

**PERSONAL CHARACTERISTICS AND CREATIVE PERFORMANCE  
OF INDONESIAN RADIO STATION OPERATING MANAGERS:  
THE IMPACT OF LEADER-MEMBER EXCHANGE**

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OF INDONESIAN RADIO STATION OPERATING MANAGERS:  
THE IMPACT OF LEADER-MEMBER EXCHANGE**

**by**

**NUGROHO JULI SETIADI**

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Say: "O ye my servants who believe! Fear your Lord, good is (the reward) for those who do good in this world. Spacious is Allah's earth! Those who patiently persevere will truly receive a reward without measure!" (Qur'an 39: 10)

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## LIST OF PUBLICATIONS & SEMINARS

### A INTERNATIONAL CONFERENCE

- A.1 “A conceptual model of individual creativity: The effects of leader-member exchange on the relationship between personal characteristics and creative performance.” Paper Presentation at *the 2<sup>nd</sup> International Conference of the Asian Academy of Applied Business*, Padang, Indonesia, July 28-30, 2005. (with Anees Janee Ali and Rehana Aafaqi)
- A.2 “The impact of leader-member exchange on the relationship between intrinsic motivation and creative behavior among Indonesian radio station managers.” Paper Presentation at *the 3<sup>rd</sup> International Conference of the Asian Academy of Applied Business*, Hat Yai, Thailand, June 14-16, 2007. (with Anees Janee Ali and Rehana Aafaqi)

### B INTERNATIONAL JOURNAL

- B.1 Setiadi, N.J., Ali, A.J., & Aafaqi, R. (2007). The impact of personal characteristics and intrinsic motivation on creative behavior among Indonesian radio station managers. *The South East Asian Journal of Management*, 1(1), 105-119.
- B.2 Setiadi, N.J., Ali, A.J., & Aafaqi, R. (in press). The assessment of personality: psychometric properties of The NEO Five-Factor Inventory (NEO-FFI) in Indonesia. *Journal of Organizational and Behavioral Research*.

**CIRI-CIRI PERSONAL DAN PRESTASI KREATIF  
PARA PENGURUS OPERASI STESEN RADIO INDONESIA:  
IMPAK PERTUKARAN PEMIMPIN-AHLI**

**ABSTRAK**

Kadar pertumbuhan industri penyiaran radio yang pesat di Indonesia telah mengujudkan cabaran khusus ke atas kelebihan pembangunan persaingan. Stesen-stesen radio menggunakan elemen-elemen cemerlang dan unik seperti kecepatan, mobiliti (aktiviti), keupayaan pembelajaran, dan keupayaan individu atau kumpulan kerja yang mewakili ciri-ciri persaingan di peringkat global. Ianya merupakan sumber utama bagi kekuatan bersaing untuk organisasi stesen radio yang menitikberatkan pertumbuhan dan perubahan. Responsif kepada perubahan perlukan sikap yang kreatif. Dengan itu, amatlah kritikal bagi pengurus melaksanakan yang terbaik bagi menyedari dan memastikan kreativiti adalah salah satu elemen yang penting bagi mencapai prestasi yang tinggi. Untuk mencapai matlamat ini, pemahaman terhadap personaliti, motivasi, kemahiran, tahap pengalaman, dan keutamaan psikologi seseorang amatlah penting. Diasaskan oleh model interaksi bagi kreativiti individu (Woodman, Sawyer & Griffin, 1993), kajian ini mencadangkan rangka kerja menghubungkan Personaliti, Motivasi Intrinsik, Ciri-ciri personal berkaitan dengan kreativiti, Pertukaran Pemimpin-Ahli (LMX), dan Prestasi kreatif pengurus operasi stesen radio di Indonesia. Kajian ini telah berupaya menunjukkan kepentingan Pertukaran Pemimpin-Ahli (LMX) sebagai pemboleh ubah penyederhana, dan sifat-sifat kepelbagaian di antara ciri-ciri personal. Sejumlah 283 pengurus operasi stesen radio Indonesia yang mewakili 15.2% kadar maklum balas, terlibat dalam kajian ini. Pengumpulan data telah dibuat melalui tinjauan soal-selidik sendiri. Analisis regresi berganda berperingkat

digunakan bagi menguji hipotesis kajian. Hasil analisis statistik menunjukkan (1) hanya pemboleh ubah Persetujuan (Agreeableness) mempengaruhi secara negatif terhadap pembentangan ide-ide kreatif, konkrit dan praktikal (dimensi pertama kepada prestasi kreatif), di mana pemboleh ubah Ekstrovert (Extraversion) dan Pengawalan Diri (Conscientiousness) mempengaruhi secara positif terhadap pembentangan cadangan-cadangan kreatif (dimensi kedua prestasi kreatif); (2) pemboleh ubah “Ciri-ciri personal berkaitan dengan kreativiti” dan “Motivasi Intrinsik” pengurus operasi stesen radio hanya mempengaruhi pembentangan idea-idea kreatif, konkrit dan praktikal, tetapi tidak mempengaruhi pembentangan cadangan-cadangan kreatif; (3) pemboleh ubah “Kemesraan pemimpin” dan “Persepsi pemimpin terhadap sumbangan kerja staf bawahan kepada pemimpin mereka” memainkan peranan penting bagi meningkatkan kreativiti. Adalah amat penting untuk mengakui peranan-peranan tersebut sama ada secara teori atau dalam hal pengambilan keputusan-keputusan pengurusan bagi mengakui dan menghargai kreativiti. Kajian ini telah menyumbang kepada bidang kajian kesan kepelbagaian melalui pembangunan model baru ke atas kreativiti individu.

**PERSONAL CHARACTERISTICS AND CREATIVE PERFORMANCE  
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**ABSTRACT**

The rapid growth of radio broadcasting business in Indonesia imposes specific challenges on the development of competitive advantage. The radio stations are applying excellent and unique elements such as speed, mobility (activity), learning ability, and individual or team work capabilities, which represent global competition. It is an important source of competitive strength for radio station organizations that are concerned with growth and changes. To be responsive to change is to be creative. It is critical for managers to do their best to ensure and realize that creativity is one of the most important elements in order to achieve high performance. To accomplish this aim, it is important to understand people's personality, motivations, skills, level of experiences, and psychological preferences. Grounded by the Interactionist model of Individual Creativity (Woodman, Sawyer & Griffin, 1993), the present research proposed a framework linking Indonesian radio station managers' Personality, Intrinsic motivation, Creativity-relevant personal characteristics, Leader-member exchange (LMX), and Creative performance. The present research has managed to show the importance of Leader-member exchange and multiplicative nature among personal characteristics. A total of 283 operating managers of Indonesian radio stations, representing a response rate of 15.2%, participated in the present research. Data for all variables were collected through self-administered survey questionnaires. Hierarchical multiple regression analyses were conducted to test the hypotheses posited in the present research. Results of the statistical analyses indicated that: (1)

Agreeableness as a dimension of Personality negatively influenced 'presenting creative, concrete and practical ideas' (the first dimension of creative performance), whereas Extraversion and Conscientiousness positively influenced "presenting creative suggestions" (the second dimension of creative performance), (2) Creativity-relevant personal characteristics and intrinsic motivation of the radio station operating managers only influenced "Presenting creative, concrete and practical ideas", but not "Presenting creative suggestions", (3) both leaders' affection and leaders' perception of the followers' work contribution towards their leaders play an important role in enhancing creativity. It seems very important to acknowledge these roles in both theorizing and taking managerial decisions on how to recognize and reward creativity. The present research has contributed to the field of multiplicative effect by developing a new model of individual creativity.

# Chapter 1

## INTRODUCTION

### 1.1 Background of the Research

As the largest archipelago country in the world, radio is arguably the most important communication medium in Indonesia. Their tone is heard in the market, the village, the rice paddy, and the mini-bus. During World War II, the Japanese occupational forces used radio as a major propaganda tool, and figures such as Sukarno and Mohammad Hatta who were to become prominent in nation-building received wide coverage, becoming household names among villagers. Then, during New Order era, radio stations were required to carry the news broadcasts from the state. They were banned from doing independent reporting. But, since the emerging of the Reformation era in 1998, the Indonesian radio landscape has undergone important changes.

One new development has been the emergence of so-called community radio, which is meant as an alternative to state radio and commercial radio. Community radio practitioners have struggled for legal acceptance of their activities in the new Broadcasting Law. As a consequence, commercial private broadcasting in Indonesia has expanded rapidly and at the same time saturated the radio frequencies, especially in big cities, e.g. Jakarta, Bandung, Surabaya, Semarang and Yogyakarta. Therefore, community radio operators merely select a free frequency and broadcast on it, using homemade low-powered transmitters and cheap broadcasting equipment. Interestingly, they were operating without applying for government permission (Senevirantne, 2003). It has been recorded that the total number of radio broadcasting in Indonesia are 1217 radio stations (Davis, 2005; see <http://www.asiawaves.net/indonesia>). The

amount has indicated that this industry faces high competition. As a consequence of the rapid growth of radio stations industry, some of radio stations have resigned to high competition. In the past two years (2004 & 2005), the Association of Indonesian Private Radios (PRSSNI) reported that more than 20 radio stations collapsed every year.

Radio station in Indonesia is a rich resource for study of social change and the changing images of regional identity. One aspect of programming for example, it is important to study the language used, radio as oral tradition, changing popularity of musical styles, and economic change in the community. Much of scholars attention has been given to the print media and then to television, but the radio seems to have been largely ignored (Lindsay, 1997). Since the appearance of information technology revolution, radio broadcasting business faces various challenges from the continuous renewal of information and news, and to create new and creative entertainment programs. Many broadcast journalists and station managers had to learn on the better expansion of journalism programs, for examples Kantor Berita Radio 68-H and El-shinta on a network of partner stations. To support the overall quality of news and information programming, they produced daily news programs and distributed them through a network of partner stations.

The rapid growth of radio broadcasting business imposes specific challenges on the development of competitive advantage through excellence and unique organizational elements such as speed, mobility (activity), learning ability, and individual or team work capabilities, which represent global competition (Satria, 2002). In more turbulence business environment, creativity

becomes essential for gaining and sustaining competitive advantage for organization (Kurtzberg, 2005).

In general, to be sustainable, an organization must scan its environment to identify major trends, review its mission and refine it to reflect changes in the environment (Hesselbein, 2002). It is an important source of competitive strength for all organizations that are concerned with growth and changes. To be responsive to change is to be creative. But, creativity does not seem to get adequate attention in Indonesia, both in public organization environment and business even though Indonesia can be considered as a very artistic land and filled with creative people (Afdhal, 2003; Siswanto, 1997). According to Siswanto (1997), various circles in Indonesian organizations needed attention because of the minimum knowledge about creativity. Siswanto (1997) added that the nature of “dualism” in creativity assessment happens when creativity was interpreted as “fine” and “positive” matters. Even though it brings benefit in the future, creativity is often interpreted as “the new radical” when the creative idea gets challenged (Satria, 2002).

Over the past two decades, most theorists have defined creativity as the development of ideas about products, practices, services or procedures that are novel and potentially useful to organization (Amabile, 1996; Zhou & Shalley, 2003). Ideas are considered novel if they are unique relative to other ideas currently available in the organization. Ideas are useful if they have potential for direct or indirect value to the organization, in either short or long term. Thus, given this definition, creativity can range from suggestions for incremental adaptations in procedures to the extending of radical changes (Mumford & Gustafson, 1988). The definition makes no assumptions about the relative

value of incremental versus radical ideas. Therefore, it may be that in some circumstances management might consider incremental ideas desirable, whereas in other circumstances more radical ideas might be valued.

Organizations increasingly aspire to become more creative and capitalize on the benefits of creativity, and perceive the development of conditions that encourage creativity within their working environment as a long term process rather than a quick fix to their current problem (Oldham & Cummings, 1996). Thus, creativity is becoming a topic of ever-increasing importance to managers. The challenges faced by managers require them to be independent, ambitious, taking care of responsibilities and to have high levels of both adulthood and creativity. Thus, there is a need for a greater understanding of the dynamics between personal and contextual factors responsible for creative performance in work settings. In particular, there is a need to identify the role of leadership for creativity. Sometimes, overcoming this emulation needs opinions that are out of the border passage of view.

Organizational researchers and managers alike have long held the view that individual creativity is critical for organizational success (Elsbach & Kramer, 2003). The first element of creativity improvement, that is, the “person”, is obvious. New ideas are not generated or implemented by organizations or technology, but come into being through efforts of dedicated people (Kao, 1991). Thus, it is important to understand people’s personality, motivations, skills, level of experiences, and psychological preferences. Kao (1991) also mentioned that it may be useful to know, for example, that someone has problems with authority stemming from previous relationships (personality issues); or is highly driven by a need for achievement (motivation); or has a

particular facility with interpersonal relationships (skills); or has had work experience only in large bureaucratic organizations (level of experience); or finally, that someone prefers unstructured environments where intuition can be extensively used (psychological preferences).

Scientific literature on creativity requirements (from individual aspect) based on managerial perspective is scarce and often based on employees' aspect (for examples, Amabile, Schatzel, Moneta & Kramer, 2004; Farmer, Tierney & McIntyre, 2003; Harris, 2004; Zhou & George, 2003) or organizational perspective (for examples, Amabile & Conti, 1999; Fagan, 2004; Kurtzberg, 2005; McFadzean, 1998). Efforts to obtain organizational performance is often based on employees' creativity, but how managers involve directly and actively to explore the potential ability in their roles have been in questions. Therefore, present research aims at filling gaps in the body of literature concerning the issues of creativity requirements and pattern of managerial style.

In today's rapidly changing work environment, it is critical for managers to do their best to ensure and realize that creativity is one of the most important elements in order to achieve high performance. Considering this, researchers (for examples, Amabile & Gyskiewicz, 1988; Feist, 1998; Baer, Oldham & Cummings, 2003; Basadur, 2004; Conti, Collins & Picariello, 2001; Cooper, Clasen, Silva-Jalonen, & Butler, 1999; DeVoe & Iyengar, 2004; Farmer, Tierney & McIntyre, 2003; and Ford & Gioia, 2000) have focused on the understanding of how the myriad of interacting potential creators (i.e., managers) and managers' operating context can foster their performance. Much of researchers' works have examined the effects of personality by using either

Gough's (1979) Creative Personal Scale (CPS) or the Five Factor Model (FFM) of personality (Costa & McCrae, 1992). The CPS measure is intended to provide an index of an individual's overall creative potential, whereas the FFM is intended to provide important sets of characteristics that are expected to affect individuals' creativity. Results of previous studies provided some support for the expected positive relationship between CPS and creativity (Feist, 1998; Oldham & Cumming, 1996), but all of the FFM dimensions have several components that they hang together as five relatively stable factors (Feist, 1998; King, Walker, & Broyles, 1996). In addition, additional inquiry into the intrinsic motivation-creativity dynamic in organizational setting would also be fruitful (Afdhal, 2003). Intrinsic motivation refers to the extent to which an individual is excited about a work activity and engages in it for the sake of the activity itself.

Research on individual creativity, however, is still at an early stage, and a selective review of the literature highlights several gaps that remain unaddressed. For example, the secret behind creativity presents a puzzle not only to psychologists but to creative individuals themselves (King et al., 1996). It has been suggested that leaders are an important facet of the work context for creativity (e.g., Amabile & Grysiewicz, 1988). Despite this, our knowledge of the role of leadership in creative process remains limited. With the emergence of five-factor model of personality, there has been a resurgence of interest in personality research. The five-factor model has appeared to represent a robust taxonomy of personality (King et al., 1996). But, only a few of studies considering creativity have addressed their investigation on interactional approach. For example, George and Zhou (2001) adopted an

interactional approach on only two of the five factors, namely Openness to experience and Conscientiousness that were related to creative behavior in the workplace. Given the dominant role of leadership in the work place, a research is needed to identify the myriad of interacting terms among a set of personal characteristics that may shape leaders creativity.

Finally, expected result of the research would also advocate using a more inclusive perspective when investigating the impact of leader-member exchange (LMX) on phenomenon of interest. One particular work relationship that plays an important role in shaping leaders creativity is the relationship between leader and member (Graen & Scandura, 1987). As being stated by Graen and Scandura (1987), LMX is defined as the quality of the interpersonal exchange relationship between leader and his/her member. High LMX relationships are characterized by mutual liking (friendship), loyalty, professional respect and contributory behaviors, whereas low LMX relationships entail a lack of mutual liking (friendship), loyalty, professional respect and contributory behaviors (Liden & Maslyn, 1998).

A leader may develop a high LMX relationship for a number reason. For example, a high quality exchange dominated by contribution may involve a leader and member who frequently work together on projects (i.e., creating new programs) after normal business hours or on the weekend, whereas a high quality exchange based on affect may involve a leader and member who spend much time at work discussing non-work issues. Understanding these dimensions of LMX may provide insight into the relationship and result in differential prediction of outcomes. Leader-member relation becomes important aspect of the situation for leader, because if the member lacks team-work

support, energy is diverted to controlling the team-work rather than toward generating new ideas, problem solving, and productivity. Under these conditions, we argue that LMX quality moderates the relationship between a set of personal characteristics and creative performance. Thus, expansion in terms of how the present research determines and operationalizes leadership may elicit portrayal of leadership's role that had been overlooked in previous study.

Realizing the importance of extending creativity study, hence, the present research will focus on an individual creativity in order to explain the relationship among creativity-relevant variables.

## **1.2 Problem Statement**

Indonesian radio channels have been producing many programs. These programs range from entertainment to education with target audience ranging from children to old folks. Radio channels in Indonesia has unique ability to target and reach very specific audiences, then, need interesting programs in order to capture the interest of listeners. In today's rapidly changing environment, creativity is not only necessary for a competitive advantage, but is also contributing to organizational innovation, effectiveness and survival (Amabile, Conti, Coon, Lazenby, & Herron, 1996). A large body of literature has examined the possibility that creativity is affected by a variety of individual characteristics, such as demographic and biographic variables (Rodan & Galunic, 2004; Tierney & Farmer, 2002) and intrinsic motivation (Amabile, 1997; Tierney, Farmer & Graen, 1999). Although a few previous studies have shown significant relationship between measures of personality (Gelade, 2002; Kwang & Rodrigues, 2002; Miron, Erez, & Naveh, 2004) and intrinsic motivation (Amabile, 1997; Deci, Ryan & Koestner, 1999), previous research has not

examined whether personality and intrinsic motivation produce independent contributions to creativity or whether they interact with one another to affect individuals' creative responses. This is a potentially fruitful topic that would allow us to determine whether individuals with particular personality profiles are most creative if they also possess a certain level motivation.

On the other hand, as work in organizations is increasingly organized in teams (Devine, Clayton, Philips, Dunford, & Melner, 1999), the role of operating managers in presenting new ideas and creating helping behaviors among members become crucial. When the leaders' (managers) quality of the interpersonal relationship is seen as the level of his/her affection for the follower, and his/her perception of follower's work contribution toward him/her is high (Bhal & Ansari, 2000), it is likely that he/she will use his/her personal characteristics and motivation as inputs to the ongoing evaluation of his/her current efforts with regard to creative performance. Therefore, the questions that should be answered are:

1. Do leaders' personality and their intrinsic motivation independently relate to their creative performance?
2. Does it depend on the quality of their interpersonal relationship with the employees?

### **1.3 Purpose of the Present Research**

The purpose of the present research is to increase understanding in some personal characteristics affecting creative performance among Indonesian radio station managers' leadership context and to increase knowledge in work-related implications regarding the role of leader-member exchange (LMX) in

these relationships. There are two main reasons that bring about the present research on examining creativity among Indonesian radio broadcastings. Firstly, creativity is among the central preoccupation of many managers in many types of firms. For examples, a biotechnology company where fifty percent of the employees are scientists, a financial services company that is constantly innovating in service and marketing strategies, a consulting firm that is continuously striving to develop new analytical tools, and a real estate developer who designs original financings for unique opportunities. For companies in these situations, creativity is a critical competitive importance. Furthermore, working in Indonesia broadcasting business is hardly like working for a bank or insurance company. Radio is a “show biz”; participating in community events, helping in designing and executing promotions, and employing on-air personalities as disc jockeys (DJs) add spices to a job that is unique from other industries. In addition, to find out more about what today’s Indonesian radio managers think about their jobs, would also be fruitful.

Secondly, the present research examines the quality of leader-member exchange (LMX) relationships as a potential moderator to the relationship between personality and intrinsic motivation to the creative performance. According to Sternberg’s and Lubart’s (1996) study, the basic proposition is that creativity can emerge only when several different conditions are present or converge. Sternberg and Lubart (1996) mentioned that creativity requires a confluence of six distinct resources, that were, intellectual ability, knowledge, certain styles of thinking, personality attributes, intrinsic motivation and an environment that is supportive of creative ideas. A view of creativity suggesting that for creativity to occur, multiple factors must converge (Amabile, 1983). We

need to increase knowledge about trait characteristics, for examples, willingness to take risks and tolerance for ambiguity, and also how creative people love the things they do and find intrinsic rewards in their work. Therefore, the present research more emphasizes on personality and intrinsic motivation aspects. From an applied perspective, we are also interested in the leaders' quality of supervisor-employee relationships as a moderator that may change the relationship between personality traits and intrinsic motivation to creative performance.

#### **1.4 Research Objectives**

The objectives of the present research are:

1. To investigate the dimensions of operating managers' personality that contributes to their creative performance.
2. To study creativity-relevant personal characteristics that affect Indonesian radio station operating managers' creative performance.
3. To examine Indonesian radio station operating managers' intrinsic motivation that contributes to their creative performance.
4. To explore whether a set of predictor variables (personality, creativity-relevant personal characteristics and intrinsic motivation) made independent contributions to creativity or whether they interact with one another to affect individuals' creative responses.
5. To investigate whether leader's quality of the inter-personal relationship moderates the relationship of personality characteristics, creativity-relevant personal characteristics, and intrinsic motivation to the creative performance.

## **1.5 Research Questions**

The study attempts to answer the following research questions:

1. What are the dimensions of operating managers' personality characteristics that contribute to Indonesian operating radio station managers' creative performance?
2. What are the creativity-relevant personal characteristics that contribute to Indonesian operating radio station managers' creative performance?
3. How does intrinsic motivation contribute to Indonesian operating radio station managers' creative performance?
4. Do personality, creativity-relevant personal characteristics, and intrinsic motivation affect creative performance independently or they interact with each other?
5. To what extent does the leader's quality of the inter-personal relationship moderate the relationship of personality characteristics, creativity-relevant personal characteristics, and intrinsic motivation to the creative performance?

## **1.6 Definition of Key Variables**

There are a few major key terms used in the present research. They are creativity, personality, creativity-relevant personal characteristics, intrinsic motivation, and leader-member exchange (LMX).

1. Creative performance is defined as an expression of voice, refers to the generation of novel and potentially useful ideas (George & Zhou, 2002).

2. Personality traits are defined as dimensions of individual differences in tendencies to show consistent patterns of thoughts, feelings, and actions (Costa & McCrae, 1992).
3. Creativity-relevant personal characteristics are defined as a set of personal characteristics and attributes associated with creative achievement (Gough, 1979).
4. Intrinsic motivation is defined as the doing of an activity for its inherent satisfactions rather than for some separable consequence (Deci & Ryan, 1985).
5. LMX is a system of relationship between leaders and their subordinates, or members. These relationships are characterized by the physical or mental effort, material resources, information, and/or emotional support exchanged between the two parties (Bhal & Ansari, 2000). To operationalize this definition, LMX is seen as the level of leader's affection for the follower, and his/her perception of follower's work contribution toward him/her.

## **1.7 Significance of the Present Research**

The findings from the present research may contribute in practical and theoretical issues in organizational behavior context, such as:

### **1.7.1 Practical perspective**

Potential contribution of the present research for the day-to-day management of creative people in practical implications should be highlighted. Firstly, through the empirical research may have evidence that individuals need to feel that they are working in a supportive work context. It may be best to focus on individual

characteristics that may have the most critical effect on creativity. Secondly, if leaders truly desire creativity, they need to, in some way, communicate this to employees. This can be accomplished by setting goals or role requirements for producing creative outcomes. It also can be achieved through modeling the type of managers' behaviors that would be more likely to lead to creativity. Finally, there are some important things that managers can do to help facilitate individual employee's ability to be more creative. Thus, managers should attempt to increase the supportiveness of the work context.

### **1.7.2 Theoretical perspective**

The present research contributes to the literature in several ways. Firstly, the present research will attempt to develop a new model based on Tierney's et al. (1999), and Woodman, Sawyer and Griffin's (1993) creativity model. Secondly, the present research is the first research to theorize and test how leader's quality of inter-personal relationship becomes a function of the relationship between individual characteristics and creative performance. Finally, the present research is the first research that explores the multiplicative effects among predictor variables for understanding interaction terms that influence to creativity.

### **1.7 Organization of Chapters**

There are altogether six chapters. The beginning chapter presents brief introduction on the background to the research. It reviews the creativity of Indonesia radio station managers, introduces the research problem, objectives, significant and the scope of the present research. Chapter two describes general information of Indonesian radio station activities. Chapter three reviews

relevant theories and literature from previous studies, theoretical framework, and introduces hypotheses to be tested in the present research. Chapter four explains research methodology, sampling procedure, measurement instrument, and statistical analysis. Chapter five presents the survey findings and the analysis. Finally, chapter six concentrates on the discussion of the findings, conclusions, limitations, and suggestions for the future research.

## Chapter 2

### INDONESIA AND ITS RADIO STATIONS

#### 2.1 Introduction

The chapter presents the general description of radio station activities in Indonesia and it is presented in three sections. The first section presents the descriptive of Indonesia. The second section is about the activities run in the radio stations in Indonesia. The third section deals with understanding of creative behavior among radio station operating managers.

#### 2.2 Indonesia

This section provides a brief introduction to the Republic of Indonesia. The source is Wikipedia (the free encyclopedia), retrieved on July 2006, from <http://en.wikipedia.org/wiki/Indonesia>. Indonesia, officially the Republic of Indonesia (Indonesian: *Republik Indonesia*), is a nation of islands consisting of more than 17,000 islands located in the South East Asian Archipelago. Jakarta is the capital city. It is the world's largest archipelagic nation. It is bordered by the nations of Papua New Guinea, East Timor, and Malaysia (see Figure 2.1). Indonesia (from Greek: *indus* = India *nesos* = islands) is home to more than 200 million people, and thus is the most populous Muslim-majority nation in the world and the fourth most populous overall.

The archipelago of Indonesia, specifically Java, was inhabited by *Homo erectus* - the Java Man - approximately 500,000 years ago, while the island of Flores was home to a newly discovered species of hominid, *Homo floresiensis*. Later, the region was an important trade route to China, thriving in trade of spices. Regional Hindu kingdoms expanded religious and cultural influences of

Hinduism as well as Buddhism, and in the middle century the islands came under the influence of Islam. The region was colonized by the Netherlands as the Dutch East Indies. The people across many islands struggled for freedom against Dutch control in the early 20th century. Following a brief occupation by Imperial Japan during World War II, nationalists declared Indonesia independence in 1945.



Figure 2.1 Map of Indonesia.

Source: <http://en.wikipedia.org/wiki/Indonesia>

Indonesia was then declared as a unitary state, and was governed by Sukarno, leader of the national freedom struggle, and then Suharto for most of its modern history. From 1998 to 2005, the country has had four presidents: Bacharuddin Jusuf Habibie (1998 to 1999), Abdurrahman Wahid (1999 to 2001), Megawati Sukarnoputri (2001 to 2004) and Susilo Bambang Yudhoyono (2004 to current). Although the national language is Indonesian (called *Bahasa Indonesia* in Indonesian) and the population is overwhelmingly Muslim, there are several hundred diverse linguistic and ethnic groups across the country, as well as other religious communities. Indonesia currently has 33 provinces, of which three have special status (Aceh, Yogyakarta and Papua) and one is a

special capital region, that is, Jakarta. All provinces are subdivided into regencies and cities, which are further subdivided into sub-districts.

## **2.3 The history of radio station in Indonesia**

### **2.3.1 The beginning of radio stations in Indonesia**

A radio station is an audio (sound) broadcasting service, traditionally broadcast through the air as radio waves (a form of electromagnetic radiation) from a transmitter to an antenna and a thus to a receiving device (Brecht, 1993). There are several types of radio station. The best known are the AM and FM stations. In Indonesia, radio stations include both commercial, public and nonprofit varieties as well as student-run campus radio stations found throughout the nation. Stations can be linked in radio networks to broadcast common programming, either in syndication or simulcast or both. Today, stations also broadcast via cable FM, local wire networks, satellite and the Internet.

Radio is arguably the most important communication medium in Indonesia. Radio is really come up as just personal friend in everywhere: in the market, the village, the rice paddy, and the mini-bus. The national radio station, *Radio Republik Indonesia* (RRI) as a public radio station was founded in September 1945 almost as soon as independence was granted. During World War II, the Japanese occupational forces used radio as a major propaganda tool, and figures such as Bung Karno and Bung Hatta who were to become prominent in nation-building received wide coverage, becoming household names among villagers. One of RRI's first tasks was to encourage the Indonesian people in their struggle, as Dutch troops invaded the newly

proclaimed republic. This struggle for freedom lasted for four years ([www.rri-online.com](http://www.rri-online.com)).

In the early 2000s, RRI was headquartered in Jakarta, with major relay stations in Medan (Sumatra), Yogyakarta (Java), Banjarmasin (Kalimantan), Makassar (Sulawesi), and Jayapura (West Papua). RRI presented itself in its information website ([www.rri-online.com](http://www.rri-online.com)) had 53 stations staffed by approximately 8,500. RRI's overseas program, such as Voice of Indonesia, which is broadcasted in ten languages: Indonesian, Arabic, Korean, Mandarin, Thai, Japanese, Spanish, German, English, and French. The government-owned radio system in Indonesia, other than the fifty-three RRI stations, also includes the 146 regional-government (*Pemda Kabupaten / Kota*) run "special local" stations, called *Radio Siaran Pemerintah Daerah*, which are supposed to broadcast using RRI frequencies and relay much RRI material.

Private radio stations reemerged in Indonesia in the transitional period between the Old and New Orders, as part of the student movement of 1966. They were advised to include informative, educational, and cultural programs in their broadcasts. However, they were no longer required to carry news programs produced by RRI. During the New Order era (1966-1998), radio stations were required to carry the news broadcasts from the state. They were banned from doing independent reporting. The association of radio station owners was headed by Suharto's daughter, and licenses were given out to party that were faithful. Following decades of government monopoly on news and information broadcasting, four major developments have taken place in the Indonesian radio scene since Suharto was deposed. These are: (1) the production of news by commercial stations, (2) the rise of community radio, (3)

training and production activities of non-government radio news agencies, and (4) attempts to transform government radio into genuine public radio. These are new and revolutionary developments.

### **2.3.2 Radio stations after reformation era**

Since the era of Indonesian political and social reform (1998), so-called *reformasi*, broadcasting media have been allowed to engage in other, government-critical, aspects of development journalism, or develop completely different journalism concepts. A 1998 Information Minister's decree permits Indonesian commercial radio stations to produce and broadcast their own news programs. These radio stations have provided their audience with information that involves their listeners as critical, active and mature members of civil society. Interactive talk shows, which are currently extremely popular on the Indonesian airwaves, are an important aspect of this agenda. These talk-shows discuss politics, economy, culture, health, religion and other topical social issues. Listeners can take part in the discussion by phoning in or visiting the station in person. Some news bulletins give listeners the opportunity to report on topical events or situations they have encountered in their daily lives, and later, take journalists as their careers. In this way, the Information Minister's decree has also enabled radio stations to explore the profitability of a new market segment.

Within two years since the Reformation era, the number of independent radio stations grew by more than 30 percent, from about 750 to more than 1000 stations (see, <http://www.asiawaves.net>). Maricar (2004), chief of Research and Development department of the National Broadcasters' Association, which is well known as PRSSNI (*Persatuan Radio Siaran Swasta Nasional Indonesia*),

reported that in 2004 (before Independent Broadcasting Committee exist) at least 8000 stations in airwave operation as pirate radio station. Many broadcast journalists and station managers had to rely on their previous experiences in order to run the new stations. In-depth radio journalism programs or investigative reports on radio were still scarcely to be found in Indonesia.

After the fall of Suharto, commercial radio and community radio have made use of two non-government radio news agencies, that are, Kantor Berita Radio 68H (Radio News Agency 68H, or KBR 68H) and Internews Indonesia (the international organization sponsored by the United States to assist fledgling broadcasters). These agencies produce radio programs, but do not broadcast themselves. They distribute their programs to clients through the Internet and satellite technology. Besides news production, they also organize broadcast journalism courses for radio workers.

To support the overall quality of news and information programming, Internews produces three weekly radio programs and distributed them through a network of partner stations. As a partner of Internews, since June 2000, RRI has been changed in status by presidential decree from a government-owned radio to a public broadcasting corporation, which is well known as BUMN (Badan Usaha Milik Negara).

As stated by Jurriens (2002), KBR 68H has provided an important contribution to multi-culturalism and mutual understanding between different groups in society. The news agency incorporates these values both in its programs and its institutional structure. The journalists involved in KBR 68H constitute a community out of shared professional and ideological interests. This community is organized along multiple lines of ethnicity, religion, gender,

status and political affiliation. Thus it provides a model for a new, democratic and multi-cultural organization of Indonesian society as a whole. The news agency's multi-cultural character is enhanced by its exchange of programs with radio stations from different regions and with different identity policies. A disadvantage of KBR 68H's nationwide network is that it may lead to the homogenisation of news and information, as well as journalistic ideas and practices.

Most of the private radio stations in Indonesia are small businesses. Today they have shareholders and are bought and sold as profit-earning enterprises. Private radio in Indonesia may not broadcast nationally. Broadcasting legislation (*Petunjuk Radio Siaran Swasta Nasional'95*) explicitly states the local role of private radio that regulated in terms of transmission power (which consequently limits broadcast area) and by defining the "nature" of private radio as properly focused on local programming. Within the regulatory framework, private radio stations refine their own interpretations of what is "local." As stated by Lindsay (1997), this was done through a style of broadcast that stresses familiarity between the presenter and listener. A prominent feature of private radio broadcast in general was the high level of community involvement in the broadcasting process; through programming that involved listeners phoning in to the station, on-air talk-back shows, request programs and community announcements. Some stations also have associated performance clubs that filled a regular program slot, arranging the program themselves. For example, there are the *dangdut* and *keroncong* clubs of Radio Mataram Buana Suara in Yogyakarta or the *macapat* club at Radio Suara MTB in Surabaya.

Addressing regional identity is another feature of the familiarity of local private radio, whether this be through addressing the shared sense of locality of the station and the listeners (Javanese in central Java) or by addressing a local community distinguished by its identification with another locality (the Javanese in Medan). Specific addresses to regional identity are achieved in various ways. A station might mix local language or accent into the Indonesian language used for broadcast; it might use familiar local terms; or it might deliberately and consistently use local terms of address for its listeners. Addressing regional identity may also be made through a more specific and thorough use of regional language, a strategy that is tolerated but not encouraged by the state regulations that require the language of a radio broadcast to be "good" Indonesian, although a proportion of regional language programming is permitted on private radio if it accompanies cultural programs.

The wide availability of cheap local recorded material has benefited those stations interested in highlighting regional identity by their programming of regional music and cultural forms. Over the period of private radio's re-emergence, the local recording industry boomed. The cassette or compact disc (CD) format also permitted recordings of new types of local performance. *Wayang kulit*, for example, could now be recorded on cassette or CD, and has ever since become staple broadcast material for private radio stations targeting Javanese listeners.

When a radio station chooses how it will appeal to a sense or style of regional identity and decides which audience it will target with that appeal, this is a marketing decision (Pandjaitan, Chan, Schramm & Tabing, 2000). In general, varying degrees of use of regional language and cultural programming

may be part of the overall image of the station. In more heterogeneous cultural situations (Medan and Jakarta, for instance) or where stations broadcast to transmigrant communities, then targeting ethnicity is in itself a clear way of marking one audience segment for marketing advertising. However, in more homogeneous cultural situations like rural and central Java, the ethnic identification of listeners is identified. Stations then must segment their audience in other ways, through addressing one kind of Javanese-ness, for example, which may be achieved through a choice of the types of Javanese cultural forms or language broadcast or through the proportion of Javanese-oriented programs to other programming. Such stations then target their audience segments more through reference to age group, gender, and economic class.

Prayudha (2004) also mentioned that private radio stations must constantly update information on their audiences (information regarding economic class, cultural background, age group and gender) since their success will be determined by listener interest. To succeed at this, they require excellent feedback from their listeners in response to programming. The programming of private radio stations, then, provides a clear picture of how the stations see their audiences, and how they understand them, in turn, perceive the station. Thus, the match between the materials that radio stations select to broadcast and the station's determination of its audience in terms of age, gender, and income, reveals a great deal about the meaning and value given to regional cultural identity.