

Internship Based Case Study Report
Comparison and Assessment of 3Any Inc.'s
Cross Cultural Management
in Bali, Indonesia

By Park Jin Hee

Student ID 52114610

Mar 2017

Internship Based Case Study Report

Ritsumeikan Asia Pacific University

In Partial Fulfillment of the Requirements for the Degree of

Master of Business Administration

Acknowledgement

First of all, I would like to convey my gratefulness to prof. Yokoyama Kenji and Ritsumeikan Asia Pacific University giving me great opportunities of academic study for the last two and half years. With your sincere teaching and support, I was able to cultivate my knowledge and broaden my insight as a global business leader. Also, I could build up my global business sense taking various great classes by many great professors. Especially, Japanese Family Business class by prof. Yokoyama gave me not only more insights and knowledge to understand Japanese business environment also Japanese society.

Secondly, I also would like to say thank you to my campus mates and school faculty members. A multicultural environment and friends gave me a chance to understand diversity and true international networking. I wanted an atmosphere where differences in cultural and personal backgrounds are harmonized and where peers support each other to achieve what each values most. APU has an unparalleled diversity of its community and a true understanding of collaboration among diverse peers.

All the experience I have done in this school, memories and my study will be the one of the most important and precious milestones to step it up and extend my career and my future. I feel so proud of being able to study in this great academy place, and hope I can continue my successful career life as a APU student after graduating.

Thank you once again for your great support and having me study in APU.

Table of Contents

Acknowledgement.....	2
Abstract.....	5
1. Introduction	7
1.1 The purpose of study	7
1.2 Methodology & Data.....	8
1.3 Company's Profile & Internship Information.....	10
1.4 The Purpose of Internship.....	11
1.5 Main Issues.....	13
1.6 History of 3ANY INC.	14
1.7 Conclusion	16
2. Functional Area.....	17
2.1 3ANY INC.' Business sectors and target.....	17
2.2 The process of the project.....	18
2.3 Marketing and strategy.....	19
2.3-1 Main page of 3ANY INC.' website	21
3. Business overseas expansion	23
3.1 Business in Bali Island	23
3.2 Business model in Bali.....	24
4. 3any inc.'s SWOT Analysis	28
5. Global market environment	28
6. Recommendation.....	29
7. Findings.....	31
8. Conclusion.....	33

Bibliography 36

Abstract

Internationalization, globalization, and Cross-cultural management, these words are needless to say, critical key and important elements to business market. Especially for the market such as country where population is shrinking is very important to find out new market out of domestic environment.

For the last two years, we have studied a wide range of business cases covering not only Japanese firms also international firms as well by the classes.

In order to generate my knowledge and practice cases what I have learned from the subjects, I believed that jumping in the real field and working like employee is the most practical and useful way to complete my MBA program. 3 ANY INC. is website and mobile application designing company in Seoul, South Korea. Mostly 3ANY INC's main target is domestic market, and is making stable profit for the last 10 years since IMF (Korean Financial Crisis). However, owner of corporation is trying to find out new market for the company's growth and extension of domestic market to overseas because of a decline in population in South Korea.

Bali is chosen as a new market for the 3ANY INC. to extend company's next future business market, and it is the first time and a beginning step of settling up a company in overseas.

The main outcomes that I had found out were that I was able to experience two different styles of running a business in the different cultural backgrounds. By doing this internship program, I could compare company's HR, finance, marketing and strategy in different two places. I was able to see the huge gaps between Korea and Indonesia business environment due to the different cultural differences, religion,

institutions and governance of its country. For instance, the gaps that I would like to describe is as followed:

The first gap is the process and way of the administration. This might be the most distinguishable part between South Korea and Indonesia.

Second is that Indonesia's labor cost was chipper than South Korea. Therefore Indonesia was more competitive to hire more people. However, recruiting well-educated workers was quite difficult due to lack of information. Also, training employment and sharing the same value of the company was quite difficult. For example, you will never imagine that employee does not show up in the office without any notice. However, while I had stayed in Bali, it was quite often to see that some of staffs did not show up in the office without notice. So CEO had to make a call to them what happened and checked it out the situation every single time.

Third, the internet-penetration rate and social computerization in Bali was quite lower than Korea. In order to collect the list of suppliers, I had to go to Kuta beach and visit every single on-site surfing shops which does not have website or SNS by online. Not only this case but also, when I helped to purchase furniture and cars, I have observed the case what it did not have receipt due to the system.

On this paper, I mainly would like to explain regarding what I had worked for 3 ANY INC. in Bali Island for three weeks. In short, I hope this paper would be my internship experience report and hope it could be the one of the business cases for the MBA students as well if it is possible.

1. Introduction

In this chapter, I would like to write regarding the reasons why I decided to conduct this study case and internship program. Also I would like to clarify the purpose of this study case and internship program. In order to understand my purpose of this internship case study, I would like to describe a 3 ANY INC's overall company profile and my internship program schedule in 1-3. In the chapter 1-4 and chapter 1-5, I have come up with the purpose of this internship program and issues that I would like to question about this case study. For the better comprehension of this case, in the chapter 1-6, I tried to tell about 3 ANY INCE's company history as detail as possible. For instance, I intended to describe how 3 ANY INC. have been established, who the owner of this company is, what kind of person he is and what kind of career path he had gone through so far.

Before introducing a 3 ANY INC, I would like to explain how I collected data and sources about this paper in the methodology part, and clarify the purpose of this whole internship case study after that.

Since the company is an unknown small-sized company, I would like to explain a company's brief information and history first in the beginning of this part.

1.1 The purpose of study

My goal of joining MBA program was not only cultivating academic knowledge about management side but also I wanted to experience a real field as well.

3 ANY INC. is Seoul, South Korea based small venture firm. It has been showing a sustainable performance of revenue over the last one decade, and this small company intends to broaden their business to other nation with the globalization.

Thus, 3 ANY INC is running two businesses at this point: one is in Seoul and one is in Bali, Indonesia. I would like to introduce MBA students two type of business models, and after that compare these business models and assess them.

It might have a weak conclusion of this paper or be not able to give you a clear answer at the end of this paper. However, what I want to emphasize is that I would like to share this case of the company, and draw a conclusion from you who are reading this paper.

In short, the purpose of this paper is providing you the questions about a small venture company's overseas expansion process and how to deal with cross-cultural management side based upon this internship program so that I can reach the conclusion and provide a better tips and advices for the company by considering this case together.

1. 2 Methodology & Data

Since this paper is an internship case study, this chapter might be weak and poor. However, I would like to explain how I have written this paper and collect the sources as bellowed.

Most of data I wrote in this paper is based on my experience of internship program, and I mainly asked my questions to CEO of company and related other people for the paper. Mostly I conducted the interviews and took a note of them.

Interview with JEON, Gyeong Hoon in Bali Island, Indonesia (7. 2. 2016~28 .2. 2016)

Interview question: Do you have any certain strategy or management principle for your company?

Answer of CEO:

“I try to give my staffs authority as much as I can in terms of sales and general administration. Even I mentioned that I want more free time to away from difficult tasks but that is just my personal reason. I believed that giving more authority to my employees makes them have more responsibility in terms of management of their own job and develop career path as well. I don't want my staffs to become passive. I want my staffs to become a more proactive specialist in terms of their job. This is the key what I believe that company could last longer and sustainable for the future business. I rarely go to the office to work. That's why sometimes, new employees don't recognize who I am. I think it is a good sign which means that they don't need me”.

Interview question: What makes you start a new business and why did you decide to come to Bali, Indonesia?

“My company is still sustainable to make a profit in South Korea but I don't believe that it will last forever in the same market. The trend of website market is moving to mobile users from computer and I need to prepare for it. I traveled around the world so far, and I have many friends who are doing a business in many of cities in Southeast Asia. Only based on my experience and news from my acquaintance, I have heard a lot of bad news and accident from Philippines and Vietnam. One of the first priorities in terms of doing business in a new place is safety. In terms of the

safety, I believe that Bali is pretty much a safe place to live and do my business because of Hindi culture. They have so called 'Rebirth Thought' in Hindi culture so they barely commit a crime and always nice to people. Second reason why I chose Bali is because I am a huge fan of sports, especially extreme sports. This is one of the biggest motivation to carry on working hard and keep lively. It is the perfect place to do my business in Bali. I can enjoy my life by doing some extreme sports and carry on my business here, too. Third, Bali is the most popular place for foreigners for traveling among the cities in Southeast Asia and this could be my main target as well."

1.3 Company's Profile & Internship Information

<Seoul office, South Korea>

The name of company: 3 ANY INC.

Name of CEO: JEON, Gyeong Hoon

Date of establishment of company: 2008.06.25

Headquarter: Seoul, South Korea

The number of employees, Seoul office: 40

Main business: Total system management (Website designing and programming)

Homepage: www.website.co.kr

<Bali office, Indonesia>

Internship period: 2016.02.07~2016.02.28

Venue: Bali, Indonesia

The number of employees: 5 (including CEO)

Main business contents: Tourism based mobile application service

Progress of company establishment: The beginning stage of establishment

(Overseas expansion and market research)

This case study is based upon my internship experience in 3ANY INC. in Feb, 2016. I was able to only work as followed task due to limited period to work for company.

Job description: Assistant of CEO (Translation, mailing, general task)

- General administration (mailing, assist CEO)
- Research tourism market and inspect supplies (surfing shops, hotels and real estates)
- Translation and interpretation English to Korean, Korean to English

Mainly I always assisted CEO as a personal assistant and translate language Korean to English, English to Korean whenever he had a meeting with supplies or clients

1.4 The Purpose of Internship

In order to complete my MBA program over the past two and half years with my knowledge and experience in APU, rather to write thesis, I have decided that Internship based case study will be the best option for me. Because the main reason of starting MBA program here is that I wanted to cultivate my ability from the work experience and broaden my business insight by MBA program. In short, integration with my actual work experience and academic learning was my main purpose of my study here in APU.

Therefore, conducting an internship-based case study is natural to me to complete my academic path and exceed to my future career plan.

So I would like to write regarding why I chose SME and software company. In order to explain this question, I need to describe my academic background and my work experience briefly. I had studied Japanese literature back in the university and started my career in a travel company in South Korea. At the age 29, I decided to start my MBA program in order to develop my ability and jump into wider industry. You may consider this information is not related to this paper, way out of focus on main theme or too much information. However, if you consider the unique practice of career plan in East Asia, especially in South Korea and Japan, changing industry and starting a whole new job is too much risk taking on your career. Chances are very low to continue your better career plan.

Globalization and internationalization are, needless to say, one of the factors that every corporation is facing to these days. Especially countries such as Japan, South Korea, and China are all facing too low birthrate and aging society. Finding new markets out of the country and expanding business overseas is unavoidable choice to survive in their market.

Large corporations which have the enough amount of financial power, know-how and empowerment could relatively expand their business overseas easily comparing to small and medium size enterprise (SME).

We can simply get a number of information regarding large corporation's business strategy, marketing, HRM, finance from the web surfing, library, and so many other ways. However, what about SMEs? Since I had started studying MBA, I have touched

a lot of large companies' case regarding business management side. What I can realize was I could only analyze and learned something from what already happened past time and most of the companies that I have studied were large corporations.

We have got trained analyzing companies by SWOT analysis and suggesting recommendations by a number of presentations. The more I studied about management, the more I feel like to take advantage of theories what I have learned from the class and analyze a real company.

This is why I chose SME as my internship case study. I believed that it is more practical to learn and practice what I have learned from the class, and it gives me a chance to observe and experience more by an internship.

To sum it up, by this internship opportunity, I aim to analyze and evaluate SME based upon some of the theories what we have touched from the class and suggest recommendation together whom might be interested in company's strategy management and cross-cultural management.

1.5 Main Issues

Topic that I am going to write about is comparing 3 ANY INC' business model in South Korea and Indonesia, and assess company's cross-cultural management by participating the process that company is trying to start a business in Bali, Indonesia. As I mentioned above, '3 ANY INC.' was established as website making company and now they are designing commercial application in mobile industry. Fortunately, I could have a great chance to join into this opportunity as an intern.

Since limited time that I could work in company, and access to information of company might be hard to fulfill expectation of academic paper, I would like to emphasize that this report is more based on case study and deliver my experience as an business example.

The main questions that I would like to clarify are as following:

1. What motivated CEO to expend business in Bali, Indonesia, and why he chose Bali?
(Why not any other cities in Southeast Asia)
2. What kind of distinctive differences does it have in terms of business environment between Seoul and Bali?
3. What kind of obstacles does company have in terms of starting new business in Bali?
4. What would you suggest for recommendation in terms of cross-cultural management for 3ANY INC.?

The data collection is qualitative research by having an interview with CEO, co workers and suppliers and observation and experiences on site. Based upon data, research was analyzed and assessed based on related theories and matrix such as SWOT analysis.

1.6 History of 3ANY INC.

History of 3 any inc. and Brief information about CEO JEON, Gyeong Hoon is a current CEO who has established 3any inc. since 2006. The firm has been only 10 years since its establishment. Mr. JEON is a former Samsung electronics' employee

and he resigned from his job at the time when he became 30 years old. Now he is 50 years old and was born in 1969 in Seoul, South Korea. He was studying engineering at Sungkyunkwan¹ University, Seoul, South Korea where is operated by Samsung foundation. After his graduating from university, he had worked for Samsung electronics until he became 30 years old. According to him, he always had wanted to have his own business at the age of 30 because simply he did not like to work in hierarchy society and every single same routine life. He always dreamed of establishing a company that he does not need to involved in every sector. He said “I wanted to establish my company since when I was young. Because I just don’t want to work hard and want to enjoy my life more by doing adventures and extreme sports. So, my long- term goal for my company is to enable a company to operate only by itself and with my staffs without me. I only want to have final authority in terms of decision making for the big project so that I could have more free time. My motivation to start doing my own business is very simple like this.” Since he resigned his position from the Samsung, he had tried many businesses but he did not make succeed. After his failure of business, he had an opportunity working for LG electronics for few years and he had returned to Samsung electronics back after working for LG. After few years working for Samsung, he moved to work for Boston consulting company in Seoul and prepare for another chance to starting his own business. In 2006, he finally established his own website design agency in Seoul, South Korea. According to **Saramin**² and **Job Korea**³, this company was set up with

¹ Sungkyunkwan University sponsored by Samsung foundation is private university in South Korea.

² ‘Sramin’ is one of the most dominant recruitment websites in South Korea.

approximately 400,000 US dollars (40,000,000 Japanese yen) and has 40 employees.

<Brief career history of CEO>

1994 – Join a company of ‘Samsung electronics’ as a computer engineer

1999 – Resigned ‘Samsung electronics’

2000 – The first trail of running a business

2001 – The business did not go well and stopped running in less one year

2002 – Join a company of ‘LG electronics’

2004 – Got offered working for consulting company of ‘ Boston Consuling Korea’

2005 – Resigned ‘Mckinsey Korea’

2006 – Star running a website management business

2008 – Officially, the company of 3ANY INC. is established, Seoul

2016 – The first trail to expand overseas business in Bali

1. 7 Conclusion

3 ANY INC. is a relatively small sized company in the system management industry and has the short history. However, office in Seoul has been stable in terms of its business profits and management over the ten years. Since the size of the company and historical reason, governance system in Seoul office is very centralized and the most of the decision-making is conducted by CEO’s thought. Now CEO is trying to expand his business in Bali due to the domestic economy environment changes.

³ ‘Job Korea’ is also famous recruitment website in South Korea

2. Functional Area

In this chapter, I would like to describe and explain regarding a company's marketing and strategy of its office in Seoul. In order to explain these sectors, I will talk about how company is making a profit, who and what kind of companies are the target of company, and process of workflow.

2.1 3ANY INC.' Business sectors and target

What is the 3any inc.'s business model in Seoul? According to 3 any inc.'s website, it describes that company has made more than 7,000 websites and clients and gave their customer system management and maintenance so far. The price for making one website; it is divided into computer user and mobile user and has 4types and 2 types of each service, is as followed:

1. Customized general websites
 - Type of basic website: \$800 ~ \$1,200
 - Type of general website: \$1,200 ~ \$3,000
 - Type of premium website: \$3,000 ~ \$5,000
 - Type of customized website: \$5,000 ~
2. Customized on line shopping website
 - Type of basic website: \$1,500~\$3,000
 - Type of customized website: \$3,000~
3. Mobile application designing
 - Type of basic: (500 US dollar)
 - Type of customized website: (800 US dollar)

The list of clients and portfolio

- Hospital, construction company, education insitution, NGO, entertainment company, tourism institution and agency and more

2.2 The process of the project



First, sales person gives you an invoice after consulting based on client's demand. Second, after deciding the price and overall plans, a contract is concluded when a client pays contract fee. Third, after discussing domain address with a sales person, the company supports a client to register a client's domain address. (If client has a domain which is already used, it is also able to link to new website as well)

Next, the person in charge from the company will ask client's data regarding company's introduction, image files, catalog, and information of client's website. Then, a company decides overall website design and structural based on client's opinions. After this, main design of the website will be designed by the 3ANY INC' s designer. This process is one of the most important steps out of the whole process.

Based on the main designing, company's designer will edit subpages and program a coding. On this stage, our client is always checking it out anytime and any places in real time. After this stage, programming engineer will set a server and manage a maintenance programming. The engineer will have a presentation to a client regarding a website and how to use. After the test use, payment should be paid and website will be opened. Maintenance will be free of charge as long as the client uses 3ANY INC's server but extra designing and requests from a client after the contract will be charged.

1. Consulting and estimating
2. Contract
3. Domain
4. Data research and collecting
5. Executive plans
6. Main designing
7. Sub designing
8. Programming
9. Payment/website open
10. Maintenance

2. 3 Marketing and strategy

According to CEO, he states that company does not put much effort to design in a good way visually. Once you access to company's website, making customers make a

phone to the office directly is one of the marketing strategies of 3any inc. They have 2 types of website designing and each website has for computer and mobile.

In order to not to be left behind from other competitors, 3any inc. also, prepares for many choices for customers like other website companies. Also, generally people are not familiar with making the website, customers don't know how much maintenance is important after making their own website.

Therefore, when 3any inc's clients contact to the company when they saw the low price of the package but salesperson attracts clients to choose 'Type of customized website'. This is the strategy what 3any inc. is conducting.

JEON said regarding management style and business model for making a profit as followed.

"I try to give my staffs authority as much as I can in terms of sales and general administration. Even I mentioned that I want more free time to away from difficult tasks but that is just my personal reason. I believed that giving more authority to my employees makes them have more responsibility in terms of management of their own job and develop career path as well. I don't want my staffs to become passive. I want my staffs to become a more proactive specialist in terms of their job. This is the key what I believe that company could last longer and sustainable for the future business. I rarely go to the office to work. That's why sometimes new employees don't recognize who I am. I think it is a good sign which means that they don't need me".

Also, he mentioned as followed regarding business model. "First, easy access to call and simple consultant. I don't want to show many things on our website. Making a

new website can't explain everything and catch customers by homepage's promotion. Our homepage is not well designed visually. What I focus on my homepage to catch more customers is showing our office number as many time as we can so that they can call us easily. Second, our sales staffs will meet and talk to the customer so that they could explain more and in details. Third, we emphasize system maintenance as after service. Normally people don't realize that how much maintenance is important after a making website. We give service for maintenance about 1000 case per every month which means that our company is not just making a website and ignore customers after that. We sincerely care about our customers after making a website as well".

What motivated CEO to expand business in Bali, Indonesia, and why he chose Bali? (not any other cities in Southeast Asia)

2. 3-1 Main page of 3ANY INC.' website

Since the company is a small sized company, it doesn't have a particular marketing department and corporation's development and strategy department in the office. Mostly CEO decides and lead the company's future plans, and gives directions to the employees. However, what 3ANY INC. is focused on the sales strategy is emphasizing a free maintenance service after making the website and attract clients to make a call to the office easily to consult about website. As followed information is about the company's free maintenance service and consulting direct call from the website.

<The first page of 3ANY INC's website and details>

1. Free of charge for making a new website (\$500)
2. Free of charge for using a server in the first two years (\$400)
3. Free maintenance in the first two years (\$200)
4. Free of charge for making web catalog (\$200)
5. Providing original source code of webpages in CD
6. Web standard- applying cross-browsing
7. A submission service in search engine
8. Free domain service in the first one year
9. Free of charge for cooperate email accounts
10. Providing a pop-ups managing program



<3ANY INC. 's catch phrase>

"We have a 7,000 clients of the list and offer them 10 different free services. 40 experts are always ready to consult your website in the center of city of Seoul!"

< Easy access and mobile consulting buttons in every page >

Every page has links to access to consulting section more than one so that a sales person is able to attract to client directly without hesitation, and also, it gives them trust and more information than a website.

3. Business overseas expansion

In this chapter, I will more focus on preparation and stage of settling up a business in Bali, Indonesia by the experience of internship program. Also, I would like to write about the reasons why CEO had to decide to expand his business to overseas.

3. 1 Business in Bali Island

CEO of the company; Mr.JEON said regarding a reason why he decided to start doing business in Bali as followed: “My company is still sustainable to make a profit in South Korea but I don’t believe that it will last forever in the same market. The trend of website market is moving to mobile users from computer and I need to prepare for it. I traveled around the world so far, and I have many friends who are doing a business in many of cities in Southeast Asia. Only based on my experience and news from my acquaintance, I have heard a lot of bad news and accident from Philippines and Vietnam. One of the first priorities in terms of doing business in a new place is safety. In terms of the safety, I believe that Bali is pretty much a safe place to live and do my business because of Hindi culture. They have so called ‘Rebirth Thought’ in Hindi culture so they barely commit a crime and always nice to people. Second reason why I chose Bali is because I am a huge fan of sports, especially extreme sports. This is one of the biggest motivation to carry on working hard and keep

lively. It is the perfect place to do my business in Bali. I can enjoy my life by doing some extreme sports and carry on my business here, too. Third, Bali is the most popular place for foreigners for traveling among the cities in Southeast Asia and this could be my main target as well.”

According to an interview regarding reasons why he chose Bali for the new market, here I can summarize as followed.

- Safety issue
- A number of choices of activities, entertainments for leisure
- High number of foreign travelers 3 any inc.’s business frameworks in Bali
- A number of low-cost human resources
- a great environment for workplace

3.2 Business model in Bali

3 any inc. is planning to star tourism based mobile application business with their knowledge and skills what they built up for the last 10 years in South Korea. The mobile application what company considers is that it has accommodations and activities such as surfing, wakeboarding in the application and enable travelers to find what they want to base on their own needs. So basically it could be C to C business and company’s business model is such as Uber and Air b&b. Main target what they consider is Australian, Japanese and South Korean who will visit Bali. Here is what I can make it short regarding 3 any inc.’s new business model as followed:

- Location: Bali, Indonesia

- Type of business: Tourism based mobile application company
- Business model: Sharing economy based business such as Air bnb andUber
- Main target: Travelers (Australian, Japanese, South Korean)
- Short-term goal: Making a profit of the same amount money what company spend per month
- Long-term goal: Settle down and make a profit sustainable.

Expansion of company's business to Australia

This is the beginning stage of expanding 3any inc's overseas business and he answered the question regarding how you would carry on this business and have any certain plan for it. "My short-term goal is settle down first in Bali first. My goal is not to become a super rich in the world. Having my own private time and making income to keep up with my life is my shortest goal when it comes to the success of business here. More details about settle down and sustain business here in Bali, I want to make profit exactly the same amount that I have to spend more for running a business. For example, employees' salary, office rental fee, some utilities so on. Having information and knowledge about the market is very important to running a business. I barely know about Bali yet, and even I don't understand Indonesian language and English. So for the next few years, I plan to go to Indonesian language school to study their language and learn Indonesian culture. Recently my family immigrated to Brisbane in Australia due to an education of my children and plan for my business in Australia. In a long-term goal, I want to succeed my business in Australia someday but I have language and culture barrier now. To practice doing with Australians, my new business plan in Bali will be a good resource for my future

business plan.” What kind of obstacles is company facing in Bali? Even it was the short period to work for 3any inc, as I had worked for the company for the 3 weeks in Bali I could observe and catch some features and distinctive in terms of business environment between South Korea and Indonesia. Here are some lists that I found out as followed.

- Infrastructure for computerization of data
- Time management
- Lack of facilities and information for HRM, general administration agency
- Legal issue

First, I found out that public infrastructure for computerization is not democratized yet. For example, when you purchase some products and submit important document, I could only received receipt by paper. To compare to Korean business environment, every procedure is recorded in computer so that it give you not only secure and trust but also convenience. Second, in terms of sense of time management criteria, Korean and Indonesian have different style. Being on time is very important factor in business world in South Korea. Especially meeting with client and supply. I had many chances to accompany with CEO to have a meeting with local business people. It happened many time to be late when we make an appointment. This could be cultural differences and different perception of time management for both countries. Third, most of main administration office was located in capital city of Jakarta, Indonesia. CEO had to go and back to submit official document or consult business information in Bali. Fourth, legal issues for establishment of SME. For the large corporation, they are allowed to purchase real

estate or cars by company's name legally. However, for those who do not have enough financial asset are not allowed to purchase any property, real estate and cars by individual name. For example, CEO has to find a local Indonesian expert who can be his joint surety for the car and house so on. This occurs insecurity about partner because sometimes they leave town without any notice and scam on it.

According to paper "The last frontier: Market creation in conflict zones, deep rural areas, and urban slums'. California Management Review, 52 (4/Summer) 06-28. Anderson, J. L., Markides, C. and Kupp, M. (2010)", it examines some problems when corporations face in the markets at the base of the economic pyramid (BOP) as followed.

Lack of Legal Frameworks: Complex operating environments often lack functioning legal systems and can be outside the control of government institutions. In these environments it can be very difficult for firms to put in place legally enforceable contracts.

Absence of Key Infrastructure: Complex operating environments often lack critical infrastructure to underpin efficient commerce. In urban slums and deep rural areas this infrastructure can be simply absent while in conflict zones, infrastructure can be damaged, purposefully vandalized or stolen.

Shortage of Skilled People: This involves two dimensions – availability and willingness. In some complex operating environments, people cannot afford formal education or schooling systems have been severely disrupted and skilled employees are hard to find. In conflict zones, employees and business partners can be understandably reluctant to face personal risks to their safety.

4. 3any inc.'s SWOT Analysis

<Internal>

1. Strengths: 10 years experience and professional skills in the website making and programming industry CEO's personal strong interest about extreme sports industry and enthusiasm

- Weaknesses: Lack of experience, information expending overseas business
Limited budget to invest money for the new business in Bali

<External>

- Opportunities: Fast mover in a tourism based mobile application as a Korean company. Increasing the number of South Korean travelers to Bali due to visa exemption – visiting Bali, Indonesia for South Korean since 2015 Surfing is trend for young generation in South Korea Low cost of labors, facilities in Bali (ex salary for one Indonesian employee is 1/10 of South Korea)

- Threats: Security problem (the company needs a agency or local person in terms of purchasing a car and real estates) Competitors such as large corporations.

5. Global market environment

200 years ago, Mughal empire and Qing dynasty were acquiring more than a half of GDP out of entire of the world. After passing through the colonial era over the 200 years, now Asia became the leading countries of the world's economy, and it is expected to be more than 50% of GDP is coming out of Asia area according to a documentary 'Super Asia' by KBS. It is questioning that where the economy power is

coming from, and where does the economy power is heading in the future. It is pointed out that China, India and Asean countries where are tremendously developing are the key answer to solving the global economy crisis and forecast an economy.

It is critical to solve the problems of population decrease and low economic growth rate and the key will be the Asia area. Asia area is the only place where the economic growth rate and birth rate is increasing regardless of global economy crisis.

6. Recommendation

According to the way of assessment and uses of SWOT analysis; Strategic Management ,Jones, B. (1990). It is explained how to adopt the theories, and gives you a guideline of uses of SWOT as followed.

Listing your internal factors: strengths and weaknesses Internal factors include your resources and experiences. General areas to consider:

- . 1 Human resources - staff, volunteers, board members, target population
- . 2 Physical resources - your location, building, equipment
- . 3 Financial - grants, funding agencies, other sources of income
- . 4 Activities and processes - programs you run, systems you employ
- . 5 Past experiences - building blocks for learning and success, your reputation in the community

Listing external factors: opportunities and threats

Cast a wide net for the external part of the assessment. No organization, group, program, or neighborhood is immune to outside events and forces. Consider your connectedness, for better and worse, as you compile this part of your SWOT list.

- . 1 Future trends in your field or the culture
- . 2 The economy - local, national, or international
- . 3 Funding sources - foundations, donors, legislatures
- . 4 Demographics - changes in the age, race, gender, culture of those you serve or in your area
- . 5 The physical environment (Is your building in a growing part of town? Is the bus company cutting routes?)
- . 6 Legislation (Do new federal requirements make your job harder or easier?)
- . 7 Local, national or international events

According to the paper Anderson, J. L., Markides, C. and Kupp, M. (2010), it suggests some recommendation as following from the markets at the base of the economic pyramid to succeed business and maintain sustainable.

- Promoting local entrepreneurship - Corporate social responsibility - Unorthodox partners - Unorthodox benefits
- Implementing with local help - Overcoming the problems of social embeddedness

To generate support for such a venture, managers :

- Identify quick wins
- Frame the venture as both opportunity and threat

- Provide visibility and development opportunities for managers
- Emphasise soft as well as hard objectives
- Get the right people Based upon the matrix above, I can suggest

Recommendations are as followed. When it comes to internal side of company, 3 any inc. is able to take advantage their own programming skills and website making knowhow to overcome company's weaknesses which they do not have any experience in Southeast Asia before. In order to solve this problem, it is recommended to find local agency or investors. Next, in terms of threats and opportunities, company should be the first market leader to compete with future competitive mobile application.

7. Findings

- Seoul office

3ANY INC. in Seoul office has been running by CEO well so far over the pass 10 years. A company's profit is stable which is making a profit of \$400,000 with 40 full-time employees annually. Governance is quite centralized due to the history of company, the number of employees and investment status which means that CEO has the most of authorities and decision making in terms of company's strategy, marketing plan, human resource management and finance.

The strength of Seoul office is that it has the 10 years of know-how for the program management industry. Also, it is quick mover and adopter of industrial environment change because of the size of company.

The weakness is that turnover rate of employees is quite high due to the centralization of governance and the poor welfare system. This factor makes a company unstable to keep sharing the common information of company and standards value.

-Bali office

The future business forecast and potential of market is highly evaluated in terms of choosing a new market in overseas. Indonesia has more than 2.5 billion population and human resource is very young, well educated and competitive.

Strength of Bali office is that definitely potential of the market which has not involved in many competitors. If 3ANY INC. run a business well, a company could take advantage of benefits as the first mover and reminds their clients strongly.

The weakness is lack of information, overseas experience and finance asset for investment. In order to this problems, CEO is putting effort on learning local culture such as going to School learning Indonesian language, and finding out local agency.

To sum it up, the findings that I found out were that the differences between Seoul and Bali business were differentiated by the local culture, religion, the institutions of the nation and governance system.

The first gap is the process and way of the administration. This might be the most distinguishable part between South Korea and Indonesia.

Second is that Indonesia's labor cost was chipper than South Korea. Therefore Indonesia was more competitive to hire more people. However, recruiting well-educated workers was quite difficult due to lack of information. Also, training employment and sharing the same value of the company was quite difficult. For

example, you will never imagine that employee does not show up in the office without any notice. However, while I had stayed in Bali, it was quite often to see that some of staffs did not show up in the office without notice. So CEO had to make a call to them what happened and checked it out the situation every single time.

Third, the internet-penetration rate and social computerization in Bali was quite lower than Korea. In order to collect the list of suppliers, I had to go to Kuta beach and visit every single on-site surfing shops which does not have website or SNS by online. Not only this case but also, when I helped to purchase furniture and cars, I have observed the case what it did not have receipt due to the system.

8. Conclusion

Up until now, I have compared two business models in Seoul office and Bali office. My conclusion of this paper about the question that I came up with in the beginning of this paper “ *What would you manage this company if you were a CEO of the firm?*” is not able to give you the right answer and reach the conclusion of it. Also, I am not able to expect a company’s future neither.

By looking through the two types of business model in the two cities, I have compared each other cities and tried to assess the performance of them. However, there are so many internal and external elements to effect to company’s future.

For example, just like I talked about it above, both offices in Seoul and Bali is very centralized in terms of governance. Basically, Every decision is made by CEO, and almost of company’s future is depends on the CEO’s thought. Secondly, by the time I

started this case study was the time that we talked about it so called 'Globalization'. However, now the world is changing slightly and showing a new paradigm so called 'Nationalism'. Academically, I am not able to judge and name it for this new era of present. However, I just want to say there are so many external elements to effect to company's future path by the global changing environment as well.

For the last two years, I have learned many subjects and theories by MBA classes. I have analyzed company by the matrix given by professor or textbook, and practice to presented a number of corporation's cases with my MBA classmates. I wanted to take advantage of these theories and my learning and tried to adapt and implicate to a real company so that I could check it out in real. February of this year, I could have a chance to have an internship for the small size company which is just about to expend their new business in Bali, Indonesia by good luck. By this experience, I could observe not only company's overseas management strategy but also the application of academic theories and learning to a real company. I have conducted so many interviews with CEO all the time while I have stayed in Bali, Indonesia. I want to sum it up this case study what CEO answered me about the question "What do you think about company's strategy and how do to implement?" JEON Gyeong Hoon: "Since I have established my own company, I have never set the strategy for the new business or analyzed markets the way I used to belong to large corporations such as Samsung electronics and LG. In terms of decision making for my company, I decide what to do and how to organize employees by my instinct and my experiences over the last 15 years. Sometimes business is just running by one

individual's interest and some accidents. Of course, it is obvious to say that large corporations operated by a long process and so many matrixes by company's policy and value. However, a company like us is not efficient to adapt that kind of academic theories and apply for a new strategy, and sometimes it is waste of time and money for us because of limited assets and skills. All I have clearly in my mind is that me know I will make my company proactive and my employees as well without my order and direction. I wish my company grows and evolves organically by the right decision from my staffs. That 's is all I have in my mind and I always to train them in order to develop the way I wish." By conducting a 3any inc. case study, it was great to participate working for the company that expands their business overseas from the beginning stage. Thanks to this great opportunity, I could evaluate and apply academic theories in the real case and cultivate business sense as well. I also expect that I would hear some comment and advice from other MBA students who are interested in this issue.

- What would you suggest for 3any inc. for overseas business?

Main purpose of this internship program was mainly comparing two different styles of business management in the different background places. By doing so, I hoped that I would be able to share a case study to other people as well. Therefore, my next further research will be checking out the 3 any inc's status and performance of business in Bali. Regardless of success or failure of the 3 any inc's business, I would like to study and keep in eyes on how SME settle down in local environment and process the star-up business in new environment.

Bibliography

3ANY INC's website <http://www.website.co.kr/websites/process.php>

Documentary 'Super Asia', KBS(Korea Broadcasting System

Anderson, J. L., Markides, C. and Kupp, M. (2010), Market creation in conflict zones, deep rural areas, and urban slums', California Management Review, 52 (4/Summer) 06-28.

SWOT analysis David, F. (1993). Strategic Management, 4th Ed. New York, NY: Macmillan Publishing Company.

SWOT analysis Jones, B. (1990). Neighborhood Planning: A Guide for Citizens and Planners. Chicago and Washington, DC: Planners Press, American Planning Association.

Journal

E. Abby Wells, (2013). What is HR Leadership? A Twenty-First Century Perspective

Adam A. Morris, (2013). Leadership thoughts from Lincoln on Leadership

Andrew C. Hurt, Scott R. Homan, (2013). Identifying Universal Leadership Behaviors

*Using the Occupational Information Network's(O*NET) Generalized Work Activities*