

"MAJU BERSAMA MEMBANGUN EKONOMI BANGSA"

ICEBUSS 2016

International Conference on Economics, Business
and Social Sciences (ICEBUSS)

ICEBUSS 2016



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(ICEBUSS 2016)

**PROCEEDINGS
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(ICEBUSS 2016)**

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RECTOR'S WELCOME

I am delighted to welcome you to ICEBUSS 2016 in Malang, Indonesia. The Purpose of ICEBUSS is to bring together researchers and practitioners all over the world to share new ideas and present latest development in the theoretical and practical area of Economics, Business and Social Sciences. This year's conference brings together more than 177 presenters and practitioners to discuss the latest issues.

We are honored to have keynote speakers in the conference: Professor Raghavendra Rau from University of Cambridge and we are hoping that all participants of the conference to take time not only for paper and presentation, but also actively engage one another and to take this opportunity to further develop your professional link.

The conference will not be possible to be organized the dedicated effort of many individuals who have contributed to the various process that make up this event. For their dedication , I sincerely convey my appreciation. My sincere gratitude also goes to our institution' partner that provide their support a joint host Global Virtus Center for Corporate Governance Ukraine, cohosts and sponsors in this conference.

Rector
University of Islam Malang

Prof. Dr. H. Maskuri, M.Si

SPEECH FROM DEAN

Nur Diana, SE, MSi

Dean of Faculty of Economics University of Islam Malang

In the Name of Allah, the Most Beneficent, the Most Merciful.

It is with great pleasure that I welcome the participants of the International Conference Economic, Business and Social Sciences 2016. The Prophet Muhammad (peace be upon him) said 'Acquire knowledge and impart it to the people.' (Al Tirmidhi). The quest for knowledge has been from the beginning of time but knowledge only becomes valuable when it is disseminated and applied to benefit human kind. It is hoped that ICEBUSS 2016 will be a platform to gather and disseminate the latest knowledge in economics, business and social sciences.

Academicians, Scientist, Researchers and practitioners of economics, business and social science will be able to share and discuss new findings and applications of economics, business and social sciences. It is envisaged that the intellectual discourse will result in future collaborations between universities, research institutions and industry both locally and internationally.

This is our first ICEBUSS and we shall continue to conduct it every year, wish that research fellow and academicians from universities in Indonesia and in foreign countries take part we would like to express our highest gratitude those who have participated as both presenters and participants.

We would like to express our highest gratitude those who have participated as both presenters and participants. We would also like to extend our sincerest appreciation to all the host University of Islam Malang and Global Virtus Center for Corporate Governance Ukraine and Co-host : Universitas Esa Unggul Jakarta, Universiti Malaya Kelantan , UPN Veteran Yogyakarta, Universitas Islam Madura Pamekasan, Sekolah Tinggi Ilmu Ekonomi ASIA, Universitas Ma Chung, Universitas Darma Persada Jakarta , Universitas Islam Lamongan, Sekolah Tinggi Manajemen Informatika & Komputer ASIA, Universitas Hangtuh Surabaya, Universitas Tama Jagakarsa Jakarta, Sekolah Tinggi Ilmu Ekonomi Widyagama Lumajang and Magister Manajemen UNISMA.

Please accept our deepest apologies for all the imperfection during the seminar. Till we meet again next year. God Willing , Insy Allah.

KEYNOTE SPEECH

"THE GLOBAL PATTERN OF ALTERNATIVE FINANCE"

Professor Raghavendra Rau

Judge Business School University of Cambridge

Although various forms of alternative finance have long existed, the combination of weaker financial institutions following the financial crisis, disruptive disintermediation-Enabling technology and underlying socio-economic as well as cultural shifts is challenging the paradigm of how finance will be provisioned in the future. The UK alternative finance industry alone has raised more than £1.6 billion for individuals, start-ups, small and medium firms, social enterprises and good causes between 2011 and 2015. Several economies, particularly the US, Europe and emerging markets, are already witnessing significant alternative capital formation and financing activities in venture capital, consumer credit, SME finance, high-tech and creative industries, social impact investing, development and renewable energy sectors.

However, little academic research is currently available to inform policy makers, regulators, industry players and other stakeholders about why various forms of alternative finance are emerging or how new financing instruments and intermediaries are functioning and evolving. There are a number of unanswered research questions of relevance to these stakeholders. How and why do funders invest, lend or donate through alternative finance channels? From fundraisers' perspective, how do they compare alternative finance instruments and channels with financing alternatives available via the traditional financial system? In a macro-economic context, is alternative finance expanding the existing pool of capital/credits or merely rechanneling it? What is the socio-economic impact of alternative finance in terms of job creation, revenue generation and community engagement at local, regional and national levels? Do some economies have a comparative advantage in enabling alternative finance, and if so, why? How will public policy and regulations affect the trajectories of alternative finance? Are developments in alternative finance a threat or an opportunity for incumbent financial institutions, and how is their response influencing broader change within the financial system?

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Professor Raghavendra Rau (Judge Business School University of Cambridge)

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PROGRAM

December 6 – 7, 2016, ATRIA Hotel, Malang

Tuesday, December 6, 2016

07.30-14.00	Registration
08.30-10.30	Concurrent sessions I
10.30-10.40	Coffee breaks
10.40-10.50	Welcome Speech by Dean, Paramount Ballroom
10.50-11.00	Opening Speech by Rector, Paramount Ballroom
11.00-12.00	Keynote speech by Prof. Raghavendra Rau, Paramount Ballroom
12.00-13.00	Lunch
13.00-15.30	Concurrent sessions II
15.30-15.40	Coffee break
15.40-17.40	Concurrent sessions III

Wednesday, December 7, 2016

07.30-10.00	Registration
08.00-10.45	Concurrent sessions IV
10.45-11.15	Coffee breaks
11.15-13.00	Lunch

International Conference on Economics, Business and Social Sciences (ICEBUSS 2016)
December 6-7, 2016, Malang

December 6, Hours: 08.30 – 10.30

Room	IVORY 1	IVORY 2	IVORY 3	IVORY 4	PARAMOUNT BALLROOM
Session Chair	Nani Rohaeni	Nedi Hendri	Adrie Putra	Muhamad Ahsan	Oyong Lisa
	“Model System Management of Traditional Market” Fiqi Fatmawati	“Preventive Toward Earthquake’s Disaster in West Sumatera Based on Geophysics Analysis” Reza Prima Yanti, Suharsono, Indriati Retno Palupi, Wahyu Hidayat (UPN “Veteran” Yogyakarta)	“WASTA: The Good, The Bad and The Ugly” Ameen Ali Talib (SIM University, Singapore)	“Management Discussion and Analysis, Corporate Governance Perception Index and Market Reaction” Lindrianasari (Univ. Lampung) Sondang Berliana Gultom, Liza Alvia (Univ. Lampung)	“ISU DAN TANTANGAN PEMBELAJARAN BAHASA ARAB DI MALAYSIA” Anuar bin Sopian (Universitas Teknologi MARA Melaka, Malaysia)
	“INDICATORS INVESTIGATION MODEL OF CORPORATE FAILURE IN INDONESIA” R.A. Nurlinda, Eka Bertuah (Esa Unggul University)	“Experimental Study: Negative Framing, Rigid Thinking and Commitment Escalation in Making Decisions” Andi Irfan (UIN Sultan Syarif Kasim Riau)	“FAITH-BASED CIVIL SOCIETY AND SELF-RELIANCE DEVELOPMENT: A CASE STUDY OF PESANTREN ULUMUL QURAN, AT BOJONGSARI, DEPOK, WEST JAVA, INDONESIA” Hari Zamharir (Universitas Nasional), Suprihatin (Universitas Nasional)	“Social Entrepreneurship Attitudes and Activity in Indonesia” Gandhi Pawitan, Maria Widyarini, Fiona Ekaristi (Parahyangan Catholic University)	“MANAJEMEN LABA, STRUKTUR KEPEMILIKAN DAN PERUBAHAN TARIF PPH UNDANG-UNDANG NO. 36 TAHUN 2008 (Studi Empiris pada Perusahaan Keluarga dan Non-Keluarga di BEI Tahun 2007-2010)” Sri Suranta, Bandi dan Eko Arief Sudaryono (Universitas Sebelas Maret)
	“THE ROLE OF HEALTHY SCHOOL ENVIRONMENT AND CANTEEN AS CHILDREN’S SOURCE OF CONSUMER LEARNING” Anna Triwijayati, Etsa Astridya Setiyati, Yudi Setianingsih, Maria Lucia Luciana (Ma Chung University)	“Influence Analysis of Price Fluctuations and Labor Costs, Against Revenues Potato Farmers in the village Pinangsungkulan Modioinding subdistrict, South Minahasa, North Sulawesi (2012-2014)” Lenny Leorina Evinita (Universitas Negeri Manado)	“ANALYSIS OF PERFORMANCE EFFICIENCY MEASUREMENT FOR PRIVATE UNIVERSITIES’ PROGRAM” Rina Anindita, Taufiqur Rahman (Esa Unggul University)	“RECONSTRUCTION OF BUSINESS FAILURE CLASSIFICATION MODEL FOR SMALL MEDIUM ENTERPRISES (SMEs)” Nekhasius Agus Sunarjanto, Herlina Yoka Roida, Agnes Utari Widyaningdyah (Widya Mandala Catholic University Surabaya)	“MODEL PRAKTIK AKUNTANSI DALAM RANGKA MENINGKATKAN AKSES PEMBIAYAAN KUR PADA UMKM DI KOTA PALU” Jurana, Ni Made Suwitri Parwati (Tadulako University)
	“Legal Framework of Shari’ah Corporations in Malaysia: Special Reference to Waqf Corporation” Hartinie binti Abd Aziz (Kolej Yayasan Pahang), Zuhairah Arif Abd Ghadas (University of Sultan Zainal Abidin)	“Behaviour of Risk Neutral Individual Investors In The Indonesian Stock Exchange” MF. Arrozi Adhikara (Esa Unggul University)	“EARLY DETECTION OF SYSTEMIC RISK THROUGH ENDOGENOUS RISK ON INDONESIAN ISLAMIC BANKING” Alfiana, Muhammad Yusuf (Widyatama University)	“Determine the Economic, socio-cultural relations as well as Songket craftsmen working system in South Sumatra” Tien Yustini, Lasmiana (STIM AMKOP Palembang)	“Peran Manajemen Hubungan Pelanggan dalam Bisnis Indonesia” Erna Andajani, Nurul Badriyah (Universitas Islam Lamongan)

EXPERIMENTAL STUDY: NEGATIVE FRAMING, RIGID THINKING AND COMMITMENT ESCALATION IN MAKING DECISIONS

Andi Irfan

UIN Sultan Syarif Kasim Riau, Pekanbaru, Indonesia

Abstract

The aim of this research was to investigate the influence of rigid thinking on the level of commitment escalation in making decisions when experiencing negative framing. This study was an experimental research. The subject of this study was lecturers of the Faculty of Economics UIN Suska Riau with 2x2 Between Subject research design. Before performing real experiment, pilot tests were carried out on the instrument to test the validity and reliability. Hypothesis was tested by using analysis of variance. The results showed that the manager who did not have unrigid thinking will tend to make commitment escalation in making decision. However, this study was not able to prove that the manager would be likely to make a commitment escalation when the manager was in unrigid thinking conditions and experienced negative framing compared with the manager who was in rigid thinking conditions, but did not experience negative framing.

Keywords: Negative Framing, Rigid Thinking and Commitment Escalation, Making Decisions.

Experimental Study: Negative Framing, Rigid Thinking and Commitment Escalation in Making Decisions**

Andi Irfan^{1*}

¹UIN Sultan Syarif Kasim Riau, 28293, Pekanbaru, Indonesia

ABSTRACT

The aim of this research was to investigate the influence of rigid thinking on the level of commitment escalation in making decisions when experiencing negative framing. This study was an experimental research. The subject of this study was lecturers of the Faculty of Economics UIN Suska Riau with 2x2 Between Subject research design. Before performing real experiment, pilot tests were carried out on the instrument to test the validity and reliability. Hypothesis was tested by using analysis of variance. The results showed that the manager who did not have unrigid thinking will tend to make commitment escalation in making decision. However, this study was not able to prove that the manager would be likely to make a commitment escalation when the manager was in unrigid thinking conditions and experienced negative framing compared with the manager who was in rigid thinking conditions, but did not experience negative framing.

Type of Paper: Conceptual / Empirical/other

Keywords: Negative Framing, Rigid Thinking and Commitment Escalation, Making Decisions.

1. Introduction

A person is more likely to use additional resources for poor investment if he is a person who originally support it. In fact, experimental evidence shows that to ask people to imagine that they are responsible to choose a failed effort make them more possible to increase commitment rather than to ask them to imagine that other people are responsible for investment. Dwita (2007) states that the commitment escalation can lead to greater losses for the company compared to the decision to stop the project immediately after the project shows a bad prospect. Commitment escalation could lead to bankruptcy of the organization or company. Research conducted by Irfan et. Al (2013) were able to find evidence that a manager who has unrigid thinking, would likely not proceed with the unprofitable project

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