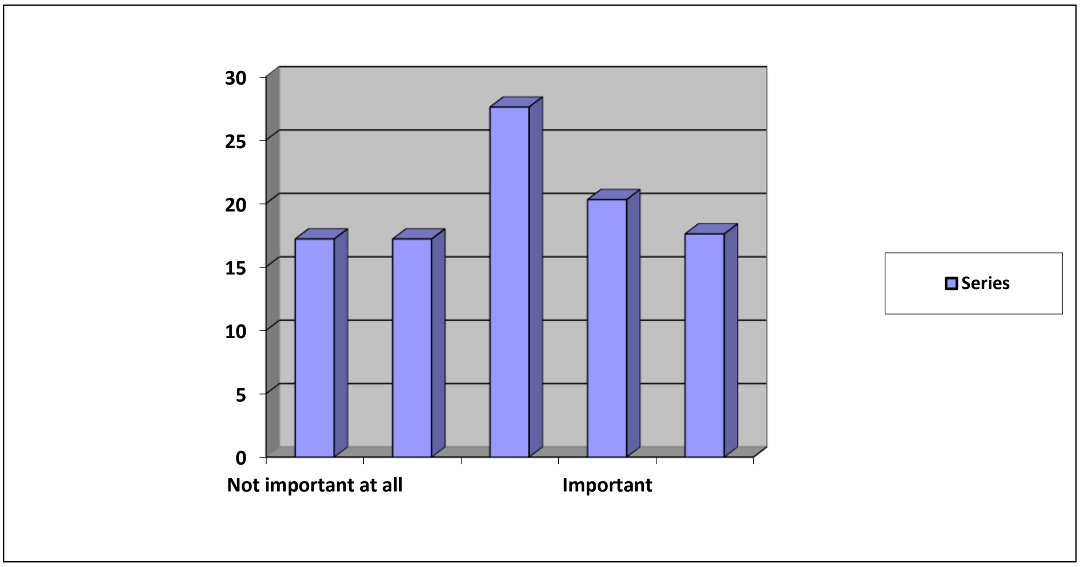
Graph 9. Patriotism



Source: Calculation made on the research basis.

From the graph shown, the majority of respondents ignored and categorized the category of patriotism as not so important. 400 respondents do not consider patriotism as a significant category when it comes to potential retention in their country.

Graph 10. Personal and professional achievement in the home country



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From the graph shown, the largest number of respondents, 205, took a neutral position when it comes to personal and professional achievement in the home land as a important factor for staying in home land.

4. Conclusion

Process of globalization and market liberation have greatly contributed to forming of the contemporary issues from which underdeveloped and developing countries can suffer a lot from like brain drain. By erasing boundaries for transfer of technology, knowledge, education and human capital, these countries are being greatly struck by being abandoned by highly educated individuals who will be determined to leave the country of origin if determined by better overall conditions abroad.

Dealing with brain drain issues should be taken very seriously. Clearly defined plans and strategies are required in order to identify the key reason for brain drain in time. After identifying key issues that cause it, it is necessary to find the best possible solutions and implement them rapidly in order to prevent it or at least to make human outflow process slower. By not identifying suitable solutions and without adequate suggestions, country will suffer great never retrievable losses. Without possibility to retrieve those, losses overall countries economical and societal development will be in the process of stagnation and declination. This appearance will be caused due to the shortage of highly educated individuals who could with their findings and innovations boost and develop countries' economy and society even more.

There are numerous reasons and propulsive factors which can be considered as the key ones when migrations are involved. By analysing total family incomes and students' aspirations toward migration as a result of low total family incomes, it has been shown that there is not a significant correlation between those factors. On the other hand, it has been seen that there are other propulsive factor that indicate student's aspiration toward migration and should be reconsider by the policy makers in the future. Those factors mainly relate to the better advancement and better business opportunities. By securing these, negative tendencies and aspirations towards migration, due to insufficient opportunities for further self – development, certain changes can be made on this field. Those changes would boost national economies overall progress, which can be seen through new models of knowledge based economy and will secure better future for the country itself and the people within it. If under developed and developing countries fail to address these issues in time, they will suffer major consequences in terms of further economy and society development.

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Analyzing the Impacts of Restructuring on the Turkish State-Owned Banks[1]

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Abstract. *The subject of this research is to compare the performance based on determined criteria of the state owned banks in Turkey before 10 years and after 14 years from 2001 the date they were included in a restructure program. The t-test method is used in the study. According to the results of the analysis, it was concluded that the most successful state-owned bank was Halkbank with a small margin in front of Ziraat Bank after the year that the restructuring program was implemented. Ziraat Bank, as well as having the second most positive development of public banks in terms of analysis ratios, it has almost equal proportions with Halkbank in terms of asset quality and branch ratios. Halkbank is ranked first as usual in terms of branch ratios. All state owned banks are subject to the close rates for branch ratios. When evaluating the performance of public banks in general over a total of 36 criteria, they showed positive development for 26 criteria. That means after the restructuring program that we called 2nd period in the study public banks became more successful based on established criteria.*

Key Words: Bank, State Owned Bank, Restructuring of State-Owned Banks, Banking Sector.

JEL Codes: G21, G28, G34

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[1]This study is produced from the Master Thesis prepared by Gazi Sarısakaloğlu, supervised by Assistant Professor Mustafa Bilgin and presented to Hitit University Institute of Social Sciences.

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1. Introduction

After the great economic crisis spread to the whole world international sizes in 1929, the prevailing economic thinking in the world was Keynesian Economic Thought System. According to this opinion the private sector alone cannot provide the capital adequacy to reach the desired level of industrialization in the national economy, and the state should take place more effectively to achieve the economic goals and to implement the economic policy was advocated. In this regard there are similitudes with other countries [Baicu, 2017].

The economic crisis spread all over the world in 1929, the deterioration over the international trade balance, foreign exchange, the supervisory procedures applied in foreign exchange transactions and the other similar problems required radical changes in Turkey's economic policy in that period. These economic developments have made necessary to apply different policies in many sectors including banking sector. Under these developments, large-sized state-owned banks have been established between the years 1930-1940 [Akgüç, 2007].

The aim of establishing these banks to carry out or finance capital investments and industrialization cannot be met through the private sector [Atasoy, 1993]. The state owned banks founded by special law mainly aimed to transfer the economic resources to the areas that given priority by state. They were established to support the industry investments because private banking structure was insufficient in achieving these goals [Uçarkaya, 2006].

State owned banks have established with these purposes which were failed in 1980s to adapt to global economic developments and competition. These banks have been continued their activities in the public interest for many years but by the time, they became a kind of institutions that hurt and burden to the public.

In 2000s, Turkey has experienced economic crisis adversely affecting the entire economy moreover the banking sector was the mainly affected. After these crises happened, the troubled banks including state owned banks, were removed from the system or were taken in a restructure program in order to restore them. As a part of restructuring program to strengthen the financial structure of the banking system and to increase the effectiveness of control mechanisms, the international regulations have been implemented.

In May 2001 a comprehensive package of reforms announced concerning the Turkish banking sector by BDDK (Banking Regulation and Supervision Agency) to solve the problems of these troubled banks that were affected adversely from the November 2000 and February 2001 crisis. It was aimed to ensure the achievement of a healthy and strong structure in banking sector in Turkey.

As a part of restructuring works, some of the state-owned banks which have been damaging the financial sector had been liquidated or exposed to a merger or decided to be privatized. The state owned banks that agreed on restructuring were Ziraat Bank, Halkbank and Vakıflar Bank. The objective of this study is to analyze the performance of these state owned banks were included reconstructing program and not privatized yet in terms of the determined criteria before and next the reconstruction decision.

2. Purpose of The Study

Intermediary institutions in the financial system in Turkey are the Participation Banks, Commercial Banks, Development and Investment Banks, Brokerage Houses, Stock Exchanges, Investment Consultancy Companies, Factoring Companies, Portfolio Management Companies, Forfeiting Companies, Consumer Finance Companies, Leasing Companies, Insurance Companies, Social Security Institutions and Individual Pension Companies. Within the financial system, the importance of banks is bigger than other financial institutions [Bayraktaroğlu, 2013].

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The share of the banking sector in Turkey is an important level within the financial system. After the 1950s, the emerging economic system in Turkey had a structure that is active in the banking sector. So much so that, the sector affected mostly from the economic policies implemented at 1980s was banking sector.

The increasing pace of globalization since the 1980s and 1990s brought together the integration of financial markets in the world economy [Erçel, 2000]. However, the cultural and economic boundaries between the countries have gradually decreased.

It is defined as periods of liberalization and globalisation in banking between 1980 and 2001. For adaptation to globalization and liberalisation, some kinds of policies added to the economic package which was announced at the January 24, 1980 Stability Program[4] [Akgüç, 2007]. As a result of globalization and the market economy target set in this period, legal regulations have been made to public banks to operate on the same conditions as other banks.

Banking sector in Turkey is the most important and the biggest part of financial sector. In Turkey, the size of the banking sector within financial markets has grown steadily over the years, but it still maintains this magnitude today [Coşkun, 2012].

After the policies and regulations implemented, changes were made in the banking system, which had a restrictive structure such as establishing a bank and increasing the number of branches until 1980. It is aimed to increase competition and efficiency in the sector by facilitating transactions such as the establishment of commercial banks and increasing the number of branches of foreign banks.

In the economic package, known as the April 5th Decisions of 1994, regulations were made that closely related to the banking system.

The problems that existed in the banking sector in 2000 years; inadequate loan and deposit ratios, the fact that the number of small banks in the sector is larger than the number of big banks, the sectoral dominance of state owned banks and the financial institutions that are in the process of being damaged and lacking in control and audit mechanisms in the sector. In addition, there were economic problems such as long-term guarantees for savings deposits are state-based, making the domestic borrowing heavily in the public and private sectors from the banks, bad exchange rate policies in foreign exchange transactions and using the resources of the public banks for the political authorities in their own interests [Ercan, 2005]. These problems have further increased the adverse effects of emerging crises on the Turkish banking

[4] 24 January 1980 Stability Program; It is a work initiated in the lead of Turgut Özal, the Minister of State and the Deputy Prime Minister about the whole economic regime which provides for the transition of the national economy to the market economy, the liberalization of the economy and the adjustment to the capitalist system, the reduction and control of the private sector intervention of the public, and the spontaneous formation of interest rates by the market, not by the state.

sector. The fact that the Turkish banking system is not in a sound legal, operational and financial grounds have increased the sensitivity of the banking sector to the economic crises experienced.

After the banking crises that emerged in 1999−2001 in Turkey, there have been developments that can be regarded as positive after the restructuring studies in the financial sector started and a difficult implementation period. In this development and growth process, the banking sector has been the most important building block of the financial system.

Banks, whose main objectives are to transfer the funds they provide from those with more than their funding to those who need it, contribute to the growth of financial volume and the increase in national income and employment. Macro functions of banks are; to transfer resources to the sectors and fields in need of the economy, to support the implementation of monetary policy, and to help the country's economies to integrate and develop in foreign trade transactions [Bayrakdaroğlu, 2013].

The public banks that continue to operate in Turkey are Ziraat Bank, Halkbank, Vakıflar Bank.

The main purpose of this study is to measure the performances of 3 state owned banks engaged in deposit banking operating across Turkey. They were measured in terms of their performances of 10 years before restructuring process and also 14 years after restructuring process. The other purposes are;

- The evaluation of public banks' performance before and after the 2001 crisis on a bank basis over certain ratios,
- The differences in the restructuring process implemented in 2001 on public banks, Ziraat Bank, Halkbank and Vakıflar Bank,
- The expression of sector shares and sectoral activities of public banks over the past years with specific criteria and graphical representations.

3. Limitations of The Study

The performance of state-owned banks between the years 1990-2000 was called first period. The performance between the years 2002 to 2014 are expressed in the form of the second period in the research. In order to have a more solid foundation of this practice, the adverse effects of the 2001 economic crisis occurred in Turkey in banking sector was deemed appropriate to exclude of the research. Therefore, the 2001 ratios were not included in study.

4. Methods Used in Research and Data Analysis

The analysis system of the research called t-test is a method that helps to evaluate the differences between the two groups either it is incidental or statistically significant [Akdağ, 2011].

Independent sample t-test, the type to be used in the study means comparing the average of two independent groups mutually which were determined according to dependent variable. While making this comparison a certain level of confidence is determined and it is tested; either there is a significant difference over the confidence interval or not [Ural, 2006].

Before the restructuring in the study, the data for the first semester was evaluated as the first group, and the data for the second semester was evaluated as the second group. For this reason, it is considered appropriate to have a t-test for the method of the study.

The averages of the ratios calculated over certain criteria were compared among the groups.

The Independent Sample, which is the type of t-test to be used in the study; is the reciprocal comparison of the mean of the two independent groups determined by a dependent variable. In this comparison, a certain level of confidence is determined and tested to see if there is a significant difference over this confidence interval [Akdağ, 2011].

The confidence intervals and significance levels determined in the study are as follows;

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sin. < 0,01 => %1 There is a significant difference in the 99% confidence interval from the Independent Sample t test.

sin. < 0,05 => %5 There is a significant difference in the 95% confidence interval according to the Independent Sample t test.

sin. < 0,1 => %10 There is a significant difference in the 90% confidence interval according to the Independent Samples t test.

sin. > 0,1 => There is no significant difference from the Independent Sample t test.

1% %99 Confidence Interval

5% %95 Confidence Interval

10% %90 Confidence Interval

The established hypothesis based on the obtained confidence interval and level of significance will be expressed as follows;

Ho: Group averages are not different from each other.

H1: Group averages are different from each other.

5. Data Collection Tool

Some of the data used in this study are provided from the website of The Banks Association of Turkey directly or obtained as calculated by author using the ratios about the banks.

When the valuation criteria for the research are determined, ratios are preferred to ensure monitoring of changes and development processes of problematic aspects of these banks after reconstruction. These data and ratios used in this study are the most widely used in the measurement of bank performance in literature: Equity/Assets, Total Loans/Assets, Total Loans/Deposits, Non-Performing Loans/Total Loans and Receivables, Net Profit/Equity, Net Profit/Assets, Net Profit/Capital, Per Branch Assets Average, Per Branch Deposits Average, Average Credit Per Branch, Per Branch Employee Average, Per Branch Net Profit Average.

The Asset Quality, Profitability and Branch Ratios used in the survey to measure performance indexes of public banks are explained below. Four active quality ratios, three profitability ratios and five branch ratios were used.

6. Results of Analysis

By using the determined ratios, it is examined in this study that whether the state owned banks in Turkey has a positive improvement and significant differences before and after the restructuring. Results obtained by using the ratios are shown in Table 1.

The results obtained by using t-test are signed as accepted and refused. Accepted means there is significant differences between two periods in this study (Table 2).

According to analysis results when we compare the 1st and the 2nd period due to the performance ratios of public banks, there are more of the criteria which have significant differences between terms. That means after restructuring program the state owned banks have been more successful than the previous period.

Table 1: According to The Independent Sample t-test The Results of Halkbank, Ziraat Bank and Vakıflar Bank

		Halk Bank		Vakıflar Bank		Ziraat Bank	
		t-test for Equality of		r Equality of Means		t-test for Equality of	
		t	Sig. (2-tailed)	t	Sig. (2-tailed)	t	Sig. (2-tailed)
Equity / Assets	Equal variances assumed	-5,222	,000	-6,369	,000	-3,508	,002
	Equal variances not	-4,749	,001	-6,703	,000	-3,209	,008
Total Loans / Assets	Equal variances assumed	-2,160	,043	-1,708	,102	1,893	,072
	Equal variances not	-2,363	,030	-1,841	,081	1,944	,066
Total Loans / Deposits	Equal variances assumed	-1,942	,066	-1,189	,248	1,755	,094
	Equal variances not	-2,093	,050	-1,205	,242	1,796	,087
Non-Performing Loans / Total Loans and	Equal variances assumed	4,606	,000	2,338	,029	1,816	,084
	Equal variances not	4,013	,003	2,384	,027	1,999	,062
Net Profit / Equity	Equal variances assumed	-8,845	,000	,581	,567	-,892	,383
	Equal variances not	-9,238	,000	,522	,612	-,805	,438
Net Profit / Assets	Equal variances assumed	-1,569	,132	2,535	,019	,515	,612
	Equal variances not	-1,418	,184	2,241	,049	,459	,656
Net Profit / Capital	Equal variances assumed	-3,629	,002	,654	,520	-2,221	,038
	Equal variances not	-3,990	,001	,611	,551	-2,155	,046
Per Branch Assets Avarage	Equal variances assumed	-5,602	,000	-9,154	,000	-7,063	,000
	Equal variances not	-6,406	,000	-10,439	,000	-8,063	,000
Per Branch Deposits	Equal variances assumed	-2,576	,018	-1,603	,124	-1,172	,254
	Equal variances not	-2,493	,024	-1,429	,183	-1,052	,316
Average Credit Per Branch	Equal variances assumed	-3,789	,001	-5,837	,000	-3,732	,001
	Equal variances not	-4,343	,001	-6,682	,000	-4,277	,001
Per Branch Employee Avarage	Equal variances assumed	1,082	,292	4,669	,000	17,872	,000
	Equal variances not	1,100	,284	5,181	,000	18,648	,000
Per Branch Net Profit Avarage	Equal variances assumed	-5,508	,000	-9,190	,000	-7,713	,000
	Equal variances not	-6,313	,000	-10,464	,000	-8,841	,000

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Table 2: Resulting According to Significance Level

Banks	Equity / Assets	Total Loans / Assets	Total Loans/Deposits	Non-Performing Loans/Total Loans and Receivables	Net Profit / Equity	Net Profit/Assets	Net Profit / Capital	Per Branch Assets Average	Per Branch Deposit Average	Average Credit Per Branch Average	Per Branch Employee Average	Per Branch Net Profit Average
Halk Bank	Accepted	Accepted	Accepted	Accepted	Accepted	Refused	Accepted	Accepted	Accepted	Accepted	Refused	Accepted
Ziraat Bank	Accepted	Accepted	Accepted	Accepted	Refused	Refused	Accepted	Accepted	Refused	Accepted	Accepted	Accepted
Vakıflar	Accepted	Refused	Refused	Accepted	Refused	Accepted	Refused	Accepted	Refused	Accepted	Accepted	Accepted

7. Conclusion

The basic tasks of establishment of public banks in Turkey are to lead the economy in financial matters, to assist in solving the problems in the banking sector, transporting the banking services in rural areas and to contribute to the economy in areas such as financial and fiscal stability.

However, the public banks that have been established have started to engage in activities other than their duty purposes, to make decisions in the direction of political pressures or to allocate resources, to employ unnecessary and inefficient personnel and thus they had begun to damage the economic system. These drawbacks have led to the impossibility of collection and repatriation of a significant portion of the loans granted by public banks; they have caused the falling of banks' performances. The operating objectives of the public banks operating under these conditions have become diverse and public banks have moved away from the profit motive. The inadequacy of information technology and the fact that they have very weak infrastructure in terms of audit has also played an important role in the event that these banks can easily go bankruptcy and they become harmful for banking sector.

The main purpose of public banks is to lead financial markets in many countries in the world as well as economic development in Turkey, to help the sector to solve problems in the banking system, to contribute to the economy of the banking services in rural areas and especially financial and financial stability. However, over time, these banks have failed to keep up with economic development and deepening, and have begun to exercise influence over the financial system.

The state owned banks in Turkey had irregular balance structure and became unable to continue their basic tasks during 2000s, due to the crisis in 2000 and 2001. Therefore, these banks are included in banking restructuring program implemented in the financial sector for the purpose of resolving the problems of them. In this context, primarily duty losses of these banks were paid and capital support was provided to these banks. The interest rates of the banks have been harmonized to the market as both deposit and lending thus financial restructuring process was completed.

One of the other important restructure issues of these banks is the implemented arrangements to ensure compliance with public sector numbers and international standards about loans, deposit and non-performing loans. A number of arrangements have been done to improve the asset quality of these banks. Such as the qualifications of the personnel employed in state-owned banks, the number of branches and employees has been the subject of debate topics and became one of the issues given the importance part of the restructuring.

According to the results of our study evaluating the performance of public banks included the restructuring program; over the 12 ratios in the study, 10 criteria of the Halkbank, 9 criteria of Ziraat Bank and 7 criteria of Vakıflar Bank were found to be positive differences to be statistically compared to the previous period. It has been concluded that there is a small margin difference between the Halkbank and Ziraat Bank in terms of performance in state-owned banks and Halkbank is the most successful state owned bank according to the analysis. Ziraat Bank, as well as having the second most positive development of public banks in terms of analyze ratios has almost equal proportions with Halkbank in terms of asset quality and branch ratios proportions. Halkbank is ranked first as usual in profitability ratios. In terms of the branch ratios, all public banks are subject to the close level of success rate. Halkbank's branch/employee ratios lagged behind the other two state banks and through the branch/ deposit ratio, it has a better average growth than the others.

The banking sector is one of the most important dynamics in a country's economy. Therefore, as in most countries of the world, public banks have an important share and role in the economy in Turkey as well. Especially, the fact that Ziraat Bank continues to fulfil its intermediary role in agricultural credits and Halkbank continues to its intermediary role in subsidized and other commercial loans granted to Tradesmen and Craftsmen, while successfully fulfilling other banking activities, makes these banks more important in the sector. Other benefits of public banks to the economic system is their services apart from ordinary banking services such as investment and portfolio consultancy, insurance and private pensions, financing in leasing transactions. After the restructuring efforts of the public banks, even if they have damaged the economy for a while, today they are continuing their activities in a profitable and stable manner.

As a result of our study, while the state banks have been assessed as a whole, after the restructuring process in 26 of the total 36 criteria, 3 state-owned banks have been found to show a positive evolution. In this case, it is understood that after the restructuring works in public banks they became more successful in the next process.

Similar to our study, Bağlı and Rençber analyzed the performance index of Turkey's public and private banks between the years 2006-2012. As a result of the study, they came to the conclusion that Public banks are more profitable than the private banks. Another conclusion of the study is that Halkbank is the most profitable bank in the state-owned banks [Bağcı, 2014].

In the similar nature of the study performed by Altıkulaç, state-owned banks have been subject to performance evaluation between the years 2001-2005 on the basis of 2001. In this study, in parallel with our research it was determined that there have been improvements in public banks after the restructuring program [Altıkulaç, 2006].

The financial status of deposit banks in Turkey was evaluated in 3 groups as private banks, public banks and foreign capital banks by using The Camels Analysis Method based on 2002-2010 years in Ege and others' study conducted at 2015. According to the results of the study, it has been determined that the public banks are better than others in capital sufficiency, managerial proficiency, and sensitivity to market risks, foreign capital banks are better than others in active quality and liquidity and private banks are better than others in profitability.

Kandemir and Arıcı have divided deposit banks into three groups according to their ownership structures in their study conducted in 2013. Banks classified as private capital, public capital and foreign capital have compared their financial performances through 19 criteria through The CAMELS analysis method. Banks classified as private capital, public capital and foreign capital have compared their financial performances through 19 criteria through CAMELS analysis method. It is stated that the restructuring initiatives initiated after the crisis of 2001 gave positive results and the works contributed positively to the sector in evaluating the data taken between 2001 and 2010. At the same time, as a result of these studies, the industry has become more cautious [Kandemir and Arıcı, 2013].

Acar and the others used the data envelopment analysis method to compare banks in terms of number of branches, number of personnel, total assets, profitability and total deposits between 2009 and 2013. In comparison, bank groups are divided into 4 groups as domestic, private, public and participation banks. According to the result of the study, the most effective banks are respectively; public banks, domestic private banks, participation banks and foreign-private banks [Acar etc, 2015].

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European Trade – Where is Going? Retail Entertainment

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Abstract. *As competition grows, brand manager imagination needs to work, and sales growth solutions need to focus on customer focus attention. It is a difficult task if all brands offer discounts in the malls they are in, and the announcement of differentiation is put to the attention of specialists who offer solutions for fun of any kind for the clients. The article aims to present the evolution of world trade in recent years and the various ways of diversion invented by retailers to keep customers in store chains longer for them to buy more. I will also present the off-line consumer profile, as found in the specialty studies and the adaptation of the entertainment methods according to these shoper typologies.*

The aricolul presents an example of entertainment in a mall in Bucharest, meant to boost shopping during the winter holidays. In the example presented in the article, the events scheduled at the mall during the winter holidays bring sales increases and 80% over the previous month. Concerts, doll or clown shows, fashion parades, raffles, or even automotive contests all turn commercial centers into real-life halls.

The conclusion of this article will focus on what the link between entertaiment and retail is, the new concept of RETAILTAIMENT that leads to increased sales and profits of economic agents. Running by clients has made more and more mall managers manage to adopt marketing strategies that soon turned shopping centers into real halls that lead to spectacular sales growth, especially during holidays.

Keywords: *commerce, omnishopperi, entertainment, sales, omnichannel, retailtainment*

JEL Codes: *F10, M30*

1. Introduction

1.1. What does the article cover?

The current article speaks about international trade evolution in recent years, but also about new ways to sell products in major stores according to buyers 'typology, most of which appeal to shoppers' entertainment through numerous online and offline methods.

1.2. Why the studied problem is important?

Finding innovative methods of retaining as much time as possible in the visitor's sales area, to be converted into buyers, leads to increased sales and business profits.

1.3. How does the author intend to answer this question?

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The article has three subchapters in which we have shown the evolution of world trade in recent years, according to Eurostat data, the results of a study on the orientation of the Romanian shoppers in shopping, as well as the typology of consumers willing to buy, otherwise than in the classic way, methods and means to keep them as long as possible in stores.

1.4. What is the relationship between the article and the already existing specialized literature?

Because entertainment has long been a marketing method for increasing sales in large chain stores, the subject has not been much debated in the literature. Innovative methods discovered by brand managers around the world to keep shoppers as long as possible in stores will be described in future specialist sales books.

2. Literature review

In order to develop this topic, I have used the information received at the specialized conferences which I have attended in recent years, such as the Retail Arena, an annual conference dedicated to the large retail chains, online stores and service providers, logistics specialists and marketing, business owners and manufacturers in the FMCG industry, as well as the Biz conferences, destined for marketing, entrepreneurship, social media. I used also information from the specialized courses I wrote for Merchandising and International Marketing classes, as well as the book by Prof. Gh. Pistol, Internal Trade-Course Notes. We also used statistical information and data made available to researchers by the European Statistics Office, Eurostat, on the evolution of international trade.

2.1. World Trade Where?

I learned from school what trade means. According to the definition, it means supplying goods in exchange for means of payment, usually money, or other commodities, the price of which is determined by the market relationship between "demand" and "offer" [3]. As we know, trade is limited to buying, transporting and selling goods.

Commerce needs to always adapt to new sales techniques to meet new and ongoing customer requirements. Once the consumer is exposed daily to numerous offerings that invade his space and mind by all means sensed by the senses, he becomes increasingly demanding. The sight, the hearing, the smell, the touch and the taste are continually tested since we climb up to sleep on the things that surround us.

In this new world of aggressive commercials, shopping becomes more and more pretentious by the education it acquires not only in school, but also by online and offline media.

Under these circumstances, brand managers need to find new and new ways to increase sales at sales points, by conducting numerous studies to find new types of shops and their inclinations towards consumption.

According to the International Commodity Trade study, developed by the EU Statistical Office, Eurostat, the European trade of the 28 Member States carries about 15% of world commodity trade. The value of international trade in goods is significantly higher than that of services (approximately three times), reflecting the nature of certain services that are an obstacle to cross-border trade. China and the United States were the three largest players in international trade since 2004 when China overwhelmed Japan. [5]

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EU-28 international commodity trade with the rest of the world (sum of exports and extra-EU imports) was estimated at EUR 3 517 billion in 2015 (Table 1 and Figure 1). Both imports and exports increased compared to 2014, but this increase was higher for exports (€ 88 billion) than for imports (€ 35 billion). Therefore, the EU-28 trade surplus has increased from € 11 billion in 2014 to € 64 billion in 2015.

Table 1: International trade, 2014-15

	Exports			Imports			Trade balance	
	2014	2015	2014–15 growth rate	2014	2015	2014–15 growth rate	2014	2015
	(billion EUR)		(%)	(billion EUR)		(%)	(billion EUR)	
EU-28 (¹)	1 703.0	1 790.7	5.1	1 691.9	1 726.5	2.0	11.1	64.2
Belgium	355.5	359.6	1.1	342.2	338.8	-1.0	13.3	20.8
Bulgaria	22.0	23.2	5.1	26.1	26.4	1.1	-4.1	-3.2
Czech Republic	131.8	142.8	8.4	116.2	126.8	9.1	15.6	16.0
Denmark	83.5	85.9	2.9	74.8	77.0	2.9	8.7	8.9
Germany	1 125.0	1 198.3	6.5	908.6	946.5	4.2	216.5	251.9
Estonia	12.1	11.6	-3.8	13.8	13.1	-5.1	-1.7	-1.4
Ireland	91.8	110.5	20.4	60.7	66.5	9.6	31.1	43.9
Greece	27.2	25.8	-5.2	48.0	43.6	-9.1	-20.8	-17.8
Spain	244.3	255.4	4.6	270.2	281.3	4.1	-25.9	-25.9
France	436.9	456.0	4.4	509.3	515.9	1.3	-72.4	-59.9
Croatia	10.4	11.7	11.9	17.2	18.6	8.2	-6.7	-6.9
Italy	398.9	413.9	3.8	356.9	368.7	3.3	41.9	45.2
Cyprus	1.4	1.6	20.9	5.1	5.0	-1.4	-3.7	-3.4
Latvia	11.0	10.9	-0.8	13.3	12.9	-2.9	-2.3	-2.0
Lithuania	24.4	23.0	-5.7	25.9	25.4	-1.9	-1.5	-2.4
Luxembourg	14.5	15.6	7.4	20.1	20.9	3.9	-5.6	-5.3
Hungary	83.3	88.9	6.8	79.0	83.5	5.7	4.3	5.4
Malta	2.2	2.3	5.4	5.1	5.2	1.7	-2.9	-2.9
Netherlands	506.3	511.3	1.0	443.7	456.4	2.9	62.7	55.0
Austria	134.2	137.8	2.7	137.0	140.1	2.3	-2.8	-2.4
Poland	165.7	178.7	7.8	168.4	175.0	3.9	-2.7	3.7
Portugal	48.1	49.9	3.6	59.0	60.2	2.0	-10.9	-10.3
Romania	52.5	54.6	4.0	58.6	63.0	7.6	-6.1	-8.4
Slovenia	27.1	28.8	6.4	25.6	26.8	4.8	1.5	2.0
Slovakia	65.1	68.0	4.5	61.7	66.3	7.5	3.4	1.7
Finland	56.0	53.9	-3.7	57.8	54.3	-6.1	-1.8	-0.4
Sweden	123.9	126.3	2.0	122.1	124.5	1.9	1.8	1.9
United Kingdom	380.3	414.8	9.1	519.7	564.2	8.6	-139.5	-149.4
Iceland	3.8	4.3	12.1	4.0	4.6	14.4	-0.2	-0.4
Norway	107.5	–	–	67.2	–	–	40.3	–
Switzerland (²)	234.8	261.6	11.4	207.6	225.9	8.8	27.2	35.7

(¹) External trade flows with extra EU-28.
(²) Including Liechtenstein.
Source: Eurostat (online data codes: ext_lt_intertrd, ext_lt_intercc and ext_lt_introle)

Source: http://ec.europa.eu/eurostat/statisticsexplained/index.php/International_trade_in_goods/ro

Following a dramatic decline in both exports and imports in 2009, the EU-28 has increased its exports to 58.7% over the next four years to reach a record high of 1,737 billion in 2013. Exports then declined to 1.9% in 2014 before rising to 5.1% to reach a new peak in 2015 of EUR 1 791 billion. Instead, the increase in imports after 2009 was 45.5% over three years to reach a peak in 2012 of EUR 1 798 billion. Although imports declined to 6.2% in 2013 before stabilizing (to 0.3%) in 2014 and increasing by 2.0% in 2015, it is still below the 2012 level. Germany was, by far, the largest Member State in terms of trade outside the EU-28 in 2015, contributing 28.2% of EU-28 exports of goods to third countries and making almost a fifth (18.8%) of EU-28 imports (see Figure 7). The following three largest exporters, the United Kingdom (12.9%), France (10.5%) and Italy (10.4%) remained the same as in 2014 (although France's exports outside the EU-have exceeded those of Italy), these being the only EU Member States with a two-digit share of EU-28

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exports. The United Kingdom (15.2%), the Netherlands (14.4%), France (9.5%) and Italy (8.9%) were immediately behind Germany as regards the volume of imports of goods from third countries in 2015.

Fig. 1 Evolution of International Trade 2005-2015

Source: http: //ec.europa.eu/eurostat/statisticsexplained/index.php/International_trade_in_goods/ro

The relatively high percentage for the Netherlands can, at least in part, be explained by the considerable volume of goods entering the EU via Rotterdam, which is the EU's largest maritime port. The largest surplus of extra-EU-28 commodity trade, estimated at EUR 179.4 billion in 2015, was recorded by Germany, followed by Italy (EUR 33.7 billion) and Ireland (EUR 29.3 billion) .

The main groups of products that are the subject of international trade are represented in Figure 2. [5]

Between 2010 and 2015, the value of EU-28 imports and exports increased for all the product groups shown in Figure 2, excluding imports of mineral fuels and lubricants, which decreased to 14.7%. The highest rate of growth in imports [5] was reported for food, beverages and tobacco, with an increase of 49.5%. Imports of these products also increased significantly (up to 33.8%), but this increase was overtaken by chemicals and related products, where there was an increase of 34.8%.

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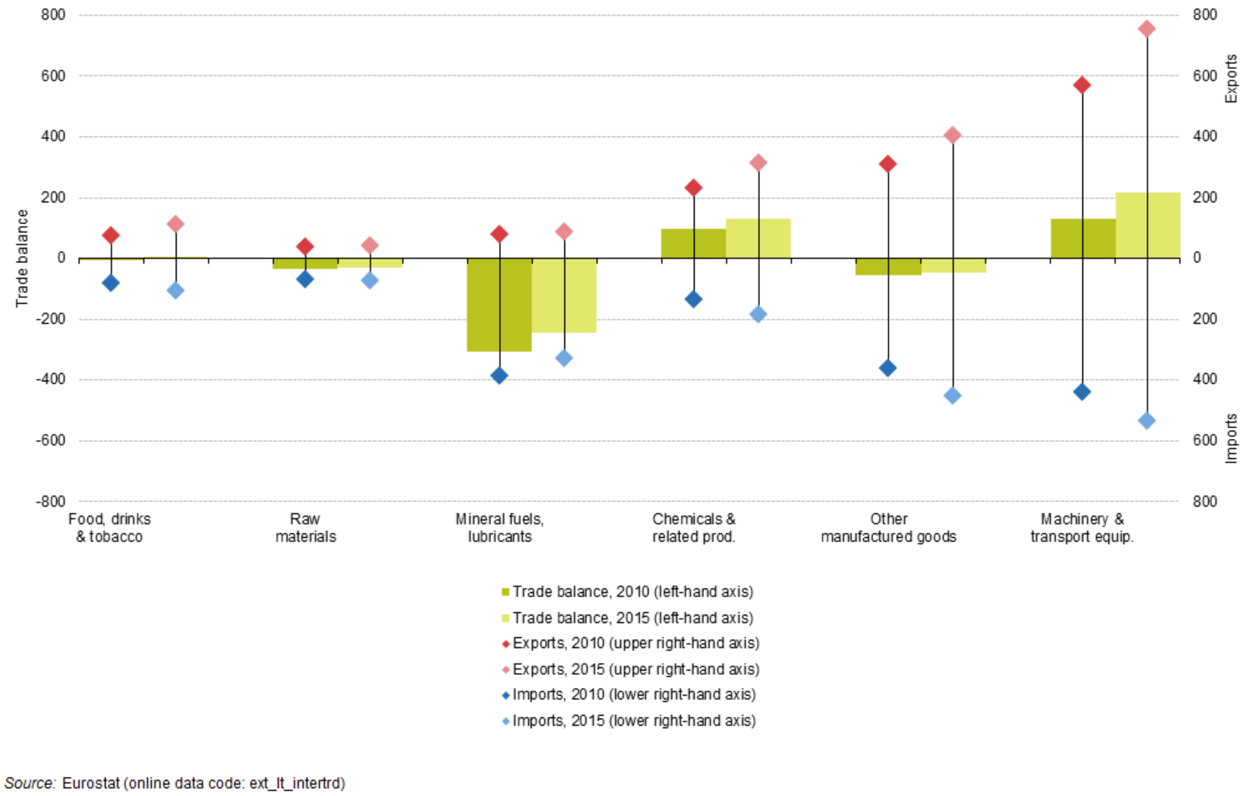

Fig. 2: EU-28 extra trade by main products, EU-28, 2010 and 2015 (EUR billions)

Source: http: //ec.europa.eu/eurostat/statisticsexplained/index.php/International_trade_in_goods/ro

3. GfK Market Research Institute: The Romanians have spent more and have focused on more expensive products in 2016

Year 2016 was another good year for the consumer goods industry, both from retailers and producers, according to a study by GfK. 2016 was the second consecutive year when Romanians had an increased appetite for more expensive products and for higher expenses. The FMCG (Fast Moving Consumer Goods) market grew by 3.4% compared to 2015. Behind this growth is a 3% increase in purchases and up trading (consumer orientation towards products superior in terms of price). Unlike in 2015, up trading was found in both modern and traditional trade. This phenomenon has led to an increase of one percentage point of premium brands at national level, while the other price categories decrease. [7]

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Romanians buy less commonly used goods, but spend more on a purchase act. Reducing the shopping frequency was noted exclusively in the fresh food categories, while for home care products the purchasing frequency increased.

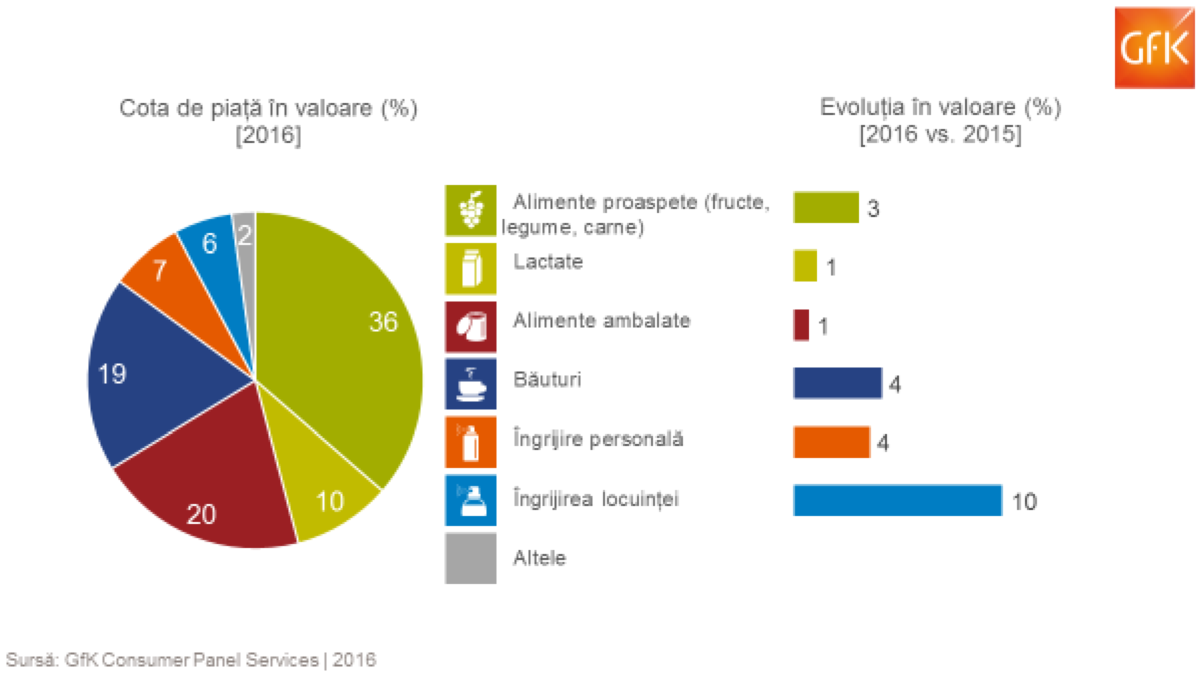

Fig. 3: Two-thirds of spending goes to food

Source: www.retail-fmcg.ro/servicii/studii-de-piata-servicii/studiu-gfk-produse.html

As shown in Figure 3, two-thirds of spending goes to food.

In current consumer goods, food categories still dominate Romanian spending and accounted for 66%.

Household care products, beverages and personal care products had the greatest growth. However, considering the size of the category segments, fresh food and beverages were the ones that contributed most to the growth of the FMCG market. Among the categories that registered increases in 2016 are: seafood and fish, frozen foods, exotic fruits (avocado, pomegranate, etc.), cider, champagne etc.

The hypermarket has become the most important retail channel.

Modern trade covers 57% of the total FMCG market in Romania. During 2016, modern retailers earned 2 percentage points versus 2015. Supermarket and discount formats contributed most to the growth of modern commerce, gaining a half a percentage point each. The growth of these formats comes from attracting more buyers in stores and increasing the purchasing frequency. Although they had a steady market share in 2016, hypermarkets remain the most important modern channel, accounting for more than a quarter of total home FMCG sales. [7]

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Compared to other years, in 2016 retailers' concentration has diminished their growth rate. The market share of the top 10 retailers increased by only 1 percentage point (compared with 3 points in 2015). Among the most active retailers in terms of market share growth are Lidl and Profi. Traditional trade has had a negative evolution during 2016, the decrease of 2 percentage points being determined by a reduction in the frequency of buying from traditional formats by Romanians.

What we expect from 2017

Unlike previous years, 2017 will be characterized by inflation as a result of fiscal relaxation and VAT cuts in 2015 and 2016, which anticipates a slower growth rate.

4. Shoppers' typology and sales adaptation to entertainment

The emergence of "omni" terminology in the retail vocabulary is not up to date, but it is only recently that it is really the focus of attention. The consumer who makes smart choices has suddenly metamorphosed into the *omnishopper*, that is, the consumer who uses technology learns about the purchasing choices he makes, maximizing his shopping experiences regardless of the environment in which he purchases (physical store or online). This type of consumers is more demanding, social, more connected and more personal-oriented than ever. Those consumers are choosing the store from the retailer's experience, not according to the channel on which the retailer operates. The digital revolution not only gave consumers more comfort, it turned them into more informed consumers and more oriented to save money.

Physical stores have long existed for the growth of sales, and have grown tremendously from the mere act of selling to a sophisticated outrage and investment of hundreds of millions of dollars or euro. Online stores are only 20 years old, but have evolved at a dizzying pace due to the equally spectacular evolution of digital technology.

Marketing activities chosen by the ones interested in doing business include classically testing to identify customer needs, product development, innovative product design to meet existing or latent needs, product promotion to create interest and build brand names, pricing for revenue growth. [2]

Sales activities focus on turning potential customers into buyers if they can even become loyal to them. Sales directly involve interaction with potential customers to convince them to buy the product. Sales techniques are becoming more and more personalized, using digital technology and cyber entertainment methods, in addition to the classic one for keeping the customer as long as possible within the store.

We find out how marketing science tends to focus on the general population, while science sales usually is focused on individuals or small groups of potential customers.

Marketing and publicity specialists have been aware of the limitations of traditional market research methods for decades, but only in recent years the progress of science has allowed the development of a more effective mechanism helping to decipher consumer thoughts: neuromarketing. This name is related with using techniques developed by cognitive neuroscience and psychology specialists to analyze and understand people's reactions to products and promotions, which allows refining marketing efforts to make them more effective. Following brain reactions to different stimuli, researchers can discover the marketing mechanisms that are most likely to lead to the desired outcome: selling the product [1]

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In this battle for profit, innovations determine people, brands, and companies to think about what their true values are. So, all that can be imagined may become real.

It is clear that for most clients, both online and offline are important before an acquisition, and traders know this.

Often, online and physical stores are not in competition, but in many cases they are completing and borrowing features. A great company will try to be strong in both classic retail and online. In malls, more and more sellers work with tablets, store walls are monitors and touch-screens, and users can instantly find out on the Smartphone what discounts they are in the shop they enter, customers can also check the offer on touch screens store on site-like graphics, as proof that the boundaries between online and offline have almost disappeared.

Heads of physical stores know that many of their customers love the internet and technology and will react positively if they meet with them in the store.

On the other hand, online stores try to overcome the huge disadvantage that people can not touch the products and cannot see them live. More and more online stores make video with products, have animations and offer the possibility to analyze the product virtually 360 degrees. On the vast grounds of the mega-mall, you can meet trendy boutiques, supermarkets and grocery stores, entertainment centres, bowling, amusement parks for children, restaurants, food fields, a children's play area, a fitness club with swimming pool and others.

Looking back to the way we purchase products we see that in 2010, customers start to inform themselves online, but continue to buy offline.

Fig.4. Typology of buyers,

Source: https: //ro.pinterest.com/pin/146437425353750579/

In 2013, Showrooming is invented. People are testing in-store, but they buy online. So far, showrooming is not a strong trend in Romania. You mean bringing in the stores what they like online.

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According to Retail Customer Experience, Achieve Global, [6] in 2013-67, 9% from customers preferred to buy in-store because they could reach and test products; 44.1% did not want to wait for the delivery of online shopping; 54.3% thought the offline shopping experience was better than online. [1]

According to a comprehensive study on 1600 shoppers in 2013 (Figure 4), four shopper profiles were outlined:

4.1. The experience lover likes to shop. For 29% of buyers, shopping is like going to jellyfish and trying all the ice cream flavours. This guy is happy with the choices made, feels proud and smart of the decisions made, and shopping is easier than it seems.

The time spent searching for the product or product information is relatively small, the attachment to the brand is high, the use of social media or online shopping is relatively small.

Want to make SAFARI RETAIL, participate with pleasure in what they DO. DO YOURSELF means and respond to the urge TO GO TO THE PRODUCT!

4.2. The superficial buyer who thinks shopping is like homework. He does not like it, but he knows he has to do it. 31% of the clients think like this.

The hypothesis of mistaken decisions agitates him. Shopping seems harder than he believed or hoped for. He is usually unhappy with the shopping experience and is the one who complains to the customer service. The time spent searching for the product / product information is relatively high, the attachment to the brand is relatively small, it is well informed in advance because it uses social media and even does online shopping. This type of buyer matches sales personalization through vendor-friendly dialogues, and the reality needs to be enhanced by encouraging slogans. Here, the relationship management with the customer, CRM, is essential.

4.3. The social adventurer who cares about what others think about his decisions is delighted to do research about buying, he likes to enter into dialogue with the company where he bought, is an emotional person, for whom shopping is like a treasure hunt game where you can make your own map. 15% of shoppers are of this type.

The time spent searching for product / product information, brand attachment, and social media / online shopping have very high values on a scale to measure these attributes. For this type of shopper, it is very important to reward his visit to stores. This means he has to find ways to spend a lot of time at the point of sale. That's how GAMIFICATION appeared, that is, the techniques behind the design of the most effective loyalty program. Common elements of gaming language such as gaming points, badges, leader boards, and levels are proven (and increasingly popular) elements that stimulate and encourage consumer behaviour. The shopper wants to find information quickly on the phone or tablet, being in the store. In his case, offline = online.

4.4. The passive buyer is not interested in the opinion of others, he does not like to do too much research before buying something, when buying something is not emotional, he sees shopping as simple commercial transactions.

For him the shopping is like a haircut. You can take time, and anybody else is doing it anyway. It is represented by 25% of buyers.

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The attributes studied and other consumer typologies have low values, they don't allocate too much time for searching products or necessary information, is not attached to the brand, and uses to a lesser extent social media and online shopping. To attract this type of buyer, you must resort to real artistic performances in the store, exhibitions, even special places for special shoppers equipped with games, TV themed shows etc.

In order to increase sales, we need an efficient promotion of the services offered by companies, and the promotion of brands. Mobile marketing and mobile communication offer this perspective [Catoiu, 2010].

5. Case Study: Sun Plaza, Bucharest

In this mall, it is always intended to give Sun Plaza customers the most enjoyable experiences, which is why weekly the mall is experiencing a new event. Performances and concerts organized within the mall are addressed to both children and adults.

Traditional or holiday festivals, workshops and shows for children, concerts where customers enjoy the most vogue hits of the moment, glamorous sports gaming campaigns or computer games, social projects through which investing in the good of the community, and last but not least, the health and beauty events dedicated to ladies are created from the desire to provide relaxing moments full of good mood and smiles. https://www.sun-plaza.ro/event/da-mai-departe-bucuria-orasul-lui-mos-craciun/

Here is an event organized for 8.12-14.12.2017

"Share the happiness to the City of Santa Claus"

Shop: SUN PLAZA

Creative workshops, LEGO construction, theatre shows, Santa Claus meetings and carols await you at Sun Plaza. Discover all the surprises we have prepared for you on the 1st floor in the restaurants area between the 8th and the 24th of December.

Here's the detailed program:

December 8:

17: 00-18: 00 - **Santa's Festive Flea** - The Fairytale Parade

18: 00-19: 00 - **Christmas Stars** - carols recital performed by Bim Bam and Fantezia

December 9:

11: 00-15: 00 - **Toys Factory** - arts & crafts workshops and face painting sessions

17: 00-18: 00 - **Games Olympics** - play and fun

18: 00-19: 00 - **Magic Box of Christmas** - interactive ice show

December 10:

11:00 - 15:00 - **Toys Factory** - arts & crafts workshops and face painting sessions

17: 00-18: 00 - **Games Olympics** - play and fun

18: 00-19: 00 - **The Rolling Strings** - musical theatre with puppets

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December 15:

17: 00-18: 00 - **Games Olympics** - play and fun

18: 00-19: 00 - **Christmas Magic Show** - an inaugural magic show

December 16:

11: 00-15: 00 - **Toys Factory** - arts & crafts workshops and face painting sessions

17: 00-18: 00 - **Games Olympics** - play and fun

18: 00-19: 00 - **Nutcracker** - puppet theatre supported by the Musketeers Theatre Company

12:00 - 20:00 - **LEGO Workshop** - Leo-themed event on the 1st floor, Green Plaza

December 17:

11: 00-15: 00 - **Toys Factory** - arts & crafts workshops and face painting sessions

17: 00-18: 00 - **Games Olympics** - play and fun

18: 00-19: 00 - **The Winter Stories** - reading show

12: 00-20: 00 - **LEGO Workshop** - Leo-themed event on the 1st floor, Green Plaza

Santa Claus Meeting: 8-23 December

Thursday, Friday 17: 00-19: 00

Saturday, Sunday 13: 00-19: 00

Free gift wrap and free wardrobe corner: 8-24 December

Daily, 12: 00-21: 00, on the 1st floor, Green Plaza

Fig.5. "Share the happiness to the City of Santa Claus"
Source: https://www.sun-plaza.ro/event/da-mai-departe-bucuria-orasul-lui-mos-craciun/

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6. Conclusions

If retailers have the same prices, the same commodity and are relative to the same consumer distance, they have to find ways to encourage customers to choose their store.

The big chains are heading towards Retailtainment. This new concept adds entertainment or recreation to the retail experience. By combining sales with customer spending, entertainment through sales, it can come back and even recommend that point of sale knowledge. A new concept of Retail + Enterntainment = Retailtainment is reached. Retailtainment does not just mean games, shows inside the store, but a state of well-being and experience that the buyer truly involves.

In the United States, China, the UK, and other technologically advanced countries, the evolution of the retail and entertainment industry is growing at the same pace as the IT industry, generating billions of dollars annually.

"Efficiency" seems to be the operative word when it comes to defining the omnichannel experience that most retailers have adopted in their stores in recent years. Omnichannel is a business model in which the way the interaction between a brand and its consumers / fans is dictated by consumers / fans. The way we buy from a classic store differs from an online store, just as they differ the products we choose to buy. In physical stores we have a sensory relationship with products and we tend to buy under the impulse of the moment, while online we are a little more rational because we can compare and better order the offer.

Brands and smart retailers are already adapting their integrated marketing plans to ensure that all forms of m-commerce and e-commerce, online and offline, are a strong point in the acquisition process, and those who do not do it, risks losing a significant market share and failing to attract a new generation of buyers. The store remains the center of gravity for the omnishopper. A destination for the value of entertainment and social interaction, and although value is important, promotions are essential for less than 20% of the omnishoppers.

We notice the outline of 10 trends that can apply to brands and retailers to increase real sales:

1. PERSONALIZATION in the sale of the product
2. ENHANCED REALITY: Improved reality
3. RETAIL SAFARI - LEISURE EXHIBITIONS
4. EMOTIONS AND DIFFERENT STATIONS
5. PERSONALIZED INFORMATION
6. GESTURG EXPERIENCE
7. GAMIFICATION
8. SHOP IN SHOP
9. COURSES AND EDUCATION like DO IT YOURSELF

These sales trends are taking into account the consumer product typologies that they see in shopping and a way of entertainment.

Expert advice refers to adapting experience based on product, retailer, and space available.

In the example presented in the article, the events scheduled at the mall during the winter holidays bring sales increases and 80% over the previous month. Concerts, doll or clown shows, fashion parades, raffles, or even automotive contests all turn commercial centers into real-life halls.

Our example shows how to make an ethical, civilized and extremely pleasant commerce when resorting to customer entertainment where the customer no longer pursues the lowest price. He will pay the right price.

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Betawi Traditional Cuisines; Reflection the Native Culture of Jakarta (Formerly Known as Batavia)

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Abstract. *Betawi is a native tribe in Jakarta where once known as Batavia. The modernization concept brings quite significant impact on the change in value system order in Betawi Culture. Research has the two phases. The first phase was to analyse the potentials and the functions of Betawi Traditional Cuisines; have using secondary data. The second phase was analysed the culinary socio-cultural representation of the community; using the primary data. Geographically, the respondents will be taken from the five administrative areas of the Special Capital District of Jakarta (330 respondents in total). The assessment aspects in the representation test include: knowledge, uniqueness, originality, social value, distribution, sensitivity and seasonality*

Keywords: Betawi, Jakarta, Batavia, Society, Culture

JEL Codes:

1. Introduction

Jakarta is one of many regions in Indonesia with a high complexity of community social interaction, and a discussion on the culture in Jakarta has been a highly strategic issue. Jakarta as the Capital of Indonesia experiences a relatively significant population explosion. This is because Jakarta has its own attractiveness as the urbanization destination. Sinulingga (2005) even says that the number of those migrating to cities used to be only 20 percent of the total population. Now, it has reached 80 percent. The tremendously compact social interaction accelerates the acculturation and cultural assimilation processes between the native with the immigrant community culture.

The modernization concept brings quite significant impact on the value system order changes in Betawi Culture. One of those cultural orders which begin to fade away is Culinary Culture. The multidimensional social problems that everyone seeks to remedy them are very complex and no actor can confront them on their own (Ep Chedli, 2016). Currently, the existence of Betawi Culinary Culture is far from maximum. The

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main problem encountered in developing Betawi Traditional Cuisines is the lack of dissemination of knowledge on culinary variety, even for Betawi Community themselves (Avenzora et al., 2014). It should be acknowledged though that introducing culinary variety is not merely the responsibility of one certain community or two, rather it is also the responsibility of all stakeholders (Untari, 2016) including entrepreneurs, culture specialists and government with their policies which are expected to support the continuance of Betawi Culture as the native culture in Jakarta. Thereby, the process of re-introducing Betawi Culinary Culture and mapping the psychological frame of all community in the society into conservation perception and continuance of socio-cultural values of Betawi Traditional Cuisines have been something urgent to do.

2. Method

The research developed here is the phenomenology one, aiming at understanding certain phenomenon or reality by placing the reality as social construction, truth and emphasizing on reviewing the exploration of human experience. In order to answer the problem this research focuses on, then, its activities are divided into two phases, namely analyzing the potentials and the functions of Betawi Traditional Cuisines; have using secondary data and analyzing as well as testing the culinary socio-cultural representation in the community of the Special Capital District of Jakarta using the primary data. The secondary data come from previous studies on the aspects of Betawi Culture, history of Betawi Culture development, environmental ecology and study of Betawi Culinary variety. Meanwhile, the primary data comes from the questionnaire spread to the respondents. The respondents in this research are classified into three categories, namely Aboriginal Betawi, Betawi Descent and Non-Betawi. Geographically, the respondents will be taken from the five administrative areas of the Special Capital District of Jakarta. Each category of each area has 30 respondents (330 respondents in total). The assessment aspects in the representation test include: knowledge, uniqueness, originality, social value, distribution, sensitivity and seasonality.

Meanwhile, the instrument used in collecting the primary data is Likert scale 1-7. It is adjusted with the characteristics of Indonesian people who are very delicate in articulating a value (Avenzora, 2008). One Score One Indicator is used in analyzing the questionnaire further. The One Score One Indicator method is an analysis model used by developing the elaboration of sets of questionnaire in the data collection and evaluating the variables which have been determined (Avenzora, 2008). The non-parametric statistics is used in analyzing the results of representation test to figure out the significance of different scores of each respondent category.

3. Result And Discussion

A. Lengthy History of Betawi Culture

Betawi Ethnic is the initial inhabitants of Jakarta City and its surrounding where the existence of Betawi ethnic has existed since Prehistoric Era and inhabited the nort part of Java Island since 3,500 – 3,000 BCas stated by Tjandarasasmita (1977) in his monograph "Jakarta Raya dan Sekitarnya Dari Zaman Prasejarah Hingga Kerajaan Pajajaran" (Great Jakarta and Around from Prehistoric until Pajajaran Kingdom Era). There are at least three opinions which explain the origin of Betawi Ethnic. Tjahjono (2003) suggests that Betawi Ethnic comes as a result of interactions between ethnics and tribes brought along by the Netherlands to

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Batavia, hence Betawi Ethnic is said to be new immigrants to Jakarta. This ethnic group was born from the combination of various groups such as Sundanese, Malay, Javanese, Arab, Balinese, Bugis, Makassarese, Ambonese, and Chinese.

In general, the area of Betawi Culture can be divided into two parts, namely Betawi Tengah (Central Betawi) or Betawi Kota (Betawi Urban) and Betawi Pinggiran (Betawi Rural). The Betawi Tengah or Betawi Kota area include those regions which at the end of the Dutch colonial administration belonging to Gemeente Batavia area, except several places such as Tanjung Priuk and around (Sufianto, Sugino and Andyni: 2015), while those areas outside it, both those belonging to the Special Capital District of Jakarta and the areas around them, are included into the Betawi Pinggiran area which at the old days were called as Betawi Oraby Betawi Tengah people. Based on their areas, the Betawi Pinggiran community are classified into two groups, namely Betawi Pinggiran Utara (North Rural Betawi) and Betawi Pinggiran Timur (East Rural Betawi) communities. The Betawi Pinggiran Utara community are those living in such areas as the northern part of Jakarta, western part of Jakarta and also Tangerang. They are highly influenced by Chinese culture. Meanwhile, the Betawi Pinggiran Timur community are those inhabiting the eastern and southern parts of Jakarta, Bekasi and Bogor (Normah, 2015). They are highly influenced by Sudanese culture and custom. They generally come from low economic class.

Many things have caused the existence of these two Betawi culture areas. These include historic, economic, and sociologic developments, different levels of ethnic elements which formed the origin of local inhabitants, including the level of culture of ethnics of origin influencing their next cultural life such as education. In the Central Betawi area, ever since the nineteenth century, there have been formal educational infrastructures like schools. The same applied to religious education. School were even more widespread during the twentieth century, afther the Dutch Colonial Government implemented the so-called ethical politic, the execution of which was mostly supported by Gemeente (Municipality) of Batavia with its jurisdiction stretching to around 250 square kilometres. (www.Jakarta.go.id).

B. Betawi Community Culinary Culture

The term culinary in English great dictionary is defined as something related to cooking and kitchen (Untari and Dhona, 2013). Thus, literally culinary means the kitchen people usually use to refer to something related to cooking or culinary profession. However, there is also this term known as gastronomy. Andika (2008) in Sabudi (2011) suggest that the term kuliner is absorbed from a foreign language; hence an ambiguity occurs that it means the art of processing or presenting delicious dishes while it is actually incorrect, since the correct term for such activities is gastronomy. Yet, in relation to market development, such things as terms, labels, and brands are critically important. An easy-to-remember label will be highly determined for a product’s success in penetrating and selling in a market. It is for this reason that culinary is commonly used recently.

The culture of eating is a habit applicable in a society constituting a part of local cultural expression which reflects tradition, economic level, educational background, and information flow the society is following. In Betawi community, there is a culture of eating which relates to their eating habits, namely nyarap (having breakfast), lunch, and grand meal (dinner). The habit of nyarap occurs in the morning. Then, lunch usually lasts from 12.30 to 13.30. However, not everyone can gather for lunch, because some of the family members might be still out there. The dishes served during nyarapare simpler, usually consisting of

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only a cup of coffee/tea and snacks such as traditional cake or ketan urap. Meanwhile, the dishes for lunch have more complete composition, consisting of steamed rice, side dishes, vegetables, and sometimes equipped with emping/kerupuk, perkedel, pickle/lalapan along with the sambal. What feels more special is that during the grand dining tradition all members of family have gathered at home. The dishes served during this grand meal consist of steamed rice, side dish, vegetables, plus complementary dishes. Sometimes, Aboriginal Betawi society serves their grand meal on a bale or on a mat on the floor since in addition to their fairly large number of family members, serving their meal on a baleor on the floor (lesehan) makes them more close to each other. All members of family ngeriung (gather) around that place. When they have more money the meal is closed with desserts, such as kolak or setup, and for adults sometimes they will conclude it by ngupi (sipping a glass of coffee).

To complement their dishes, the families in Betawi community usually use such utensils as plates, spoons and fork. However, it is quite often that there are those meals that people can eat without having to use these utensils. Thus, it is important to provide a certain container for them to wash their hands or centangan. They also have some myths regarding what they must not do while eating involving: the plate must not be held on the palm of the hand (ditampa) or they will find it hard to earn money from their job; it is also not justified to eat while nyiplak, i.e. chewing the meal in such a way that produces noises from the mouth; no cat-like eating habit is allowed, i.e. sniffing the meal first before eating it or licking the plate after finishing the meal; no sipping the vegetable soup directly from the vegetable container; no eating right at the door step while standing; no eating and talking at the same time; when others are eating it is not allowed to nyantong, i.e. standing and starring at them like they also want to eat it; no celamitan, i.e. asking others to share their meal. Several actions are also deemed less favoured, such as: betahak or belching while eating; releasing gas while eating is not justified; eating until awfully fulfilled that they cannot do anything else or kemelekeren; mindo, i.e. having a meal in between nyarapand lunch, or in between lunch and grand meal, or after having dinner. Those who love to do mindo are called gembul or jaga rasmi (ruler bodyguard) (Jakarta.go.id).

Time has changed people’s eating culture, and Modern Betawi community is not an exception from it. The relatively high mobility has made people forget to “nyarap.” It is not even hard today to find people eating while walking, where such habit used to be a taboo in Betawi community. Moreover, the tradition of having dinner which used to be the moment where every member of the family gathered has now been infrequently done. This is because the time one needs to take to go from their workplace to home has gotten longer, therefore when the dinner time comes they are frequently still on their way home. People’s knowledge on healthy lifestyle has also led them to maintain certain diet pattern where rice consumption is reduced because rice is considered as having high level of carbohydrate and replace rice with low-sugar, low-carbohydrate, healthy meals. A change has also occurred to people’s life. In the past, eating served as a means of making members of family more intimate. Today eating has been a way of having fun or relaxing with colleagues and friends. Eating has also served as a means of showing one’s socio-economic level within their community. The changes that the time brings are indeed inevitable. However, it is imperative that these changes be controlled. The control aims at preventing the society’s socio-cultural development, particularly in Betawi society, from separating the meaning of culture conservation farther away from modernization.

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C. Food as Betawi Cultural Identity

Cuisine is one of cultural products. Hence, cuisine holds an important position as Betawi Culture for cuisine has been a reflection of the relationship between Betawi Ethnic and their environment. The long history of Betawi Ethnic development in Jakarta shows how Betawi Community acculturated with those cultures from other regions in the Indonesian archipelago and even with foreign cultures brought along by the colonialists, traders and religious preachers.

In a study, 150 culinary types are inventoried. These cuisines can be classified into several groups based on such characteristics as general classification, social function, historic value, renewed value, modification to the culinary materials and food substance content (Table 1). The classification is necessary to find out the positioning of these cuisines within the food procession order. Food cannot be separated from the society's social life. Food will always be there in every activity of the society. That is why classifying food based on their social functions is important in the development of culinary culture. In addition to having social functions, food is also a reflection of a series of history of a society in a region.

Table 1. The General Classification of Betawi Culinary

Aspect		Amount
General Classification	Mind Course	64
	Snack	73
	Chili sauce	3
	Beverage	10
Social Function	Ceremonial; human life cycle	52
	Ceremonial; Religion	23
	Daily Food	90
Historical Value	Adaptation ; Middle Eastern	6
	Adaptation ; Western	4
	Adaptation ; China	2
	Ecological history of Batavia/Jakarta	9
Innovation	Cooking tools	147
	Cooking process	5
	Serve tools	22
	Serve process	60
Modification	Form	13
	Material	0
	Cooking spices	13
	Complement	19

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Cuisine is always close to society's socio-cultural life. The same applies to Betawi community. In Betawi culture, there are several commemorations or ceremonies at each phase of human life cycle, starting from pregnancy, birth, infant, childhood, adolescence, marriage and death.

Pregnancy Phase. During this phase, Betawi Community practices an event they call "nujuh bulanan", a ceremony related to 7th-month pregnancy period. Nujuh is taken from the total number of days in a week, which amounts to 7 days. The number seven is used as a reference in the nujuh bulanan ceremony. This ceremony aims at obtaining sense of being protected by reciting Al-Quran surah Yusuf and Maryam. The surahs are chosen in the hope that if the baby is a girl she will be as beautiful as Maryam and if the baby is a boy he will be as handsome as Prophet Yusuf. The family conducting this ceremony also wish for His bless and protection so that the baby to be born will be safe and one day would be pious child with noble manners and obedience to his/her parents. The compulsory dish in this event is rujak which consists of 7 different fruits, i.e.: pomegranate, young mango fruit, pomelo, half-ripe papaya, jicama, hog plum, sweet potato, and rujak sauce consisting of palm sugar, tamarind, bird eye chili, salt, shrimp paste, etc. Pomegranate is one of the fruits the existence of which is a must in rujak of nujuh bulanan ceremony. The same goes to pomelo. In their opinion, the ripe and red pomegranate will make the baby to be born very attractive and loved by everyone. Pomelo has its own meaning. Pomelo usually tastes sweet and makes a good rujak, and its skin could be easily peeled. It serves as a wish that the birth delivery will run smoothly and easily with no significant hindrance, just as how easy it is to peel the pomelo.

Birth Phase. During this phase, the baby is newly born and Betawi community practices the procession called as "mapas". It is a ceremony which is held when there is a woman who just delivers her baby. In this ceremony, the mother of the new-born is required to consume "sayur papasan" which contains numerous kinds of vegetables to keep the mother as well as the new-born healthy.

Infancy Phase. Infancy is said to be one of the most phases since during this period an individual learns to understand various things. Infancy begins from the birth of a human to the world. As a religious society, Betawi people perform Islam sharia in the form of aqiqah. Betawi people also perform puputan procession.

Puput Puser. The puput puser or "puputan" procession is a ceremony organized when the baby's umbilical cord falls off (puput). Betawi people hold simple communal feast. Usually Betawi people will serve Nasi kuning along with side dishes and those wealthier will serve ayam sempyok as an addition.

Aqiqah. It represents a communal feast ceremony for a new-born by slaughtering two goats for a boy or a goat for a girl. This is just like what Islam teaches. Another ceremony is having the baby's hair cut when it is 40 day old. In addition, Betawi people would organize pengajian (public preaching) and share Nasi Berkat (meal package) consisting of cooked rice, side dishes, fruits and kerupuk to their neighbors or relatives who attend the event. The meat from the slaughtered goat will be cooked into gulai or satay and it will be distributed to the neighbours and relatives.

Adolescence Phase. During this phase, the baby has grown and has reached the childhood age. Betawi people are a society mostly practicing Islam quite piously. Therefore, in this phase Betawi people have two processions, namely sunatan or circumcision (for boys) and khatam Al'Quran or reciting the whole Al Qur'an.

Sunatan. For Betawi people, sunat is meant to be something to distinguish. It means something to distinguish the age between a child and someone who has reached puberty. Their parents will talk and

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discuss to reach consensus with their village elders to hold the circumcision ceremony. In this event, the commonly served cuisines are Betawi-specific nasi kuning made from glutinous rice and its side dishes in the form of meat stew, acar kuning (literally yellow pickles), serondeng, fried onions, and emping melinjo. In addition, wealthier Betawi people will usually add it with ayam sempyok.

Khataman. Betawi people are a religious society. Since early in their lives, children of Betawi Ethnic have been introduced to education of religion particularly in recitation Al Quran. It is therefore unsurprising that many children have finished reciting Al Quran. And for their parents, it is a pride when their children could finish reciting Al Quran. This pride eventually leads them to organize the so-called "slametan Khataman" event. This event in Betawi is frequently called as Tamatan Qur'an. The ceremony is highly important for Betawi people because it serves as a sign that the children have understood well the teachings of Islam. In this procession, the cuisines served include nasi kuning or nasi uduk along with the side dishes. Several parents also make nasi tumpeng.

Adulthood Phase. In this phase, someone in Betawi society has been regarded to have matured both psychologically and biologically. Therefore, during this phase the events being held have something to do with marriage. Seven processions during adulthood phase are known, namely; ngedeleng, ngelamar, bawe tande putus, sebar undangan, ngerudut, akad nikah, kebesaran, negot and pulang tige ari.

Ngedelengin. Ngedelengin is finding a future female daughter in-law which is done by a Mak Comblang or matchmaker. Usually, in this event the family of future in-laws will serve tea or coffee and traditional cakes.

Ngelamar. In the proposal procession, the man's family declares their intention to propose the woman to her family. In this event, the "Kue bacot" is known, i.e. the action of giving Betawi-specific traditional cakes such as wajik, dodol, geplak and sweetened sugar palm fruit. The kue bacot tradition is held after the proposal procession is done by the man's family. Kue bacot is given by the woman's family to the man's family in return for the hantaran during the proposal event. Additionally, the traditional cakes can also be given to the neighbors around her house, aiming at notifying them that a marriage will be held in a near future. During the proposal procession of Betawi custom, what should be prepared include Sirih lamaran (proposal betel), pisang raja banana, white bread, accessory gifts and the Messengers consisting of the Matchmaker, Two pair of elders representing the future parents in law.

Bawe Tande Putus. Bawe tande putus is a statement or agreement when the wedding will be held. In this procession, the future in-laws' families usually serve traditional cakes and coffee or tea as the dishes during this family discussion for consensus.

Sebar Undangan. When the dates of marriage covenant and kebesaran (reception) have been set, the next thing to do is to spread invitations. In this procession, Betawi People have the so-called "Nasi Jotan". This nasi jotan consists of: steamed rice, yellow gluttonous rice with serundeng topping, carrot and cucumber pickles, stir-fried beans and grilled milkfish. Nasi jotan is given by the bride's family to public figures or someone considered as the elders in their village. Giving nasi jotan is meant to be invitation to attend the wedding. Nasi jotan is usually given a day prior to the wedding day. Some Betawi people give cigarettes instead to indicate that the recipients are invited to attend the marriage covenant or reception events.

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Ngerudat. This is a procession where the groom's big family come to the bride's home, while bringing along serah-serahan (wedding equipment) such as roti buaya (alligator-shaped bread), pesalin, sie, etc. The ngerudat procession usually serves as a commencement of the next procession, i.e. marriage covenant.

Akad Nikah. Akad nikah or marriage covenant is the pledge stated by the groom before the bride's guardian. The set of marriage covenant event usually begins with the "Palang Pintu" (literally: doorstop) procession. In this procession, the bride's family will give "Sayur Besan" as a respect to their besan (son in-law's parents).

Kebesaran. Kebesaran or currently commonly referred to as reception is a ceremony where both the bride and the groom sit on puade to accept greetings for being married from family and invitees. In this event, both the bride and the groom's families will invited their relatives, colleagues and neighbours to share their joy. In this process, the bride's family will serve several types of dishes as a form of gratitude for the good prayers the guests have given. The cuisines commonly served here include: nasi uduk and its side dishes, coffee, tea, fruits, yellow glutonous rice with serondeng topping, tape uli and some traditional cakes. However, in its development nothing distinguishes the wedding reception of Betawi Ethnic and that of Non-Betawi ethnics for the cuisines they serve are mostly the same.

Negor. The next procession is negor. It is an effort made by the husband to convince his wife to start a new life as a family. It is also highly sacred and meaningful for the lives of the two to live together building their family, and serves as an evidence of the woman purity as a wife.

Pulang Tige Ari. Pulang tige ari is held when the groom has stayed for three days in the bride's home. This event is held in the groom's home as an expression of how happy the groom's family are that their son has now become a leader for his family. During the event, the groom will be served with tea or coffee and snacks.

Death Phase. The death ceremony or Haul or tahlilan, is held by members of family when a death occurs. They will organize a communal meal called selamatan or sedekahan. Such an event is also held at the 7th, 40th, 100th, and 1000th days after the death. The dishes commonly served in this phase are:

- Nasi begané. It is called nasi begané because the steamed rice is served with side dishes and these side dishes are usually begané. Begané is adalah tumis kering ayam cacag (cacag sauted chicken)
- In the Tige ari (third day) dadar gulung is served, in the Tuju ari (seventh day) a complete set of regular steamed rice is served. At the evening of the fifteenth day ketupat sayur is served. Finally, at the evening of the fourteenth day ketupat sayur laksa and sate pentul are served.
- In the haul (1000th day commemoration) event, wealthier Betawi people generally serve nasi kebuli and pacri

The family, relatives and neighbours to whom the obituary is delivered will visit the grieving family. This activity of visiting the impacted family in Betawi community is known as "nyelawat".

In addition to the five phases, Betawi people also have three social and religious events, namely; bikin/ pinde rume, Nazar and Lebaran. Bikin/ Pinde Rume is held when Betawi people will commence their house construction and move to the new home. As a society with relatively tight kinship value, for this procession a separate commemoration is usually arranged, by having a pengajian (public preaching) event and distributing nasi berkat containing nasi kebuli, nasi uduk and Betawi traditional cakes. The next procession

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is nazar. Rural Betawi people call it “ngucap” and “kaulan. ”It is a promise someone makes in their heart and stated orally and expressly and heard by those around him. This nazar should be realized as promised previously. If it is not done, something bad will happen to the one stating the nazar. No clear information is available regarding the dishes served in this event. This is because a nazar is different from one person to another. The last one is lebaran event. For Betawi people, lebaran is one of the peak of happiness after accomplishing religious services and good deeds. To reach the lebaran, several stages should be passed well and correctly. Betawi People know at least three lebarans, namely lebaran Idul Fitri, Lebaran Haji (Pilgrimage), and Lebaran Anak Yatim (Orphan). Most of Betawi people embrace Islam as their religion. Thus, during Lebaran they celebrate it by serving grand meal for family and relatives and even neighbors. The dishes commonly served during lebaran are: Pesor, Ketupat, Sayur Goduk, Tape Uli, Kembang Goyang, Gingerbread, Biji ketapang, Kue Kuping Gajah, Rendang, Batawi, Serondeng, Ayam Sempyok, Kue Semprit, Cakes, Satu, Sagon, Nasi Briani, Nasi Kebuli, Dodol, Sugar Palm Fruits.

D. Reflection of Betawi Cuisines with Multi-Community Frame in the Special Capital District of Jakarta

The results of this study show that there are five types of cuisine, namely Familiar, Recall, Pass Known. Not every one of Betawi people know these and some of those which are regarded as new dishes. The research is conducted by involving three communities, namely Aboriginal Betawi, Betawi Descents and Non-Betawi Community in the five administrative regions of the Special Capital District of Jakarta (South Jakarta, North Jakarta, Central Jakarta, East Jakarta and West Jakarta). The following figure (figure 1) indicates that only six types of cuisines are still highly popular. Some dishes even begin to be forgotten. And as its people and someone who concerns ourselves about culture it is our responsibility to collectively reinstate the existence of Betawi cuisines and restore the popularity of Betawi Culture, particularly Betawi cuisines,so that Betawi Culture could once again become the regional identity of Jakarta. With no prejudice to the values of those cultures which have interactions of one another in Jakarta, we ought to begin to direct our support to local values of a region.

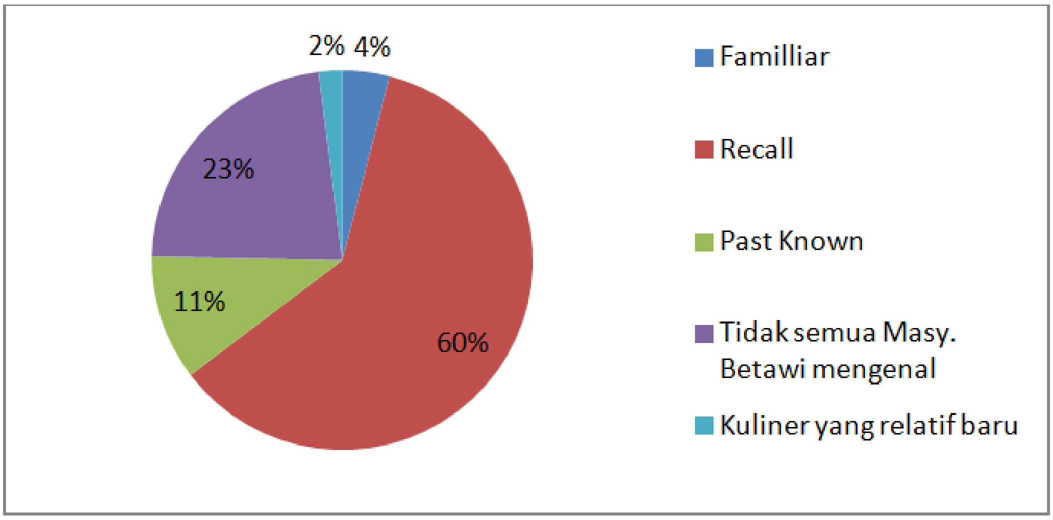

Fig 1. The Classification of Betawi Culinary Base on Communities Knowledge;
Source: processing data (2017)

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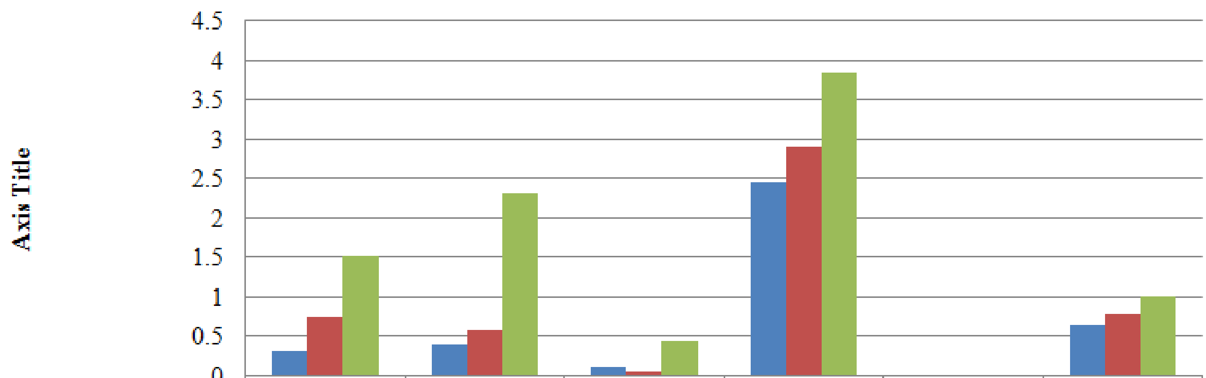
330 samples of five administrative regions of the Special Capital District of Jakarta

There are six cuisines which are familiarly known to the society in general. These six cuisines are: Kerak Telor, Gado- gado, Soto Betawi, Roti Buaya, Nasi Uduk and Asinan Betawi. It is a bit hard to believe that out of one hundred and fifty Betawi cuisine varieties, only six are known recently. Meanwhile, ninety one (majority) cuisines belong to recall classification. It means only some people know these cuisines. Based on the results of observation and interviews with the society, the types of cuisines included into this recall category are those "rumahan" (homemade) and "jajan pasar" (market snack) dishes which are frequently offered as dishes for breakfast. Here, we can see it clearly that when this type of cuisine is not served at home and or offered as culinary products which are consumed on daily basis, then it is possible that they will be gradually forgotten. It is also obvious here those households play an important role in disseminating culinary varieties. It is consistent with Suharti Siti and Suwarjo's (2015) research. In this research, sixteen types of culinary products are included into past known category. 34 culinary products are even generally unknown to all respondents from the Aboriginal Betawi community.

One of the objectives of this research is to map and represent such values as uniqueness, originality, social, distribution, sensitivity and seasonality of Betawi cuisines based on the opinion of the three communities (Aboriginal Betawi, Betawi Descents and Non-Betawi). This research finds that knowledge on socio-cultural values in Betawi cuisines is diverse (Figure 2)



	Uniqueness	Authenticity	Social Function	Distribution	Sensitivity	Seasonality
Aboriginal Betawi	0.31	0.39	0.11	2.46	0	0.65
Betawi Descents	0.74	0.57	0.04	2.91	0	0.78
Non-Betawi	1.52	2.31	0.44	3.84	0	1.01

Fig 2. The Representation Socio-Culture Value of Betawi Culinary

Source: Processing data (2017)

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This research finds that knowledge on socio-cultural values in Betawi cuisines is diverse. Prior to determining the statistic method to be used, the researcher performs the normality and homogeneity tests. To determine whether or not the data are normally distributed, Kolmogorov-Smirnov test is used by comparing the alpha value (5%) to the value of significance of the processing output. Meanwhile, the homogeneity test is used as a reference in determining the statistic test decision by comparing the homogeneity processing output at alpha value of (5%). The output shows that the Normality test in each category of each community in every region is 0.000, therefore, when it is compared to the alpha value of 5%, then the normality test output of each community in every region is less than the predetermined alpha value. Hence, it could be stated that all data are not normally distributed.

The homogeneity test does not show different results. All categories of each community in every region have an output value of 0.000. This means it is less than the alpha value of 0.05. Thus, it could be interpreted that the data are heterogeneous. The fact that the data are heterogeneous and not normally distributed leads to the use of Non-Parametric statistic method to be the next statistic data processing.

K Sample Median Matching Test is done to compare the knowledge on culinary varieties of all communities among regions and the Man-Whitney Test is used to compare the knowledge on cuisines between two communities in Jakarta. The knowledge on Betawi cuisines is also influenced by the lifestyle and interest of youth generation which seem to have increasingly moved them farther from Betawi cuisine as it is considered less attractive (Adiasih, 2015).From the data processing results in the K Sample Median Matching Test, it is found that there is no knowledge difference between the Aboriginal Betawi communities in the five Jakarta areas (Asymp. Sig. 0.250). The same applies to the Betawi Descent communities, where no knowledge difference exists between the Betawi Descent communities in the five Jakarta areas (Asymp. Sig. 0.118). Meanwhile, knowledge difference exists among Non-Betawi communities in every Jakarta area (Asymp. Sig, 0.000). Distribution constitutes one of those factors with significant influence on one's knowledge on certain culinary types (Yuliati, 2011). This is consistent with the results of observation, which find that the culinary knowledge of Non-Betawi communities is highly dependent on the cuisine availability in the market. It means when in an area only several types of cuisine are marketed, and then these Non-Betawi communities will only know of these cuisines being marketed there. Unlike their Non-Betawi counterparts, aboriginal Betawi and Betawi Descent communities have better knowledge since they could consistently make and serve Betawi Cuisine at anytime or during certain ceremony.

People have some understanding of the social value of the diverse Betawi Culinary Culture. There are seven categories (1 to 7), in which category 1 is the cuisine with the least score and category 7 is the one with the highest score. It is this cuisine with the highest score which in the future should be developed, since the cuisine in this category is the most representative one of Betawi Culture. However, in reality from the research results it is found that not even one Betawi Cuisine belongs to categories 7 and 6. The reason behind this is the fact that the long history of Betawi Culture development is influenced by other tribes and ethnics from both within and outside of Indonesia. Thus, many Betawi Cuisines are considered to have equally good qualities in terms of either their names, forms, colours, tastes and even their cooking utensils and presentation tools with cuisines of other tribes. The occurring overlay has caused the Betawi cuisines to be regarded as less identical. 34 culinary types are included into category 5, 37 into category 4, 36 into category 3, 41 into category 2 and, finally 2 cuisines are included into category 1. This culinary categorization is highly helpful to build a Betawi Culinary Brand, so that the approach to building the

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Regional Identity of the regions of Special Capital District of Jakartain relation to Culinary Culture is not merely based on people's knowledge and demand of certain types of cuisines. Rather, the development of Betawi Culinary Identity ought to be based on the socio-cultural valuethat the dish possesses, in order for the Cuisine being developed to truly represent Betawi Culture.

The output of K Sample Median Matching Test shows that there is a difference of socio-cultural values between the three communities (Asymp. Sig. 0.00). This is because the understanding of Aboriginal Betawi community for their socio-cultural values decreases when it is transferred to the Betawi Descent Community. One of the causes of this decrease is the lack of dissemination of knowledge on culinary socio-cultural values and lack of interest of Betawi Descent community to improve their knowledge on the values of their own culture roots. As suggested by Sahrif et al. (2012), knowledge on traditional cuisine is a representation of collective knowledge from many generations. Meanwhile, from the point of view of Non-Betawi Community, such difference in values is caused by the fact that Betawi cuisines are less identical and they are still perceived to be similar to culinary kinds from other regions. In addition, the currently marketed Betawi cuisines are limited to food product, thus the interpretation of the culture they bring along is infrequently stated.

4. Conclusion

Betawi cuisines reflect the culture and long history of Betawi community development as the native inhabitants of Jakarta. The current development has made it difficult for Betawi Cuisine originality to maintain. A study even finds that almost all Betawi cuisines undergo changes in all cooking utensils, cooking process, presentation rites, and food presentation tools. The difficulties of finding cooking utensils, presentation tools and the limited knowledge of socio-cultural value of Betawi Cuisine drive the originality of Betawi cuisines even farther away.

The main problem in maintaining sustainability of a culture of a society is the less dissemination of knowledge on culinary varieties and the culinary cultural values from a generation to the next one. Knowledge on Betawi cuisines in Non-Betawi Community is highly dependent on the number of culinary kinds being marketed around them. Thus, in this case the distribution of Betawi Traditional Cuisines has been extremely important. Introducing Betawi cuisines to families is also less likely to reach Non-Betawi community. Therefore, market has served the purpose of being the main source of knowledge for Non-Betawi Community in knowing Betawi cuisines.

The main problem in improving the knowledge of people in the Special Capital District of Jakarta on the Cultural values of Betawi Cuisine is the less disseminated knowledge on Culinary Culture between generations and the lack of ability of Betawi cuisines to penetrate culinary markets. The government as the one that determine the direction of culture and politic ought to address their policies and support towards the development of Betawi Culinary Culture as the embryo of Jakarta Culture by making Betawi cuisines into Jakarta Culinary Icon and disseminating Betawi Culinary Cultural values more extensively by involving the Aboriginal Betawi community as the informants. In addition, the dissemination of Betawi Traditional Cuisine abroad both within marketing and cultural contexts could use the network of Indonesian citizen diasporas spread throughout the world.

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