



STRENGTHENING THE VALUE OF INTEGRITY IN CORPORATE GOVERNANCE TO REALISE STRONG, BALANCED AND SUSTAINABLE GLOBAL ECONOMIC GROWTH TOWARDS GOLDEN INDONESIA IN 2045

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Abstract

This research aims to apply the value of integrity in corporate governance to achieve strong, balanced, and sustainable global economic growth towards a golden Indonesia in 2045. This research design is ex post facto, namely from something that is done afterwards. The analysis technique used is descriptive to see events in the form of rare or unusual phenomena that may not be anticipated and can provide valuable insights and contribute to understanding for management in actualising good corporate governance. The results of the study concluded that the steps that need to be implemented by management in good corporate governance by actualising the value of integrity include: humble, honest, patient, sincere, trustworthy, fighting spirit in working and offering the best work. This research has practical implications for the management of business entities or companies in increasing economic productivity, creating stability and anticipating crises that will be faced by the global community towards the Golden Indonesia in 2045.

Keywords :
Integrity values,
Sustainable
economy, Golden
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INTRODUCTION

Indonesia is a country located on the equator that is not small in size and has the advantage of natural resources and great biodiversity. Based on data from the Central Statistics Agency (BPS), in the second quarter of 2023, Indonesia's gross domestic product (GDP) increased by 5.17% per year (yoy/yoy per year). Based on Trading Economics data, Indonesia's economic growth in the second quarter of 2023 was the third highest among G20 member countries. Among the G20 countries, China recorded the highest GDP growth rate in the second quarter of 2023 at 6.3% (year on year). Second place is India with GDP growth of 6.1% (year on year). Then below Indonesia are Brazil and Turkey whose economic growth reached 4% (year on year). Besides Mexico, the United States, Australia, and Canada had economic growth of 3.7%, 2.6%, 2.3%, and 2.21% (year on year) respectively. There were also many G20 countries whose economies continued to grow albeit at a slower pace, such as South Korea, Italy, South Africa, and the United Kingdom. Meanwhile, Russia and Germany recorded negative growth of 1.8% and 0.2% (year-on-year) (Annur, Cindy Mutia, 2023).

The data shows that Indonesia's economic growth is strong, controlling inflation compared to other countries, so the current government is continuously implementing various policies to increase economic activity, reduce disparities between regions and promote national economic development and growth now and in the future. The programme will boost the strength of Asian projects in the global economy, with three main pillars, namely recovery-reconstruction, digital economy, and sustainability. These three pillars enable engagement to increase economic productivity, create stability and anticipate crises that the global community will face. Coordinating Minister Airlangga Hartarto stated: "We hope that this great energy can give birth to various new ideas and concepts, especially the work of the younger generation as agents of change that can provide new colours for Indonesia's economic development." Similarly, Deputy Wahyu, who serves as Chairman of the Implementation Team of the Committee for the Acceleration of Priority Infrastructure Delivery, said: "Slowly but surely, Indonesia continues to make progress in reducing the infrastructure gap to achieve the goal of an industrialised country and welcome the golden Indonesia in 2045." (Limanseto, Haryo, 2022)

However, no matter what goals and resources one has, it certainly cannot provide a limit to making a country into a developed country that can bring human well-being to the rest of the world. The key is to restore existing human resources. This must be a strong foundation in supporting behaviour as quality and behaviour that is carried out effectively, continuously, and balanced between goals, actions, and being responsible both vertically and horizontally. The importance of building integrity is seen in the story of Prophet Muhammad SAW who at the age of 12 began a successful trading career and explored the Arabian Peninsula and at the age of 25, married Khadijah with a dowry of 25 camels. He is a person who prioritises honesty, trustworthiness, intelligence, competence, good communication, good work, building social networks and harmony in work and worship as a foundation in trading or doing business (yahya, 2020).

To realise the dream of a Golden Indonesia in 2045, those in charge and leaders must be able to emulate the Prophet Muhammad SAW by acting in good faith, fairness and honesty which is manifested in everyday life. Therefore, the main issue of good behaviour of economic actors and decision makers requires good governance to meet the actors by promoting compliance with effective laws and always upholding integrity through ethics, religion and morals. Respecting ethical principles to achieve strong, equitable and sustainable global economic growth until the golden Indonesia in 2045 requires a strategy to use all the advantages we have

to win the world competition that is in business or trade liberalisation. These steps can be implemented if the managers and all relevant personnel are full of responsibility and know the importance of integrity in their business environment.

This situation shows the need to apply the principle of integrity of the people who work in managing BUMN, BUMD and the private sector starting from management to implementers in realising good corporate governance. This is the researcher's goal to achieve strong, balanced and sustainable global economic growth towards a golden Indonesia in 2045.

Studies on the topic of integrity values to achieve a strong, balanced, and sustainable world economy towards a golden Indonesia in 2045 are few and far between. Therefore, researchers conducted a research study, and the questions raised were: What should management implement in strengthening the value of integrity to achieve a strong, balanced, and sustainable world economy towards a golden Indonesia in 2045?

The purpose of this study is to encourage people who work from management to executives to apply the principles of integrity in creating good corporate governance, so that it is useful in providing ideas and contributing to the development of a strong, balanced and sustainable global economy towards golden Indonesia in 2045.

LITERATURE REVIEW

Many literatures provide an understanding of integrity, therefore the term integrity has different perspectives and scopes. According to the Big Indonesian Dictionary (KBBI), integrity is defined as: quality, nature, or condition that shows a complete unity so that it has the potential and ability that radiates authority and honesty. Whereas in the values of the Ministry of Finance, integrity means thinking, saying, behaving and acting properly and correctly and upholding the code of ethics and moral principles. So that integrity is very important in organisational behaviour. High integrity will lead to employee piety, regardless of their religion. Or vice versa. Piety will form a person with integrity (Khalim, 2015).

In Islamic theology, piety includes good relations with God (*hablumminallah*), good relations with fellow humans (*hablum minan nas*), and good relations with nature (*hablum minal alam*). Piety is not only seen from one's obedience and seriousness in carrying out ritual worship, because this is only individual and limited to the relationship with Allah (*Hablum minallah*) but piety is also seen from its concrete impact in social life. Piety is very dependent on one's real actions, in relation to fellow human beings (*Hablum minan nas*) and also very dependent on his attitude and behaviour towards nature, both animals, plants, and so on (*hablum minal alam*) (Khalim, Abdul, 2015). Referring to this, integrity means the integration of values and actions that are based on consistency in line with the values, code of ethics and policies of the organisation and also the commitment to do so even though the conditions are tough and difficult.

Human actions can be considered as morals if they fulfil the following two conditions: Firstly, the actions are done repeatedly so that they become a habit. Secondly, the actions are done with their own will not because of pressures coming from outside such as threats and coercion or vice versa through persuasion and seduction. The realisation of this concept can begin with teaching and then continue with habituation education, exemplification, practice, accompanied by examples, as well as explanation, coaching until finally it becomes a character. Moral order is not only limited to the arrangement of relations between humans and other humans, but more than that it also regulates human relations with everything contained in

existence and life, and further regulates the relationship between servants and their Lord (Sahnan, 2018).

Ethics has basic principles of right human behaviour. It includes the study of universal values such as essential equality between men and women, human or natural rights, obedience to the law, concern for health and safety, increasingly also for the natural environment. Meanwhile, a code of ethics is a set of written guidelines issued by an organisation to its workers and management to help them act in accordance with core values and ethical standards. In relation to business ethics, it can be defined as a critical and structured examination of how people & institutions should behave in the world of commerce. In particular, it involves examining the appropriate boundaries in the pursuit of personal gain, or (for companies), when the actions of individuals or companies affect others. Business ethics is therefore necessary for the well-being of the organisation and society as a whole.

Business people take into account the behaviour that is in accordance with the position/profession rather than just relying on personal judgment. According to (Hosam Alden Riyadh, Wuryan Andayani, Mohammed Sami Al-Bayati, 2017). That the concept of corporate governance relates to various activities, rules, guidelines, processes and procedures aimed at ensuring that company resources are managed and used optimally by management which in turn will lead to the achievement of predetermined company goals and will ultimately protect the interests of company stakeholders in particular and society in general.

RESEARCH METHOD

This research design is *ex post facto*, namely from something that is done afterwards because it uses secondary data by referring to phenomena that occur after the fact. This research method is used to study finding possible causes of changes in behaviour, symptoms or phenomena caused by an event, behaviour, symptoms or phenomena caused by an event, behaviour or things that cause changes in the independent variable as a whole have occurred (Widarto, 2013). Data collection by means of this documentation technique intends to obtain something about the steps to strengthen the value of integrity in corporate governance to realise strong, balanced and sustainable global economic growth towards a Golden Indonesia in 2045. The analysis technique is descriptive analysis which sees events as rare or unusual phenomena that may not be foreseen and can provide valuable insights and advance officials' understanding of good management.

RESULT AND DISCUSSION

Based on data from the Central Statistics Agency (BPS), Indonesia's gross domestic product (GDP) grew at an annualised rate of 5.17% (yoi/yoi) in the second quarter of 2023, and Indonesia's economic growth in the second quarter of 2023. This is the third highest among the G20 countries, and on the other hand information technology offers and promises ease of doing business, so the Golden Indonesia of 2045 is very likely to be realised. However, the many corruption cases exposed in the media show that reform in Indonesia has not eliminated dirty bureaucrats, dirty businessmen, and dirty politicians. This reflects that the cultivation of honesty and ethics has not yet become a cultural value in business and corporate life. Achieving strong, balanced, and sustainable global economic growth still requires a long struggle, even though we have succeeded in building other business foundations, such as strengthening food security, energy security, water security, and others. The fundamental foundation of a leader is the quality of human resources that requires strengthening the value of integrity that becomes the spirit

of the entire system, creating individuals with noble character so as to create a harmonious and synergistic model of human relations in business units. This culture of honesty is very important in the implementation and execution of programmes initiated by the government, especially the Ministry of BUMN programme regarding the management of state companies and important commercial activities. This programme shows the consistency of the Ministry of BUMN in implementing anti-corruption measures both in the Ministry and in the BUMN themselves (Peraturan Menteri BUMN RI NOMOR PER-2/MBU/03/2023). At the end of 2045, if business ethics cannot be maintained in all government agencies, BUMN, BUMD, the private sector and all institutions, Indonesia's Golden Indonesia in 2045 will undoubtedly crash.

Strategies to create quality resources to capitalise on opportunities that are expected to contribute significantly to strong, balanced and sustainable global economic growth must be based on strengthening the value of human integrity within companies that have diverse characters, thoughts and understandings. A company's vision and mission unify and guide its goals to achieve diversity in the short and long term. Such an attitude comes from the inherent knowledge of man, where he realises that he is only a weak servant of God and honestly admits to himself that he still has pride, disrespect, ego, possessiveness and emotions. It is the nature of a Muslim to show politeness, humility to others, even though in fact someone could have a higher position than others, which is commonly called humility or *tawadhu'* (Hapsah Fauziah, Sahal Mahpudz, 2022). Therefore, a humble leader submits and follows the rules of truth and uses his power and influence wisely.

One of the prerequisites for achieving the company's vision and mission is clean governance, which begins with clean and honest management to encourage the creation of a clean company without leaks, increases or other irregularities. Delinquency such as corruption and fraud is done because of individual motivation in the form of greed and other things that make a person blind to take something that is not his right. This honest attitude is very important and fundamental that hampers the morale of the community in preventing corruption and accepting / giving bribes that are being widely reported in the media. Strengthening the value of honesty, integrity in a company or company means increasing work efficiency, effectiveness and productivity in accordance with the company's vision and mission. This condition has an impact on the growth of national income and also the welfare of society, because in the Islamic view the most important thing is to work in worship and also jihad, if a person obeys the laws set by Allah SWT, with pure intentions, and is also done to meet one's own needs, the needs of family, society, and the state (Kurniawan, Rahmad, 2019).

That is, the economic growth of a country or an organisation or company is often associated with a better standard of living with a level of wealth (economy), especially with the accumulation of capital and wealth (assets) from year to year. To achieve prosperity, BUMN, BUMD or private companies must be able to manage their operations well, smoothly and generate profits. This situation requires patience, which is the decision to face something difficult, difficult and bitter, accept it and take full responsibility, meaning being tough, steadfast or unyielding in the face of obstacles and trying as much as possible and adapting (Najamuddin, 2018). Finally, the actions taken are more heart-centred and not driven by lust, thus making the actions effective and efficient.

This patience is the gateway to sincerity, because the essence of patience is the synergy between impulse and desire that really requires sincerity. The values of honesty in the short story *Laskar Pelangi* can be described based on the

characteristics of sincerity that are used as indicators, namely: enthusiasm in doing good deeds, patience and not complaining, not needing praise or insults (Abdul, Haris K., 2016). This means that the leader reflects a sincere heart that tames psychological conditions that at the same time want to fight for victory with each other, fighting feelings between good and evil. In performing an action, a person never distinguishes whether he is alone or in front of others, and in the end the action taken is more heart and not lust, so that the action becomes more directed, efficient and effective.

Is the management helpful, is it in accordance with company guidelines or applicable laws and regulations? Business leaders have heavy responsibilities and a very large role, so they need the authority and skills to take new steps to meet the needs of the people they lead. Leadership is a mandate from Allah SWT because in essence everyone is a leader who leads at least himself in fighting lust that leads to disobedience and is also a leader in the family. Leaders are given full authority by their people to carry out the mandate to lead their members to a better direction and certainly not separated from the guidelines of Islamic life, namely the Qur'an and Hadits (Fazillah, Nur, 2023). In this way, company personnel become more motivated at work, and the ethical and professional behaviour of a leader becomes an example for subordinates.

The first requirement for professionalism is an individual's ability to manage their work. They know what needs to be done, how to do it, how to solve problems, how to get the job done. The fighting spirit at work can be realised if the existing values of humility, honesty, sincerity and kindness are always applied so that they become the character of every leader. The urgency of work in the Qur'an is found in Surah At-Taubah which refers to the importance of hard work to produce good results. It is further mentioned in Surah Al-Jumuah that when all obligations to Allah have been fulfilled, one can return to economic activity or work. As for the command to work and worship, when humans work do not forget to worship, because not only the world is the main thing, but the hereafter is the main thing (Kurniawan, Rahmad, 2019).

In the fighting spirit at work, this is the most important requirement to do the best in everything, because to achieve the value of doing the best requires the synergy of a heart that truly loves what is done joyfully without the slightest burden, then the mind only focuses on what is done, and the action is always felt with special expertise, earnestly and responsibly. The basis of doing the best in everything is the feeling of pleasure in accepting God's decision/destiny, because this pleasure cannot be achieved if previous values such as sincerity and patience are not applied. According to the commentators, a good life may not be full of pleasure and abundant possessions, but there are other better wealth, such as mental and physical health, happiness, peace, tranquility, prosperity, blessings, a comfortable place to live, peace of heart and soul, and a sense of contentment with what God has given. Moreover, in doing righteous deeds, be happy so that their influence remains deep in the heart and this life. People who have achieved a good life have been able to free their minds, hearts, and souls from various diseases of the heart such as envy, prejudice, revenge, lust for wealth, and others, which can prevent them from achieving a good life (Fauziah, Mira, 1018). By applying the values of integrity to the management of BUMN, BUMD, and the private sector, from leaders to implementers, it will accelerate the realisation of a strong, balanced, and sustainable world economy towards a golden Indonesia in 2045.

CONCLUSION

Success in upholding the value of integrity in a sustainable manner will depend on the commitment and consistency of every person in a company and is best if it starts from the leader. Shaping the company's organisational behaviour helps people to recognise what is good and what is bad, which in turn can coordinate various activities into a more effective and efficient overall action. The value of integrity that has become the culture of a company includes humility, honesty, patience, sincerity, trustworthiness, fighting spirit in working and presenting the best work is the main key to achieving good governance towards Golden Indonesia in 2045.

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