



Managing the uncertainty Strategic Management and Business Policy Toward Global Sustainability



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www.ChiraAcademy.com

The background of the slide is a clear blue sky filled with soft, white, fluffy clouds. The clouds are scattered across the lower two-thirds of the image, creating a bright and airy atmosphere. The text is centered in the upper half of the image.

**Prof.Dr.Chira Hongladarom's Concept
for Learning in the changing world**

Learning how to learn : Chira's Way

- ❑ 4L's
- ❑ 2R's
- ❑ 2I's
- ❑ 3V's
- ❑ 3L's
- ❑ C & E
- ❑ C – U – V
- ❑ 8K's+5K's
- ❑ 3 Circles
- ❑ HRDS
- ❑ **Learn – Share – Care**



4 L's

- **Learning Methodology**
- **Learning Environment**
- **Learning Opportunities**
- **Learning Communities**



2 R's

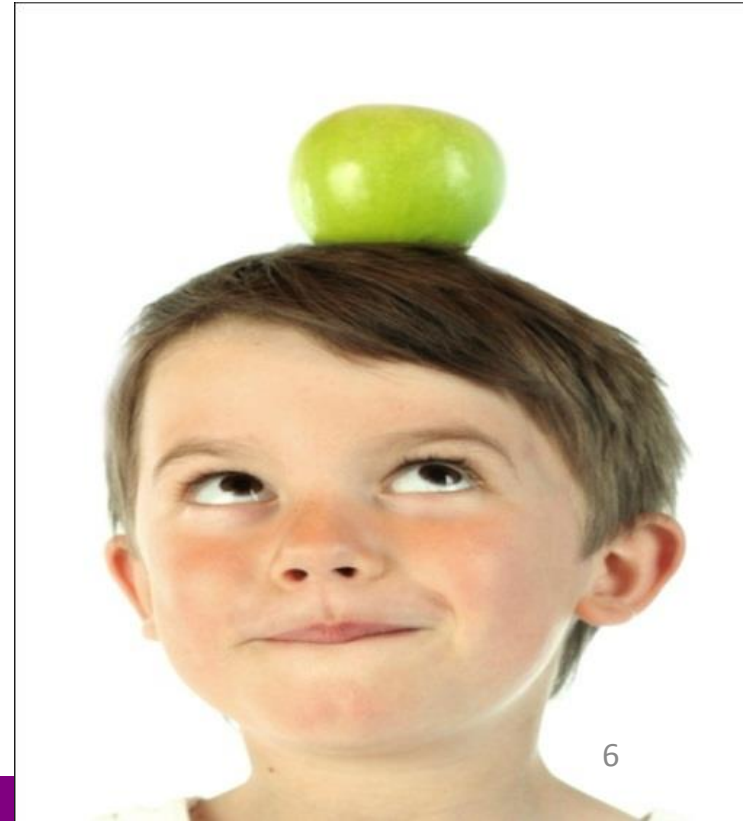
Reality

Relevance



2 i's

- **Inspiration**
- **Imagination**



3 V's

- Value Added
- Value Creation
- Value Diversity



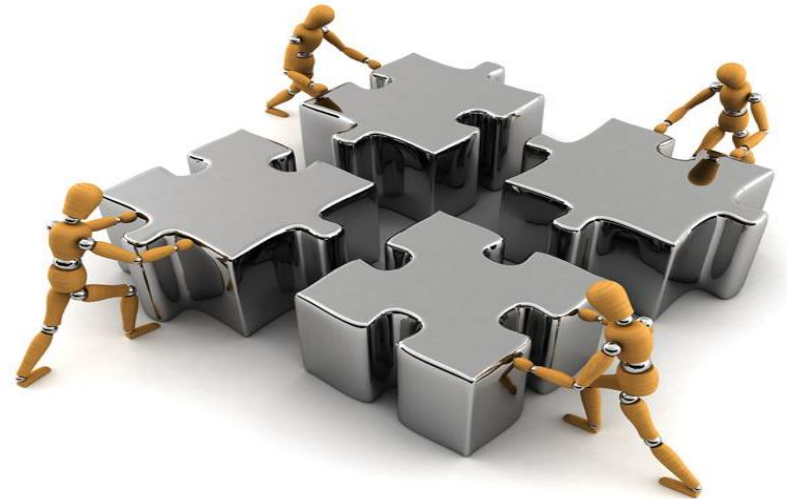


3 L's

- ✓ Learning from pain
- ✓ Learning from experiences
- ✓ Learning from listening

C & E Theory

- Connecting
- Engaging



C - U - V

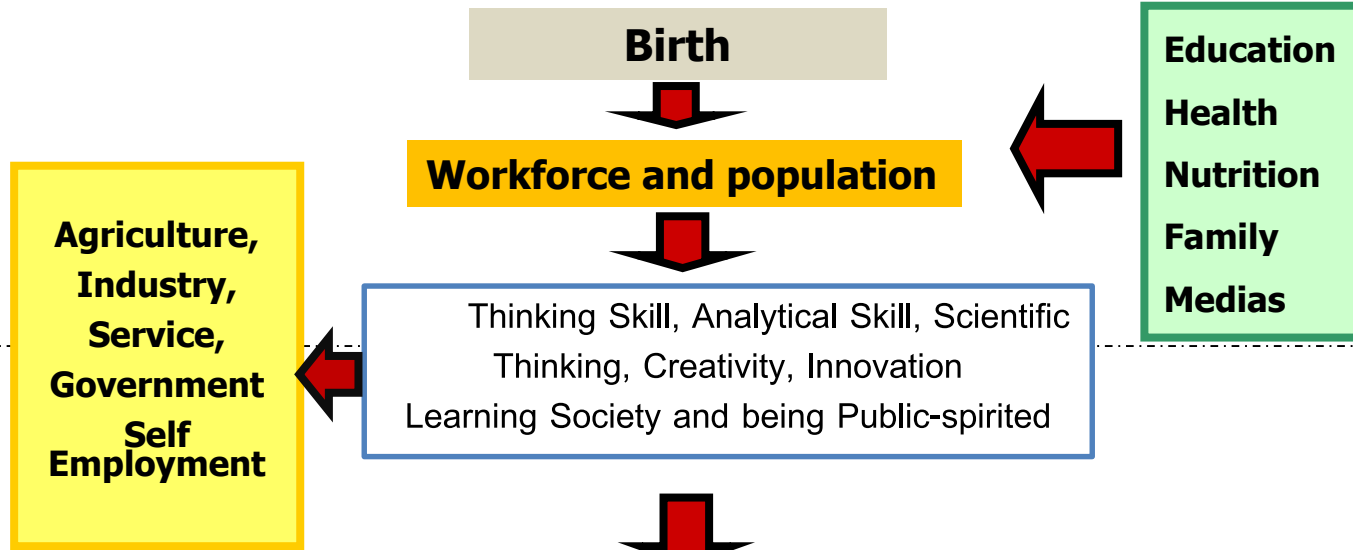
- Copy
- Understanding
- Value Creation/Value added



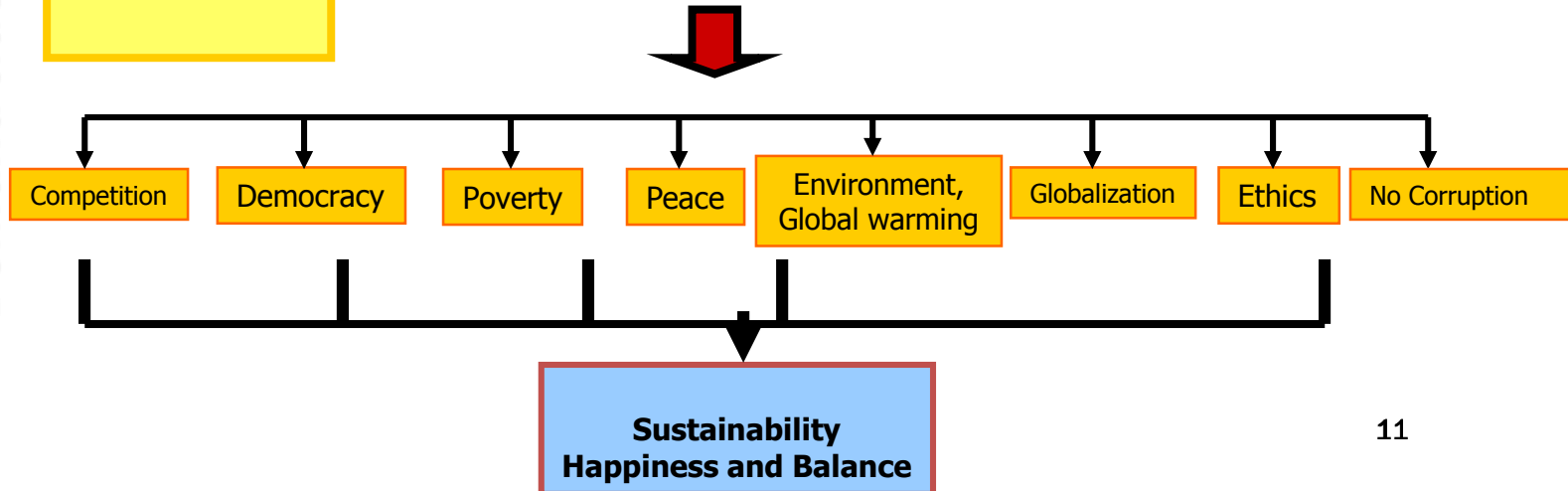
HR Architecture

by Chira Hongladarom

Supply Side



Demand side





8K's+5K's

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รองรับประชาคมอาเซียน

จอร์: หงส์ลาดารมภ์

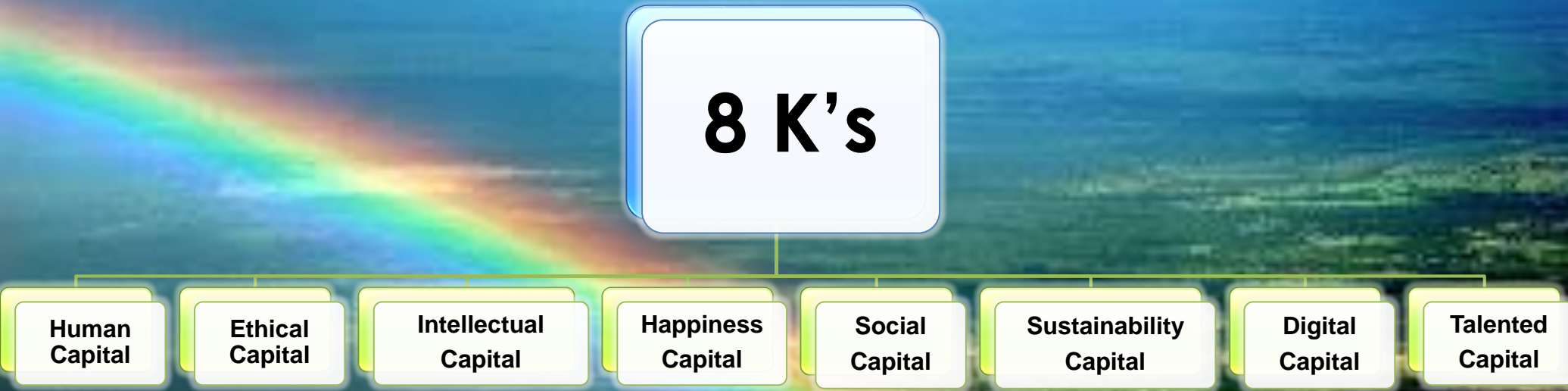
เรียบเรียงโดย...วราพร ชูศักดิ์ และ เบียมศักดิ์ คุณากรประทีป

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May I offer my theory
on Human Capital is
called
“8 K's + 5 K's (New)”

8 K's Theory

: basic in Human Resource Development



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5 K's (New) Theory

: Human Resource Development in globalization

5 K's (New)

**Creativity
Capital**

**Knowledge
Capital**

**Innovation
Capital**

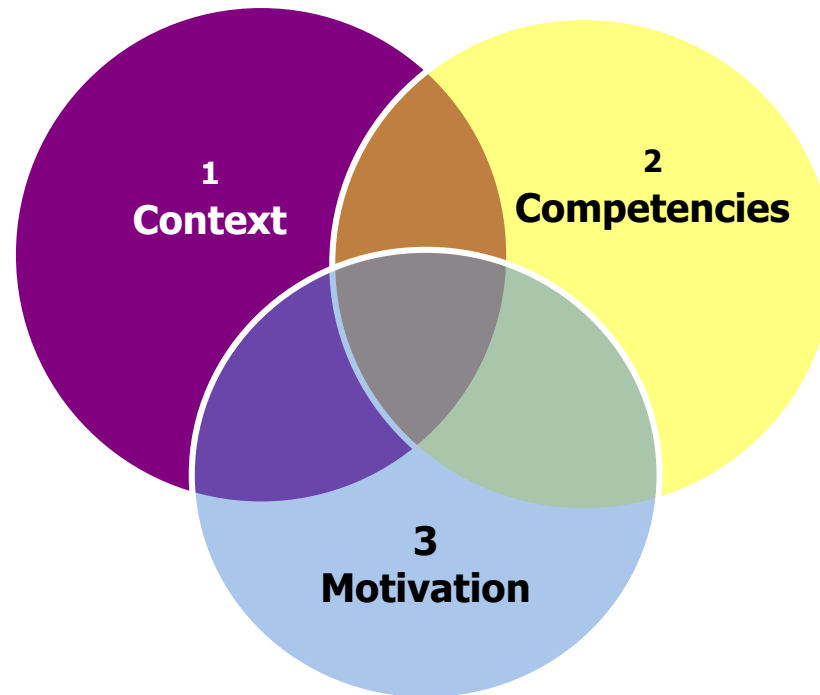
**Cultural
Capital**

**Emotional
Capital**

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3 Circles Theory

For Human Capital Management & Development



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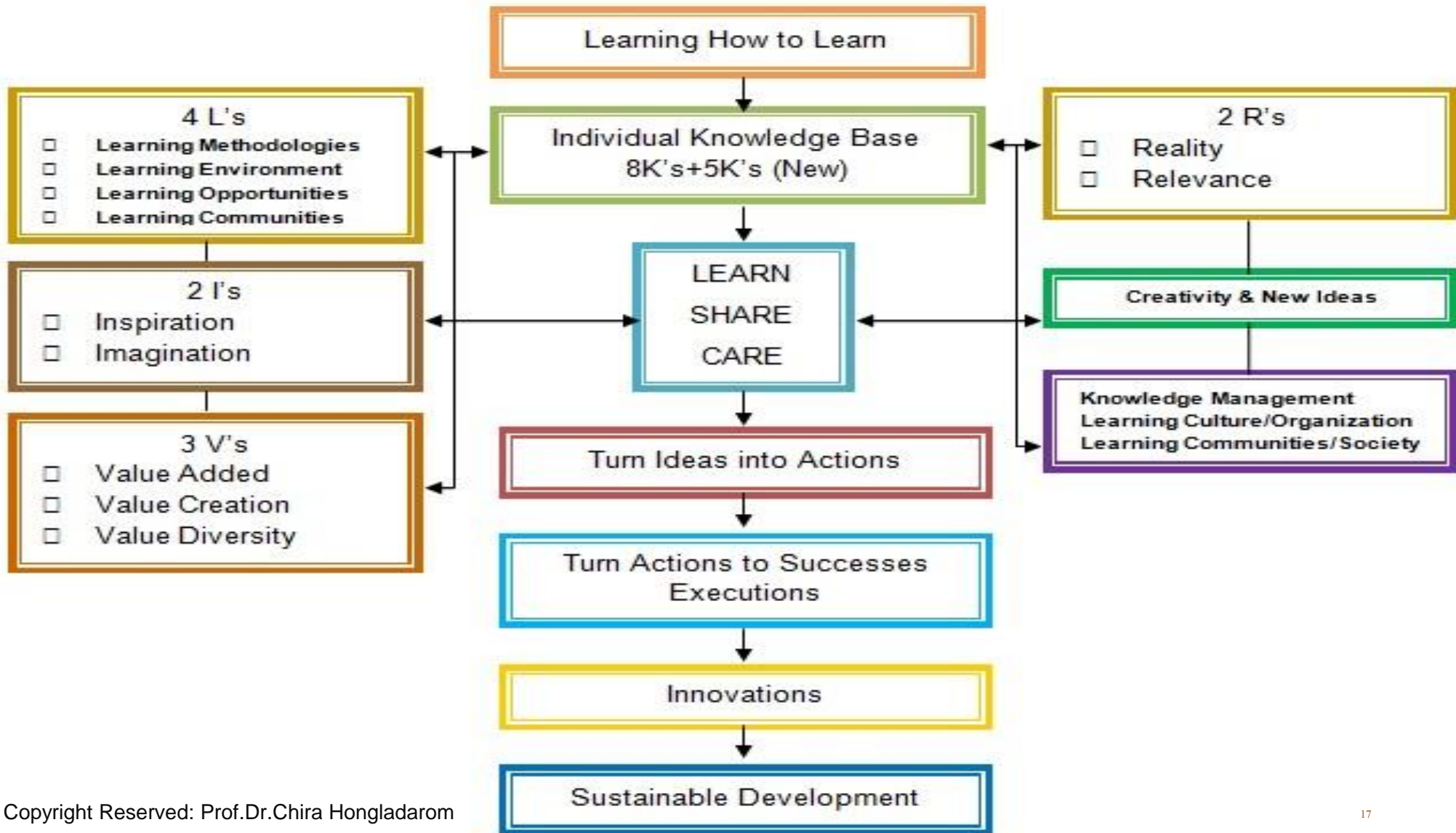
HRDS

For People Management & Effective Teamwork

- **H**appiness
- **R**espect
- **D**ignity
- **S**ustainability

Learning How to Learn

By Prof.Dr.Chira Hongladarom



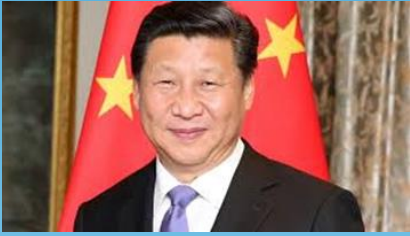
Managing the uncertainty

The background of the slide is a clear blue sky filled with numerous white, fluffy clouds. The clouds are scattered across the lower and middle portions of the frame, creating a bright and airy atmosphere. The text is centered horizontally and positioned in the upper-middle part of the image.

(1) Quotations

In business and economics what is certain is uncertainty.





(2) Xi Jinping said, we live in the world of 3 situations;

- Fast
- Uncertain
- Unpredictable

The key is to understand all three what are the differences but I will only deal with uncertainty to-day in the context of business and economic uncertainty.



(3) **Fast is the speed of change**, we know what is happening but happen fast, such as the Central Bank decider to raise interest every month instead of every six month.



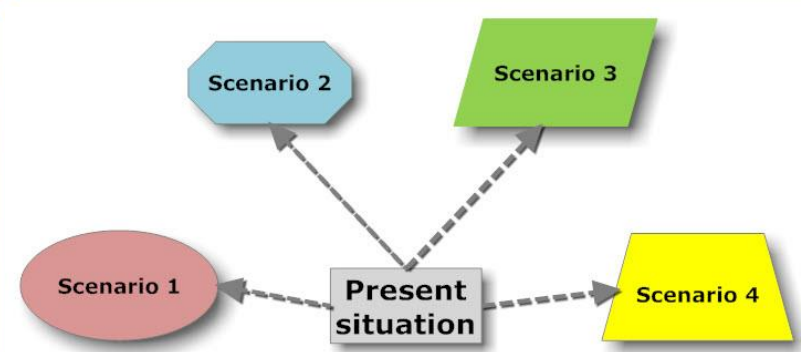
(4) **Uncertain** – we know what happens. We do not know how it is going to happen, sometime happen fast sometime happen slow so we must plan different scenario to deal with it.

UNCERTAIN ABOUT
THE FUTURE?

Like simulation training of pilot dealing with turbulence of weather.

Most people think that uncertainty is the same as risk. But according to famous economist, Frank Knight said “it is not the same because uncertainty can lead to new opportunities, new business or even lead to innovation.”





(5) How do we manage uncertainty?

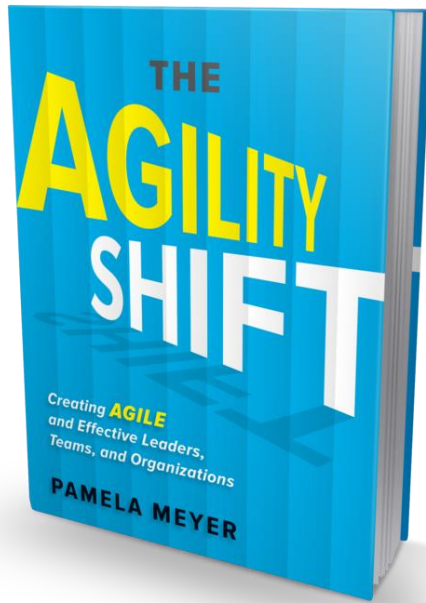
(5.1) Prepare different scenario and look for the worse scenario

whether your company can survive. For example, if money from the project is late can you have reserve to survive for that period.



(5) How do we manage uncertainty?

(5.2) Do not work alone, CEO and team and Stakeholders must combine effort to deal with uncertainty so teamwork is very important.



(5) **How do we manage uncertainty?**

(5.4) **The whole management team use agility skill to deal with negative or positive aspect of uncertainty, opportunities, such as you receive new project because the previous company withdraws, so new opportunities arise, you must be ready for it.**

Prepare, prepare and prepare leadership is important in the uncertain world and leadership must not be command and control type but involve everybody and break all the silos.

WORKSHOP (1)

(for every group)

- 1) Give real example of business uncertainty in Indonesia;
 - Positive
 - Negative
- 2) What are the 3 important management tools to deal with business uncertainty in Indonesia?



Strategic Management and Business Policy

Strategic Management and Business Policy

(1) According to Chira Way, in order to have strategic positioning in your business, we must begin with 4 steps;

1. Where are we?
2. Where do we want to go?
3. How do we get there? (Strategy)
4. How to execute or overcome difficulties?

(2) In my opinion, we like to propose 3 ways to arrive at strategies. First to conduct strength and weakness;

- what are the external environment?

- what are the internal environment?

- what are the opportunities?

- what are the threat?

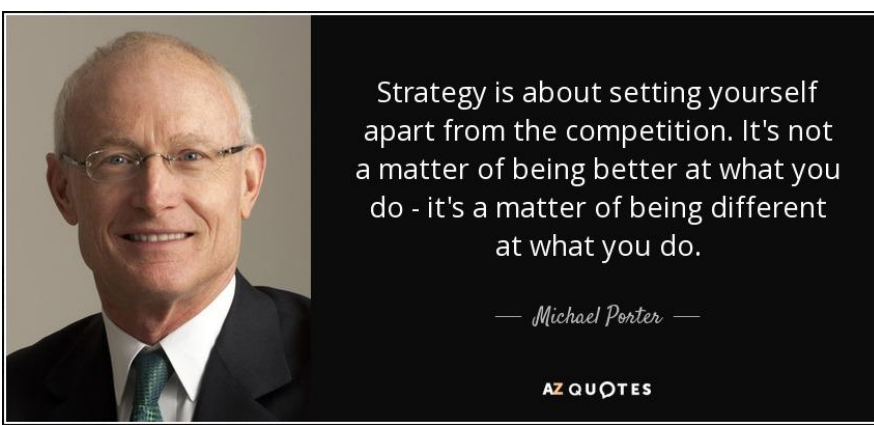
- and finally come up with strategy which I like to be inclusion call **“Balance Scorecard”** ;

- ✓ **People (Learning)**

- ✓ **Customers**

- ✓ **Finance**

- ✓ **Management System**



Strategic Management and Business Policy

(3) Michael Porter Way – 5 Factor to affect your company;

1. **New Competitors**
2. **Available Competitors**
3. **Suppliers**
4. **Customers**
5. **Substitution**

Thus, for positioning your business strategy, there are 2 things you need to focus;

1. **New and difference products /services which call “Innovations”.**
2. **Effective cost, not too high.**

(4) Use “Game Theory” for your strategies.

The best way is “Win – Win Strategy”

✓ Win – Win

X Zero sum

X Lost - Lost

What is Game Theory?

(Formal Definition)

Game Theory is a set of tools and techniques for decisions under uncertainty involving two or more intelligent opponents in which each opponent aspires to optimize his own decision at the expense of the other opponents.

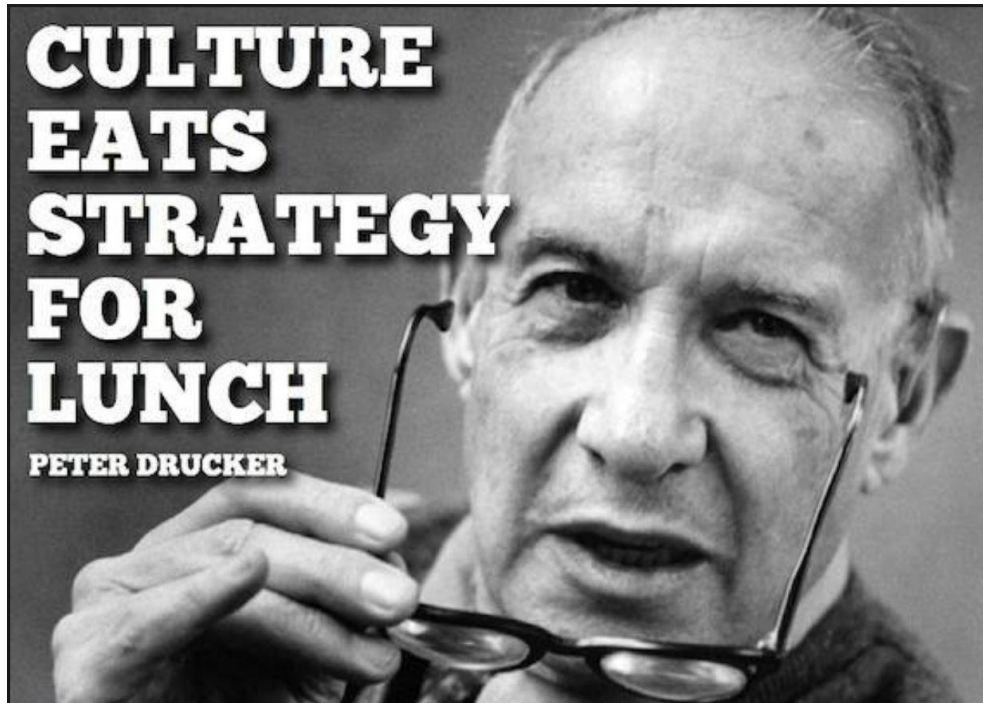
(5) And the last one is “Strategy” in “Chira Way” which is “Human Capital Strategy” for success and sustainable development for the business which consist of 3 ;

- 1) **Cultivating = Development**
- 2) **Harvesting = Management**
- 3) **Execution = Action for success/values**

The important problem is most of business only have strategies but no “execution of success” because most of people..

- Dislike “Change” / Anti – Change**
- Keep staying in “Comfort Zone”**
- Has “Fixed Mindset”**

(6) And the last of this point is “Peter Drucker”
said **“Culture is important than Strategy”**



Strategic management is not a box of tricks or a bundle of techniques. It is analytical thinking and commitment of resources to action. But quantification alone is not planning. Some of the most important issues in strategic management cannot be quantified at all.

Peter Drucker

QuoteAddicts.com

WORKSHOP (2)

(for every group)

- 1) In Indonesia, what are the most important business strategy? Give the reasons and case study.
- 2) What are the difficulties of “**Business Strategies – Execution and Success**”? **Why? And how to overcome the difficulties?**

Toward Global Sustainability



(1) Quotations

“Sustainability creates new knowledge and wisdom with multidisciplinary approach.”

Unknown

(2)



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



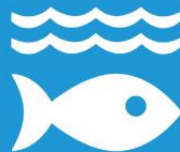
12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



SUSTAINABLE DEVELOPMENT GOALS



(4) For me, I use the King Rama9's Philosophy as part of my **Human Capital Concept** "8K's + 5K's". Later on I develop "Chira's 6 Factors of Sustainability".

8 K's Theory: Basic Quality of Human Resource Development

8K's+5K's

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8 K's Human Capital

Ethical Capital

Intellectual
Capital

Happiness
Capital

Social
Capital

Sustainability
Capital

Digital
Capital

Talented
Capital

8 K's Theory

: basic in Human Resource Development



- 1) Human Capital
- 2) Intellectual Capital
- 3) Ethical Capital
- 4) Happiness Capital
- 5) Social Capital
- 6) Sustainability Capital
- 7) Digital Capital
- 8) Talented Capital

5 K's (New) Theory

Quality of Human Resource Development in globalization

8K's+5K's

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5 K's (New)

**Creativity
Capital**

**Knowledge
Capital**

**Innovation
Capital**

**Cultural
Capital**

**Emotional
Capital**

5 K's (New) Theory

: Human Resource Development in globalization



- 1. Creativity Capital**
- 2. Knowledge Capital**
- 3. Innovation Capital**
- 4. Cultural Capital**
- 5. Emotional Capital**



(5) On sustainability, I like you to look at my concept “Chira’s 6 Factors” of Sustainability”.

Sustainable Development must;

- 1) Balance the short-term and the long-term benefits
- 2) Be environmentally friendly
- 3) Balance the morality, ethics and development
- 4) Be based on scientific thinking, analytical thinking, life-long learning and learning society
- 5) Benefit the majority instead of small groups of people
- 6) Be self – reliant

Keluarganya menginap di Hotel Bahagia, Jalan HOS Cokro Aminoso. Biaya per hari Rp 120 ribu. Itu belum termasuk biaya makan sehari-hari. Biaya makan per hari bisa mencapai Rp 500 ribu. "Tulakwara orangnya banyak," tuturnya.

Babik, Hadi dan keluarganya menginap sejak Senin pekan lalu (21/8). "Kami akan tunggu sampai

Kencana III milik DLU berangkat dari Pelabuhan Tanjung Perak menuju Kotawaringin, Barat, Kalimantan Tengah. Kapal tersebut akan melakukan deviasi di Baweau. "Namun, kapal tersebut hanya menyiapkan 700 kursi. Jadi tidak semua bisa terangkut," jelasnya.

Hingga kemarin, kondisi cuaca

masih buruk. Data yang dirilis Kantor Kesyahbandaran dan Onoritis Pelabuhan (KSOP) Gresik menyebutkan, ketinggian gelombang mencapai 4 meter.

Kondisi itu membuat kapal berjenis *high speed craft* (HSC) seperti Bahari Express dan Gili Iyang tidak memungkinkan untuk berlayar. (mar/c21/dio)

Perkembangan Industri Jangan Rusak Alam

GRESIK - Banyaknya industri di Kota Giat perlu diimbangi penelitian lingkungan. Konsep *green entrepreneurship* atau usaha ramah lingkungan jadi perbincangan hangat di kalangan akademisi maupun pelaku industri.

Pakar ekonomi Thailand Prof Chira Hongladarom menilai Indonesia punya potensi alam yang besar. Perkembangan industri jangan sampai merusak lingkungan yang ada. "Sumber daya alam semakin terbatas," ujarnya dalam konferensi internasional *green entrepreneurship* di Universitas Muhammadiyah Gresik (UMG) kemarin (28/8).

Konferensi tersebut dihadiri perwakilan tiga negara, yakni, Thailand, Malaysia, dan Indonesia. Peserta konferensi hadir dari berbagai kalangan. Ada perwakilan industri, sejumlah perwakilan universitas, serta ratusan mahasiswa. Total ada 20 kampus dan



TIGA NEGARA: Prof Chira Hongladarom memaparkan konsep *green entrepreneurship* dalam konferensi internasional di Universitas Muhammadiyah Gresik kemarin.

20 industri lokal Gresik yang ikut dalam konferensi tersebut.

China menyebutkan, sumber daya alam (SDA) semakin terkikis. Di Eropa, misalnya. Orang tidak bisa lagi bercocok tanam dengan optimal. Sebab, labur subur semakin habis. "Indonesia masih jadi produsen (hasil pertanian,

Red) yang potensial," katanya.

Pakar yang pernah jadi konsultan ekonomi pemerintah Indonesia itu menyatakan, konsep *green entrepreneurship* harus punya rencana jangka panjang. Yang paling penting, lingkungan harus tetap terjaga. "Jadi, bukan hanya bisnis," tuturnya.

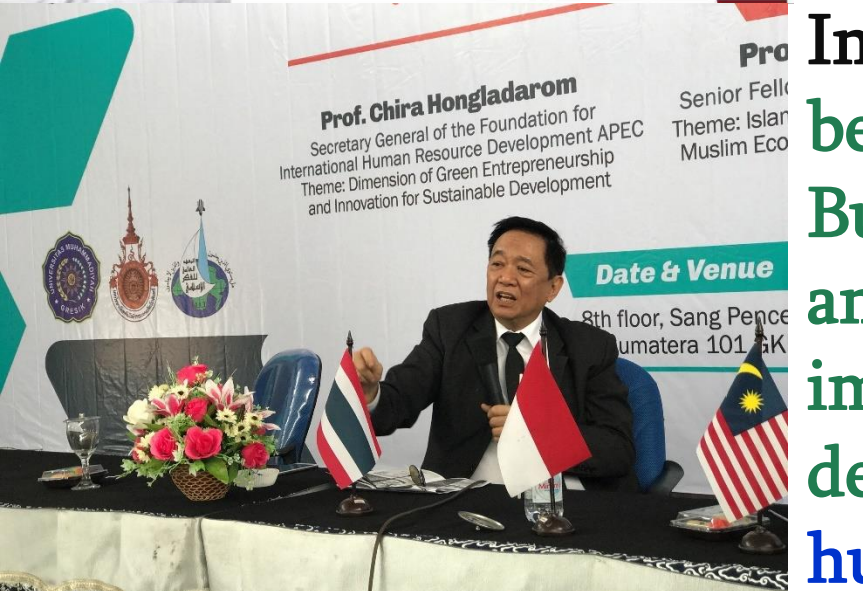
Asisten Manajer HRD PT Indospring Tbk Dias Pipi Chusairy yang juga peserta konferensi menilai banyak hal baru yang didapat dari konferensi tersebut. Hasil konferensi nantinya menjadi bahan pelatihan kewirausahaan di perusahaannya. "Bisa jadi bekal pegawai yang akan purna-

bakti," ucapnya.

Muhammad Chaf Dzul, mahasiswa UMG, berpendapat bahwa konferensi tersebut banyak membuka wawasan. Terutama soal pelestarian alam di tengah-tengah kemajuan bisnis. Baik yang berskala mikro maupun makro.

Menurut dia, yang perlu digaris-bawahi adalah pentingnya menjaga keberlangsungan alam. Sebab, alam tidak butuh manusia. "Sebaliknya, justru manusia yang membutuhkan alam. Jadi, industri jalan, alam tetap terjaga," paparnya mahasiswa semester V jurusan manajemen itu.

Pregwati Pusporini, dosen Teknik Industri UMG yang juga ketua pelaksana acara, mengatakan bahwa perwakilan universitas datang dari berbagai daerah. Mulai Riau, Jakarta, sampai Makassar. Selain kampanye konsep *green entrepreneurship*, konferensi tersebut menjadi ajang tukar ilmu. (adi/c15/dio)



(6) As my speech for International Conference on Green Entrepreneurship & Innovation for Sustainable Development (ICGEISD 2017) (29 August, 2017). At University of Muhammadiyah Gresik, East Java Indonesia. I think green business is a best way of sustainable development. Business must start with understanding and develop people awareness of how is important and impact of sustainable development. We need to develop human capital into the future which understand the sustainable development which include the concept of ethical capital that business must think about the long – term sustainable development

WORKSHOP (3)

(for every group)

- 1) What do you think about applying “His Majesty the King Rama IX on Sufficiency Economy Philosophy” to sustainable development in the business.
- 2) What do you think about applying “Chira 6 factors” and “8K’s+5K’s” to sustainable development in the business.

Thank You

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academy

Chira Academy

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