

# Perencanaan Exit Strategy Korporasi Properti dan Pentingnya Kepemimpinan Kontingensi (Studi Pada Perusahaan XYZ)

Oleh:

Nama Mahasiswa (Deddy Arief),

Nama Dosen Pembimbing (Wisnu Panggah Setiyono)

Progam Studi Magister Manajemen  
Universitas Muhammadiyah Sidoarjo

April, 2023

# Pendahuluan

The company is an established aspect by individuals or institutions with the main objective of maximizing shareholder wealth (Battilana et al., 2022). The company is an organization that seeks profit as its main goal, although it does not rule out the possibility of expecting prosperity as another goal (Alberti & Varon Garrido, 2017). From these two meanings it can be concluded that a company established has several objectives, namely survival, growth and seeking profit or profit. In building a business, a company must always be prepared for everything it faces, including the risk of its inability to continue the company's operations (Shad et al., 2019). There is no business that is sure to run smoothly according to the original plan.

Every company has risk that always follow the company's work. One company that has a risk of bankruptcy is a property company. This is due to the amount of minimum capital and operational costs required by property companies that are not comparable to the demand (Ezirim et al., 2017). Investments in the property industry are generally long-term in nature and will grow in line with economic growth (land supply is fixed while demand will always be greater as the population increases) (Hansen, 2018). The occurrence of the global financial crisis that began in 2008 which hit the United States mainly started with the fall of the property industry and ultimately impacted the Asian region, including Indonesia (Hassan, 2018). It has resulted in several Property and Real estate companies on the Indonesia Stock Exchange experiencing bankruptcy (Utami & Dewi Kartika, 2019; Trisanti, 2020).

The state of the property and real estate business is in a state of alert due to the economic turmoil that has occurred in Indonesia (Septiani & Dana, 2019). This turmoil was related to the relatively high

# Pertanyaan Penelitian (Rumusan Masalah)

Therefore, this study answers basic research questions regarding exit strategy in the property development service industry and describes how property corporations make decisions and how important it is to implement contingency leadership in XYZ companies. By using a qualitative approach, this study answers this research question by identifying what is defined as a property corporation, what strategies are implemented, and what are the motivations behind it. This study contributes to the literature by providing new information about it and the mechanisms for selecting it. This information might serve as a foundation for future researchers interested in exploring the concept of exit strategy from a relatively new perspective, and further broaden our insights about exit strategies in the property development services industry.

# Metode

The method used in this research is descriptive qualitative method. This type of qualitative descriptive research is a research method that utilizes qualitative data and is described in descriptive history (Varpio et al., 2022). In addition, the qualitative method is a research procedure that produces descriptive data, personal speech, and later this method produces descriptive data. The approach used in this study is a qualitative approach, a research approach without using statistical numbers but with descriptive presentation, namely trying to describe a symptom, event that occurs to be the focus of attention to then be described as it is.

Since this study is considered to be qualitative, the data obtained will be in the form of words instead of numbers. Therefore, a semi-structured interview will be conducted by the researcher with managers of XYZ Company. This interview is done to gather information needed. The information from the interview will not only serve just they way they are, but they will be analyzed to get new information related to the topic of the study. This process is carried out with the aim that the characteristics of the data become easier to understand and useful as a solution to a problem, especially those related to research.

# Hasil

Overall, even though the property industry has experienced a decline due to Covid-19, the landed house products did not experience decrease and even increased. Thus, XYZ company made a bigger discount and took part in VAT-free program and also provided payment flexibility since during the pandemic the investor's purchasing power decreased. The company focuses on the landed house products because the marketing of apartment has decreased. The company focuses on marketing apartments that have been built and apartments that have not yet been built. The rapid rise of the apartments purchasing due to the price and other reasons. Millennials tend to think that the landed housing is more expensive than the vertical housing. In the other side, the location of the apartment is usually in the big cities and close to places of activity. choosing an apartment is that the price is more affordable than land or landed houses if they are located in big cities. Also, it is equipped with adequate facilities, ranging from fitness and sports facilities, service and security, malls, culinary spots, even leisure time facilities. Besides, an apartment can also be used as an investment or business in the form of a rental if the occupants are not living directly.

The contingency leadership is important. For a company, if the this style of leadership does not carry out well, then the exit strategy will occur, an act of a closing or stopping business. However, exit strategy does not always interpret a failure.

# Pembahasan

## Exit Strategy

Exit strategy is the act of closing, or stopping a business (Donthu & Gustafsson, 2020). This term does not necessarily represent failure, because there are cases of entrepreneurs leaving their business when performance is deemed sufficient. When understanding this process, experts argue that it is important to understand the intent of the exit strategy because it is the first indicator to conclude whether a property corporation decides to stop or stay in business (Pisoni & Onetti, 2018).

In addition, exit strategy refers to the process by which owners remove themselves, to varying degrees, from the company. Exit strategy requires a decision to relinquish control and a choice of the appropriate mode of exiting the business (Chirico et al., 2020). The successful execution of the exit strategy depends on how effective the execution is. In order for the execution strategy to be successful, it requires a strategy that is really mature or arranged reliably so that the process can run smoothly. Being a leader means being able to organize, drive, control strategy. Therefore, as a corporate leader, you must understand the conditions embodied through the execution strategy, be able to explain to others clearly and what the benefits are for them so that others become inspired by what we have shared with them, have a strong spirit so that the goals strategy can be achieved (Trigeorgis & Reuer, 2017).

Indicators that can be seen to measure whether the exit strategy carried out by a company or corporation must be carried out immediately are (1) sustained losses (conditions where a company does not return on investment for a long time or the investment made is considered unrealistic), (2) volatility (a situation where changes in the country's political and economic conditions affect the company's condition), (3) premature entry (weak marketing infrastructure, the level and purchasing power of the people, and the absence of partners who are able to support), (4) ethical reasons (mistakes that carried out in a promotional manner will create a bad impression on a company and its products), (5) intense competition (tight competition from old players and market leaders), and (6) resource reallocation (resource allocation is one of the most important factors in marketing strategy).

## Contingency Leadership

Stephen Robbins defines leadership as the ability to influence a group towards the achievement of a set vision or goal (Goleman, 2017). Meanwhile, according to Ken Blanchard leadership can be interpreted as a process of influencing the activities of a person or group to achieve goals in certain situations (Paais & Pattiruhu, 2020). From the theory of the causes of the emergence of these leaders, there are several theories which are generally classified into four by using several approaches, one of which is situational leadership theories which focus on their followers. In this theory, according to George R. Terry, leadership consists of four variables, namely leaders, followers, organization and social, economic and political influences. The contingency leadership theory view holds that effective and successful leadership is not determined from the style of leadership but from how the readiness of the subordinates follows the leader's directions, and the subordinates do what is a certain task (Busari et al., 2020).

The implementation of the contingency leadership model is one of the leadership models initiated by Fiedler, this model is for developing leadership that is more comprehensive for the first time for leadership (Hughes et al., 2018). In the implementation of this model, there are several favorable situations for a leader in a property corporation, namely:

1. Contingency leadership can be profitable when the presence of a leader is generally acceptable to the Market.
2. Contingency leadership is profitable when the leader gives tasks to followers and the tasks are structured and everything is explained clearly.
3. Contingency leadership in advantageous situations when the leader has the authority and authority given to his subordinates is formally related to the leader's position where the leader is located.

Thus, for the contingency leadership model, if the three dimensions, namely the relationship dimension, task structure and authority, are in a low position, then the situation that occurs is very unfavorable for the leader.

## Good Corporate Governance (GCG)

Competition in today's business world is very fast, so every company must compete strictly. Companies must have a strategy to compete so that they do not experience bankruptcy by implementing good corporate governance. Good Corporate Governance (GCG) is needed to encourage the creation of an efficient market, transparency and consistency with laws and regulations (Basri et al., 2017). One of the management systems used to bridge conflicts is the implementation of GCG. GCG helps align performance so that it is aligned in increasing corporate value (Anik et al., 2021). Good GCG will indirectly affect the value of the company's financial ratios which also show good numbers because they can control every activity of the company properly. Improper investment can be avoided so that in the end the company's financial condition also becomes good. Good GCG will also influence management decisions regarding the placement of business locations, the establishment of new projects.

GCG implementation has several principles, namely the principle of transparency where the company shows the company's actions to be able to provide the information needed by all stakeholders; the principle of accountability where companies must be able to account for their performance in a transparent and fair manner; the principle of independence in which the implementation of GCG for the company is expected to be managed independently so that each organ of the company does not dominate each other and cannot be intervened by other parties; the principle of fairness in which in carrying out its activities, the company must always pay attention to the interests of shareholders and other stakeholders based on the principles of fairness and equality; the principle of responsibility where companies must be responsible as members of society to comply with applicable regulations and fulfillment of social needs.

# Temuan Penting Penelitian

Although our study has some contributions to the literature, there are some limitations

must be noted. First, given our goals and the nature of the variables we study, we assume only one type of firm. Second, we also acknowledge that whether our findings can be replicated in other developing countries or industries is an empirical question. This is due to the contextual strategy of this research, where this research only explores the exit strategy issue in a developing country (Indonesia), using the context of small and medium enterprises (SMEs). In this study using qualitative methods so that there is limited information from only three informants, the hope of researchers for further research is that there will be research with the same variables and objectives but on a larger scale. This of course will change the research method. future researchers can use quantitative methods with questionnaires so that they can be carried out on many subjects to complete information that is not attached to the results of this study. We support future researchers to apply a quantitative approach to explore other exit modes of strategy in other developing countries and all business scales.

# Manfaat Penelitian

In addition to summarizing the property cooperation exit strategy and the importance of contingency leadership in XYZ Company, the importance and originality of this study are that it provides with literature regarding the importance of contingency leadership and the implementation of exit strategy due to the impact of Covid-19.

From the discussion above, it can be concluded that the evaluation of declining apartment sales has occurred since 2018 because the property market is starting to saturate, this condition is exacerbated by the Covid-19 pandemic in 2019. Then, divestment is mandatory because the XYZ company is a subsidiary of state owned company. Divestment can be done with the shares of the subsidiary company or the land of the company itself. In fulfilling the corporate exit strategy, a contingent leader becomes an important matter.

From the information obtained, it is known that the directors of XYZ company have demonstrated contingency leadership and an understanding of optimal GCG implementation. Almost all GCG corporate actions are thoroughly investigated and do not violate GCG principles. Before implementing new policies, businesses should review WI and RKAP. All are based on legal and risk management studies, and none violate GCG principles. Directors are highly responsive and capable of providing emergency leadership (situational). All new corporate corporate actions must issue a decree and have gone through the previously described stages. Contingency leadership is required for all complex corporate actions and rapidly changing situations. There may be no sale at a price lower than the book price. This is strictly prohibited because it is a violation of the company's GCG. From the results, it can be concluded that a contingency leadership is important. If a company does not apply the contingency leadership, then an exit strategy will occur.

# Referensi

- Abdallah, A. A. N., & Ismail, A. K. (2017). Corporate governance practices, ownership structure, and corporate performance in the GCC countries. *Journal of International Financial Markets, Institutions and Money*, 46, 98–115. <https://doi.org/10.1016/j.intfin.2016.08.004>
- Agung, J. S., & Susilawati, C. E. (2021). Dampak pandemi covid-19 terhadap indeks 9 sektor industri di Bursa Efek Indonesia. *JMBI UNSRAT (Jurnal Ilmiah Manajemen Bisnis Dan Inovasi Universitas Sam Ratulangi)*, 8(2).
- Alberti, F. G., & Varon Garrido, M. A. (2017). Can profit and sustainability goals co-exist? New business models for hybrid firms. *Journal of Business Studies*. <https://doi.org/10.1108/JBS-12-2015-0124>
- Anik, S., Chariri, A., & Isgiyarta, J. (2021). The Effect of Intellectual Capital and Good Corporate Governance on Financial Performance and Corporate Value: A Case Study in Indonesia. *Journal of Asian Finance, Economics and Business*, 8(4), 391–402. <https://doi.org/10.13106/jafeb.2021.vol8.no4.0391>
- Arfandi, Arfandi, & Ihwan, M. (2020). Implementasi Model Kepemimpinan Kontingensi dalam Pengembangan Lembaga Pendidikan Islam. *Jurnal Pendidikan Islam Indonesia*, 5(1), 98–114.
- Audretsch, D. B., Cunningham, J. A., Kuratko, D. F., Lehmann, E. E., & Menter, M. (2019). Entrepreneurial ecosystems: economic, technological, and societal impacts. *Journal of Technology Transfer*, 44(2), 313–325. <https://doi.org/10.1007/s10961-018-9690-4>
- Basri, H., Keumala Ulfah, A., Shaabri, M., & Majid, A. (2017). The Implementation of Good Corporate Governance (GCG) to Improve Service Quality: The Case of State-Owned Electricity Company in Indonesia. *Journal of Accounting, Finance and Auditing Studies*.
- Battilana, J., Obloj, T., Pache, A.-C., & Sengul, M. (2022). Beyond Shareholder Value Maximization: Accounting for Financial/Social Trade-Offs in Dual-Purpose Companies. *Academy of Management Review*, 47(2), 237–258. <https://doi.org/10.5465/amr.2019.0386>
- Busari, A. H., Khan, S. N., Abdullah, S. M., & Mughal, Y. H. (2020). Transformational leadership style, followership, and factors of employees' reactions towards organizational change. *Journal of Asia Business Studies*. <https://doi.org/10.1108/JABS-03-2018-0083>
- Chirico, F., Gómez-Mejía, L. R., Hellerstedt, K., Withers, M., & Nordqvist, M. (2020). To Merge, Sell, or Liquidate? Socioemotional Wealth, Family Control, and the Choice of Business Exit. *Journal of Management*, 46(8), 1342–1379. <https://doi.org/10.1177/0149206318818723>
- Cosenz, F., & Noto, G. (2018). A dynamic business modelling approach to design and experiment new business venture strategies. *Long Range Planning*, 51(1), 127–140. <https://doi.org/10.1016/j.lrp.2017.07.001>
- Coudoumaris, D. N., & Arvidsson, H. G. S. (2022). How effectuation, causation and bricolage influence the international performance of firms via internationalisation strategy: a literature review. In *Review of International Business and Strategy*. <https://doi.org/10.1108/RIBS-08-2020-0092>
- Creswell, J. W., & Creswell, D. (2018). Research design : Qualitative, quantitative, and mixed methods approaches. In *Research design*.
- Dewi, S. N., Halawa, M. H., & Nifamgelyau, L. (2021). Dampak Covid-19 Terhadap Bisnis Property. *Jurnal Pendidikan Ekonomi (JPE)*, 1(1), 20–25.
- Di Domenico, L., Pullano, G., Sabbatini, C. E., Boëlle, P. Y., & Colizza, V. (2020). Impact of lockdown on COVID-19 epidemic in Ile-de-France and possible exit strategies. *BMC Medicine*, 18(1), 1–13. <https://doi.org/10.1186/s12916-020-01698-4>
- Donthu, N., & Gustafsson, A. (2020). Effects of COVID-19 on business and research. In *Journal of Business Research*. <https://doi.org/10.1016/j.jbusres.2020.06.008>
- Dordi, T., & Weber, O. (2019). The impact of divestment announcements on the share price of fossil fuel stocks. *Sustainability*, 11(1), 3122. <https://doi.org/10.3390/s11013122>
- Ezirim, C. B., Ezirim, U. I., & Momodu, A. A. (2017). CAPITAL STRUCTURE AND FIRM VALUE: THEORY AND FURTHER EMPIRICAL EVIDENCE FROM NIGERIA. *International Journal of Business, Accounting, & Finance*, 11(1).
- Goleman, D. (2017). Leadership that gets results. In *Leadership Perspectives*. <https://doi.org/10.4324/9781315250601-9>
- Greckhamer, T., & Gur, F. A. (2021). Disentangling combinations and contingencies of generic strategies: A set-theoretic configurational approach. *Long Range Planning*. <https://doi.org/10.1016/j.lrp.2019.101951>
- Hak, S., McAndrew, J., & Neef, A. (2018). Impact of government policies and corporate land grabs on indigenous people's access to common lands and livelihood resilience in northeast Cambodia. *Land*, 7(4), 122.
- Hansen, A. H. (2018). Economic progress and declining population growth. In *The Economics of Population*, 165–182.
- Hao, F., Xiao, Q., & Chon, K. (2020). COVID-19 and China's hotel industry: Impacts, a disaster management framework, and post-pandemic agenda. *International Journal of Hospitality Management*, 90, 102636.
- Hassan, M. K. (2018). The Global Financial Crisis and Islamic Finance. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3263920>
- Henninger, P., Brem, A., Giones, F., Bican, P. M., & Wimschneider, C. (2020). Effectuation vs. Causation: Can established firms use start-up decision-making principles to stay innovative? *International Journal of Innovation Management*. <https://doi.org/10.1142/S1363919620500024>
- Hughes, D. J., Lee, A., Tian, A. W., Newman, A., & Legood, A. (2018). Leadership, creativity, and innovation: A critical review and practical recommendations. *Leadership Quarterly*. <https://doi.org/10.1016/j.leaqua.2018.03.001>
- Jamaludin, S., Azmir, N. A., Mohamad Ayob, A. F., & Zainal, N. (2020). COVID-19 exit strategy: Transitioning towards a new normal. In *Annals of Medicine and Surgery* (pp. 165–170). <https://doi.org/10.1016/j.amsu.2020.09.046>
- Northouse, P. G. (2021). *Leadership: Theory and practice*. Sage publications.
- Paais, M., & Pattiruhu, J. R. (2020). Effect of Motivation, Leadership, and Organizational Culture on Satisfaction and Employee Performance. *Journal of Asian Finance, Economics and Business*, 7(8), 577–588. <https://doi.org/10.13106/JAFEB.2020.VOL7.NO8.577>
- Petersen, E., Wasserman, S., Lee, S. S., Go, U., Holmes, A. H., Abri, S. Al, McLellan, S., Blumberg, L., & Tambyah, P. (2020). COVID-19—We urgently need to start developing an exit strategy. In *International Journal of Infectious Diseases* (pp. 233–239). <https://doi.org/10.1016/j.ijid.2020.04.035>
- Pisoni, A., & Onetti, A. (2018). When startups exit: comparing strategies in Europe and the USA. *Journal of Business Strategy*. <https://doi.org/10.1108/JBS-02-2017-0022>
- Prameswari, A., Yunita, I., & Azhari, M. (2018). PREDIKSI KEBANGKRUTAN DENGAN METODE ALTMAN Z-SCORE, SPRINGATE DAN ZMIJEWSKI PADA PERUSAHAAN DELISTING DI BURSA EFEK INDONESIA (BEI). *Jurnal Riset Akuntansi Kontemporer*, 10(1), 8–15. <https://doi.org/10.23969/irak.v10i1.1056>
- Septiani, N. M. I., & Dana, I. M. (2019). PENGARUH LIKUIDITAS, LEVERAGE, DAN KEPEMILIKAN INSTITUSIONAL TERHADAP FINANCIAL DISTRESS PADA PERUSAHAAN PROPERTY DAN REAL ESTATE. *E-Jurnal Manajemen Universitas Udayana*, 8(5), 3110–3137. <https://doi.org/10.24843/ejmunud.2019.v08.i05.p19>
- Shad, M. K., Lai, F. W., Fatt, C. L., Klemesš, J. J., & Bokhari, A. (2019). Integrating sustainability reporting into enterprise risk management and its relationship with business performance: A conceptual framework. *Journal of Cleaner Production*. <https://doi.org/10.1016/j.jclepro.2018.10.120>
- Susilawati, S., Falefi, R., & Purwoko, A. (2020). Impact of COVID-19's Pandemic on the Economy of Indonesia. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 3(2), 1147–1156. <https://doi.org/10.33258/birci.v3i2.954>
- Syarif, M. I. (2022). *Perancangan apartemen bagi millenial berkonsep co-living di Kota Surabaya dengan Pendekatan Value Engineering*. UIN Sunan Ampel Surabaya.
- Syuhada, P., Muda, I., & Rujiman, F. N. U. (2020). Pengaruh Kinerja Keuangan dan Ukuran Perusahaan Terhadap Financial Distress Pada Perusahaan Property dan Real Estate di Bursa Efek Indonesia. *Jurnal Riset Akuntansi Dan Keuangan*, 8(2), 319–336.
- Tho'in, M., & Prastiwi, I. E. (2019). An Analysis of the Rupiah Exchange Rates Effect Against the American Dollar and Inflation Against the Growth of Islamic Banking Mudharabah Deposits in Indonesia. *International Journal of Islamic Business and Economics (IJIBEC)*, 3(1), 82–91. <https://doi.org/10.28918/ijibec.v3i1.1797>
- Trigeorgis, L., & Reuer, J. J. (2017). Real options theory in strategic management. *Strategic Management Journal*, 42–63. <https://doi.org/10.1002/smj.2593>
- Tri santi, T. (2020). Analysis of Factors that Lead to Financial Distress for Property and Real Estate Companies in Indonesia. *INOBI: Jurnal Inovasi Bisnis Dan Manajemen Indonesia*, 3(3), 302–315. <https://doi.org/10.31842/jurnalnobis.v3i3.139>
- Uslu, O. (2019). A general overview to leadership theories from a critical perspective. *Маркетинг і Менеджмент Інновацій*, 1, 161–172.
- Utami, I. W., & Dewi Kartika, T. P. (2019). Determinants of Financial Distress in Property and Real Estate Companies. *The Indonesian Accounting Review*, 9(1), 109–120. <https://doi.org/10.14414/tiar.v9i1.1705>
- Varpio, L., Martimianakis, M. A., & Mylopoulos, M. (2022). Qualitative research methodologies: embracing methodological borrowing, shifting and importing. *Researching Medical Education*, 115–125.
- Widiatmoko, J., & Indarti, M. K. (2018). The Determinants of Earnings Response Coefficient: An Empirical Study For The Real Estate And Property Companies Listed On The Indonesia Stock Exchange. *Accounting Analysis Journal*, 7(2), 135–143.
- Wiradharma, G., Anam, K., & Ningrum, K. P. (2020). Kegiatan Marketing Public Relations Terhadap Proses Pengambilan Keputusan Pembelian Apartemen Pada Generasi Milenial. *LUGAS Jurnal Komunikasi*, 4(2), 70–77. <https://doi.org/10.31334/lugas.v4i2.1221>
- Wulandari, E., & Fauzi, I. (2022). Analisis Perbandingan Potensi Kebangkrutan dengan Model Grover, Altman Z-Score, Springate dan Zmijewski Pada Perusahaan Real Estate dan Property di Bursa Efek Indonesia. *Ekonomi, Keuangan, Investasi Dan Syariah (EKUITAS)*, 4(1), 109–117.

