Managing Innovation: Sustainability of Blue Economy Industries

N. K. Darmasetiawan*, A. Rianawati, Faizal Susilo Hadi, Bryant Arya Adirajasa, M. Kent, H. Angelina

University of Surabaya, Indonesia

*Corresponding author. Email: noviatykds@staff.ubaya.ac.id

ABSTRACT

Probolinggo, East Java, gloats momentous fisheries and tourism potential. Feasible development in Indonesia's blue economy businesses pivots on ceaseless development. In this setting, a fisheries company within the locale prioritizes execution administration to cultivate development among its representatives, pointing to upgrade organizational execution. This investigate will use speculations of development, organizational execution (OP), and resource-based see (RBV) to invigorate and upgrade the maintainability of companies working inside the blue economy system. The type research is quantitative causal inquire about will analyze organizational execution through worker work execution, centering on development. Utilizing irregular testing, 200 company workers will be studied by means of surveys. Findings – It was found that employee performance that supports innovation is an important factor in innovation organizational performance, which will have an impact on sustainability in blue economy industries. This research will provide an understanding of innovation organizational performance on the basis of innovation, organizational performance (OP) and resource based view (RBV) in maintaining and improving the sustainability of blue economy industries.

Keywords: Innovation Organizational Performance, Resource Based View, Blue Economy, Sustainability Industries.

1. INTRODUCTION

Within the past decade, commerce development has surged, driving benefits over different divisions. Be that as it may, maintainability of normal assets has regularly been sidelined. Abuse of assets postures critical dangers. Enter the "blue economy," prioritizing supportability in marine businesses like fisheries, shipping, vitality, and tourism. This approach offers benefit whereas defending assets. Indonesia's copious marine assets are basically utilized by fisheries companies embracing the blue economy. With angle as a essential asset, guaranteeing marine supportability is pivotal for quality create.

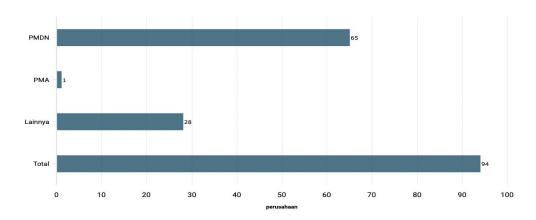


Figure 1 Fisheries companies in Indonesia

Figure 1 portrays 94 fisheries companies in Indonesia, with 69.14% accepting venture from Residential Speculation Program (PMDN), 1 from outside speculation (PMA), and 28 from other capital sources. Fisheries companies are



conveyed over 18 areas, with DKI Jakarta having the foremost (27), taken after by Central Java (19), Bali (15), North Sulawesi (7), East Java (6), and West Kalimantan (4). In spite of Indonesia's endless marine assets, numerous blue economy companies are not recorded on the stock trade. This ponder points to investigate reasons behind this, centering on components like development and organizational execution, especially representative work execution.

This consider will look at how worker execution is affected in companies embracing the blue economy concept. Execution will be assessed based on behavioral variables such as work fulfillment and demeanor, as well as the work environment. State of mind will be surveyed in terms of adaptability, aptitudes, and understanding of work portrayals. Work fulfillment will be measured through rewards, intrigued, and progression openings. The work environment will be assessed based on components like workspace range and ventilation.

This consider will concentrate on companies actualizing the blue economy concept in their operations, with a particular center on "PT X," working within the fisheries division. Built up since June 13, 2004, in Probolinggo Harbour, East Java, the company specializes in angle trade exercises. It offers different solidified nourishment trade items, counting angle filets and dim whole for ready-to-eat utilization. The choice of PT X adjusts with the research's conceptual system, emphasizing the noteworthiness of the blue economy in tending to natural challenges.

This think about will include representatives as of now utilized by the company to look at how variables like work demeanor, work fulfillment, and work environment influence work execution in companies practicing the blue economy concept. By studying numerous comparative companies, we point to get comprehensive and objective bits of knowledge into the affect of these components on representative execution in blue economy-focused companies. Hence, the most objective is to investigate how work state of mind, work fulfillment, and work environment impact worker work execution in blue economy-oriented companies.

2. LITERATURE REVIEW

2.1. Innovation Organizational Performance

Development is vital for company maintainability, as emphasized by driving analysts receiving the Resource-Based See (RBV) approach. Agreeing to Barney (1991) and Wernerfelt (1984), inside assets play a significant part in driving economical development. They contend that special assets and capabilities are basic for development, empowering companies to stand out from competitors. Advancement not as it were cultivates competitive advantage but too guarantees the coherence of company operations. Hence, RBV analysts highlight the centrality of advancement in supporting long-term supportability and tending to advancing trade challenges.

Robert Simons (2000) "Levers of Control" demonstrate diagrams four key elements action control, result control, social control, and framework control that impact organizational execution. This approach considers not as it were money related perspectives but too variables like morals and organizational culture, affecting person work execution. Jay Barney (1991) "Resource-Based See" underscores the significance of special assets and capabilities in picking up competitive advantage. This incorporates representative abilities, information, and innovation, significant for organizational execution. Edwin A. Locke and Gary P. Latham's (1990) objective setting hypothesis highlights the motivational control of clear and challenging objectives in driving higher execution. John Kotter (1996) "Eight-Stage Handle of Making Major Alter" show guides effective organizational alter administration, vital for maintaining a strategic distance from disturbances that can influence person work execution. These speculations collectively give experiences into how organizational execution impacts human work execution inside trade administration (Excerpted from research by Johnson, A. 2023)

2.2. Resource Based View (RBV)

Later ponders have improved our understanding of the Resource-Based See (RBV) hypothesis, initially created by Jay Barney (1991). RBV emphasizes leveraging inside assets for long-term competitive advantage, especially those with uncommon, important, matchless, and non-substitutable (VRIN) characteristics. Helfat and Peteraf (2015) encourage fortify this see by highlighting the significance of overseeing and defending special assets in modern RBV viewpoints. Krasnikov and Jayachandran (2008) investigate the near relationship between rare assets and corporate procedure, centering on enacting their esteem through key advancement and advertise improvement. Peteraf and Bergen (2003) present the concept of "capabilities," seeing assets as necessarily to an organization's capability environment and emphasizing savvy administration for predominant execution. This writing underscores the centrality of understanding rare assets, executing savvy methodologies, and productive administration in accomplishing competitive advantage, particularly in the midst of advancing commerce scenes. With progressing experimental back and developing experiences, RBV remains pertinent in trade administration inquire about.



2.3. Innovation and Organizational Performance in Sustainability of Blue Economy Companies: A Resource-Based View (RBV) Approach

Maintainability within the Blue Economy segment is picking up footing in trade writing. Later ponders by Jose and Lee (2018) emphasize the noteworthiness of recognizing and keeping up uncommon characteristic assets, like feasible angle stocks, for accomplishing predominant execution. Proficient administration, as highlighted by Samson and De Waal (2015), is pivotal for joining assets, innovation, and labor to meet feasible objectives. Also, inquire about by Elsheikh et al. (2021) illustrates how eco-innovation and maintainable hones move forward long-term execution. The Resource-Based See (RBV) system sheds light on how Blue Economy companies can exceed expectations reasonably. Compelling common asset administration, administration capability improvement, eco-innovation, and maintainability commitment are crucial for organizational execution in a directed environment. Encourage investigate inside the RBV system will offer important insights into supportability challenges within the Blue Economy.

3. RESEARCH METHOD

There are 3 hypotheses, namely: H1: It is suspected that the effect of work environment on innovation organizational performance of employees has a significant effect; H2: It is suspected that the effect of work attitude on innovation organizational performance of employees has a significant effect; H3: It is suspected that the effect of job satisfaction on innovation organizational performance of employees has a significant effect. The research was conducted by distributing questionnaires physically and google form, where the questionnaire data will be screened and inputted in excel and SEM calculations are carried out on partial least square. With a total target respondent of 200 out of 400 population. In this study, X1 is the work environment as the first independent variable, X2 is the work attitude as the second independent variable, X3 is job satisfaction as the third independent variable and will affect the dependent variable, namely innovation organizational performance in the symbol Y1.

4. RESULT

Out of 400 respondents, 200 completed the survey. The larger part held positions as distribution center specialists at PT X, dependable for cutting and sorting angle. Of these, 62% (124 representatives) were classified as staff (see Table 1).

Table 1. Job title percentage

Job Title/Position	Percentage		
Intern Employee	10%		
Employee/Staff	62%		
Supervisor	25%		
Manager	2%		

Validity and reliability test testing is with Average Variance Extracted (AVE) and Cronbach's alpha. The following are the results of AVE and Cronbach's alpha (see Table 2).

Table 2. Validity test results

Average Variance Extracted (AVE)				
X1(WE)	0,801			
X2(WA)	0,901			
X3(JS)	0,888			
Y1(OP)	0,865			

All values on AVE are above 0.5, so all data are valid, and enter the next stage, namely the reliability test with the presentation of Cronbach alpha, as shown in Table 3.

In the Cronbach's alpha presentation above, all data is at a value above 0.7, which meets the requirements of reliable research, and after the data has been valid and reliable, it will enter the next stage, namely hypothesis testing.

Table 3. Reliability test results



Cronbach's Alpha				
X1(WE)	0,953			
X2(WA)	0,941			
X3(JS)	0,984			
Y1(OP)	0,969			

Performance or performance to innovate is an important aspect in innovation organizational performance. Therefore, the research was carried out and the questionnaire distribution was present. The data obtained has been valid and reliable, then it will be there to prove how the influence between variables. In this proof, the results of the relationship between variables will be presented with hypothesis testing as follows (see Table 4):

Table 4. Hypothesis test table

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1(WE) -> Y1(OP)	0,352	0,291	0,072	5,102	0,001
X2(WA) -> Y1(OP)	0,287	0,232	0,074	3,425	0,001
X3(JS) -> Y1(OP)	0,254	0,246	0,070	4,409	0,000

The comes about appear that all factors altogether affect development organizational execution. H1 affirms the positive impact of the work environment on development. So also, H2 and H3, centering on state of mind and fulfillment, moreover have critical impacts on advancement. These discoveries propose that development organizational execution contributes to PT X's supportability as a blue economy company.

5. CONCLUSION

Within the Blue Economy segment, overseeing characteristic assets admirably is vital for supportability, bolstered by the Resource-Based See (RBV). Worker components, counting work environment and behavior, impact organizational execution and maintainability. Administration capabilities like supply chain administration and workforce improvement are crucial. Eco-innovation and maintainable hones improve long-term execution. RBV highlights the significance of judicious administration and eco-innovation for maintainability. Understanding this connect is pivotal for optimizing maintainability in Blue Economy companies, considering natural, social, and financial perspectives. Encourage inquire about inside the RBV system is required to address complex components and advancing innovations for superior supportability.

REFERENCES

- Barney, J. (1991). Firm resources and sustained competitive advantage. Southern Management Assocation, 17(1).
- Elsheikh, T., Al Ameen, A., Ismail, N. H., Al-Qadhi, Y., & Erntsson, M. (2021). Eco-innovation and organizational performance in the manufacturing sector: The mediating role of green supply chain management. Journal of Environmental Management, 277, 111490
- Helfat, C. E., & Peteraf, M. A. (2015). Managerial cognitive capabilities and the microfoundations of dynamic capabilities. Strategic management journal, 36(6), 831-850.
- Jose, P. E., & Lee, H. (2018). Resource-based view of firm, sustainability, and financial performance. Sustainability, 10(10), 3438.
- Kotter, J. P. (1996). Leading Change.
- Krasnikov, A., & Jayachandran, S. (2008). The relative impact of marketing, research-and-development, and operations capabilities on firm performance. Journal of Marketing, 72(4), 1-11.
- Locke, E. A., & Latham, G. P. (1990). A Theory of Goal Setting & Task Performance. Prentice Hall.
- Peteraf, M. A., & Bergen, M. E. (2003). Scanning dynamic competitive landscapes: A market-based and resource-based framework. Strategic Management Journal, 24(10), 1027-1041.



Proceedings of the International Symposium on Management (Volume 21, 2024)

- Samson, D., & De Waal, A. A. (2015). The use of the balanced scorecard in the sustainability reporting of an agribusiness. Journal of Applied Management Accounting Research, 13(1), 1-18.
- Simons, R. (1995). Levers of Control: How Managers Use Innovative Control Systems to Drive Strategic Renewal. Harvard Business School Press.

Wernerfelt, B. (1984). A resource-based view of the firm. Strategic Management Journal, 5(2), 171-180.