

# Deciding Town Hall's Best Business Development Area from PT. Batu Bara Berjaya (PT. BBB)

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## ABSTRACT

In contrast to earlier years, the Town Hall currently serves as a multifunctional space encompassing a park, a recreational facility, and a venue for fulfilling one's daily physical training requirements. Batu Bara Berjaya (BBB) and its staff, including contractors and subcontractors, are currently seeking an increase in visitor numbers. This thesis aimed to identify authentic challenges, ascertain the optimal business line for Town Hall, and explore strategies for Town Hall to effectively compete with other prominent attractions in East Kutai, thereby reclaiming its position as the preferred destination. The research methodology integrates both qualitative and quantitative descriptive approaches. The data collection process involved the administration of questionnaires, conducting interviews, making field observations, and reviewing relevant literature. In qualitative analysis, data is subjected to various analytical techniques such as Stakeholder Analysis, Kepner-Tregoe Analysis (K-T Analysis), 5 Whys Analysis, Porter's Five Forces Analysis, and Value Co-Creation Analysis. On the other hand, quantitative analysis involves using the Analytical Hierarchy Process (AHP) Analysis to process data. The study's findings demonstrated that applying the Analytic Hierarchy Process (AHP) suggests that the Town Hall ought to prioritise developing the Sports Centre. Subsequently, the Culinary Area and Hangout Places should be considered as secondary options. According to Porter's Five Forces framework, the Town Hall can be classified as operating moderately. Alternatively, it could be subject to competition in its role as a tourist destination, notwithstanding the challenges associated with accessing it. Furthermore, the researchers propose utilising the Value Co-Creation Analysis framework to convert town halls into viable and enduring tourist destinations.

Keywords: Analytical hierarchy process, city park, CSR development, decision making.

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## I. INTRODUCTION

Town Hall in Swarga Bara, Sangatta Utara, Kutai Timur, is a municipal park that offers various amenities such as dining establishments, recreational facilities, marketplaces, retail outlets catering to everyday necessities, and spaces for social interaction. The location of PT is necessary. The employees of Batu Bara Berjaya (BBB), along with contractors and subcontractors, use the facilities provided by the company for both essential and leisure activities regularly. The Town Hall is strategically located near the residences of coal mining personnel, ensuring the provision of essential services and addressing their requirements. Regrettably, the Town Hall is not the most optimal choice, unlike its establishment in previous years.

At present, Town Hall faces competition from alternative venues that possess greater appeal. PT. BBB is entrusted with the external responsibility of overseeing the management of the Town Hall. In addition, the Town Hall must draw in visitors from the neighbouring municipalities consistently. This can be attributed to PT. The brand of BBB has the

potential to contribute to this endeavour significantly. Therefore, PT KPC must carefully determine the course of action to revitalise the Town Hall and restore its status as a prominent destination.

The Industrial Relations and Recruitment Department (IRR) of PT. BBB assumes the responsibility of fostering the economic expansion of the company in Swarga Bara, thereby enhancing the local economy and creating an environment conducive to meeting the requirements and aspirations of both employees and the surrounding community. In order to derive advantageous outcomes and cultivate a favourable brand perception for PT, the Town Hall event must be strategically executed. The perception of the community and the environmental impact of BBB in the Swarga Bara region in East Kutai. In order to enhance the Town Hall's capacity and establish a competitive edge over other public spaces in East Kutai, the following research inquiries emerge:

1) What are the many components or elements that comprise the Town Hall? The employees, contractors, and sub-contractors affiliated with BBB demonstrate a commitment to continuous improvement and aspire to advance their professional development?

2) What specific business domains might the Town Hall prioritise in the future?

3) PT can adopt what implementation strategies. How might BBB be utilised to improve the well-being and convenience of the stakeholders at the Town Hall?

## II. RESEARCH METHODOLOGY

### A. Research Design

The study design aims to generate novel insights by building upon existing concepts and data to provide tangible benefits to business owners such as PT. The IRR Department of BBB and Yayasan Batu Bara Berjaya (YBBB) is an affiliated foundation institution. Using stakeholder analysis and KT Analysis methodologies, the author initially assesses Town Hall concerns. To ascertain and comprehend the commercial partners of the Town Hall.

A significant number of individuals affiliated with PT, BBB, including workers, contractors, subcontractors, and visitors, have no longer utilised the Town Hall facility. During the subsequent phase, the author becomes acquainted with a reform project on the Town Hall, particularly emphasising its prospective developments to guarantee the appropriate deployment of financial resources and enhance the visibility and reputation of a brand.

During the third stage, primary and secondary data collection occurs. The core data for this study is obtained by administering a Google form questionnaire to collect responses from Town Hall visitors, administrators, and entrepreneurs. Subsequently, the collected data is subjected to a filtering process. The researcher interviews the Department of Manager and Superintendent of the IRR PT, BBB and the Chair of the YBBB to gain insights into the priorities and accomplishments of the Town Hall administration. The proposed agenda for the Town Hall meeting. Upon visiting the Town Hall, the author identified several areas of concern about its future enhancement.

A multitude informs the authors of secondary literature reviews. In order to enhance the effectiveness of industrial relations and corporate social responsibility (CSR) within PT, it is imperative to implement strategies that promote positive employee-employer relationships and uphold ethical business practices. The achievement of BBB is facilitated via prioritising profit, employee well-being, and community welfare. These statistical measures aid the author in identifying Town Hall concerns and aspirations in the fourth phase. The figures are treated as raw data and are analysed using conceptual frameworks. The author endeavours to establish a consensus. The author chose the texts for the study and subsequent examination.

The fifth step involves the analysis of raw data through the utilisation of the Analytic Hierarchy Process (AHP), Porter's Five Forces framework, and the concept of Value Co-Creation. The author intends to employ interviews with professional judges and utilise accessible figures to ascertain the most suitable firm for the Town Hall, considering factors such as cost, service quality, and promotional strategies. The next step in the analysis was to evaluate how the Town Hall may become a point of interest for both employees and

residents of East Kutai in the context of its intended business emphasis.

The author intends to employ Porter's Five Forces framework to assess the Town Hall's ability to operate within the highly competitive business landscape of East Kutai, which has experienced market saturation. An examination of value co-creation based on the most recent data. After thoroughly examining the corporate landscape, The author must ascertain the synergy level between administrators and visitors. The implementation of the Value Co-Creation method has the potential to provide significant benefits for PT. BBB has successfully established a novel and environmentally conscious enterprise for the local municipal government. The author completes the analysis phases through the use of qualitative questionnaire data. The advice is obtained through the execution of step six. Furthermore, these recommendations constitute the framework for the execution plan.

### B. Data Collection Method

The author utilises a combination of primary and secondary data sources. The author uses questionnaires, interviews, and field observations to gather primary data. Secondary data is gathering information from many sources, such as journals, business papers, reports, digital media, and books, to conduct literature studies. In connection to enterprises associated with coal, the concepts of corporate responsibility, corporate industrial relations, and downtown legacy are of significance.

### C. Data Analysis Method

The current thesis utilises a descriptive analysis methodology for data analysis by analysing the raw data collected, which has been acquired to provide a foundation for the conceptual framework. The data was subjected to quantitative analysis using the Analytic Hierarchy Process (AHP) and qualitative analysis employing Porter's Five Forces framework and Value Co-Creation approaches.

## III. SITUATION APPRAISAL

Initially, the author employs Stakeholder Analysis and Kepner Tregoe Analysis (K-T Analysis) to ascertain the current condition of the Town Hall. The author incorporates the 5 Whys Analysis as an internal analysis technique for root cause analysis, which complements Porter's Five Forces as an external analysis method. This approach aims to enhance the overall analysis and ascertain the actual circumstances surrounding the IRR Department of PT, BBB.

### A. Stakeholder Analysis

Stakeholder Analysis involves identifying individuals involved in a project, categorising based on their level of participation, interest, and influence in the project, and determining the optimal approach to engage and communicate with each stakeholder group throughout the implementation of ProductPlan. Initially proposed by Eden and Ackermann (2011), the power-interest grid is a widely utilised method for stakeholder analysis. The grid assesses stakeholders by considering their influence level and interests (Pichler, 2015)

Based on the information provided in Table 1, which delineates the various Actors/Aspects at PT. YBBB, it can be inferred that the IRR Department of PT. BBB exhibits a notable level of interest and influence, indicating their vested concern in future Town Hall alterations. The individuals or

groups identified as the most influential stakeholders fall under the “Players” classification. Subsequently, YBBB proceeded to carry out the prescribed actions outlined in PT. BBB’s directives are referred to as “Context Setters.”

TABLE I: STAKEHOLDER ANALYSIS

Actors/Aspects	IRR Department of PT. BBB	Employees of PT. BBB	Employees of Contractors and Sub-Contractors PT. BBB	Yayasan Sangatta Baru (YBBB Village Office)	Merchants and Workers in the Town Hall	Other Visitors
Position	Department of PT. BBB that is responsible	As a visitor and direct from PT. BBB that needs to be facilitated	As a visitor and direct from PT. BBB that needs to be facilitated	To assist and execute the instructions from PT. BBB to organize Town Hall	The party that revives business activity in the Town Hall	Consumers or Potential Consumers outside the range of obligations from PT. BBB
Interests	Doing its job to facilitate company assets and make Town Hall grow	Get entertainment and comfort at the Town Hall	Get entertainment and comfort at the Town Hall	Can develop assets in the region	Can return to bustling business activities	Get an encounter that will create lasting memories
Needs	To create a list of his department’s tasks	Get amusement and comfort as required	Get amusement and comfort as required	To strengthen Swarga Bara Village’s ability to compete with other regions	Get money that is profitable and sustainable	Get amusement and comfort as required

Source: Eden & Ackerman (2011).

Moreover, individuals who possess a strong desire for change; however, lack the same level of influence as the stakeholders mentioned above are employees of many entities exist in the Town Hall, namely BBB, contractors, sub-contractors, merchants, and workers. The individuals in question can be classified under the “Subject” category, indicating that the current situation impacts them and that they share a common interest with the Department and the Foundation in their efforts to enhance the Town Hall. Moreover, other visitors who are apathetic to the changes at the Town Hall occupy the “Crowd” position. They possess a limited level of interest and influence.

### B. K-T Analysis

The Kepner-Tregoe (K-T) method, as described by Kepner and Tregoe (1997), is a decision-making strategy that aims to comprehensively study various viable options to arrive at the optimal solution for a given situation. The Kepner-Tregoe approach makes judgements using criteria that aim to minimise losses. The K-T Analysis framework, comprising of Situation Analysis and Problem Analysis, is employed by the author to discern the present state of affairs in the Town Hall’s commercial context.

Based on the findings of the Situation Analysis, it is imperative to undertake a course of action in the form of a Decision Analysis. This analysis is necessary to ascertain the appropriate measures to be taken to accommodate employees, identify the underlying reasons for the current state of quietness, and provide support for the future aesthetics of the Town Hall by conducting a comprehensive analysis of prospective problems. The utilisation of K-T Analysis for problem analysis will persist, as elucidated in Table II.

Table III provides a comprehensive problem analysis, encompassing a problem statement and elucidating several aspects derived from the problem specification. The 5 Whys Analysis will be employed to investigate the underlying source of the problem further.

### C. 5 Whys Analysis

The 5 Whys methodology is a crucial element of the Toyota Production System and is a fundamental problem-solving approach. The technique pioneered by Sakichi Toyoda, a Japanese inventor and manufacturer, has emerged as a fundamental component of the Lean ideology. The act of making a well-informed decision is a vital aspect that greatly contributes to the successful implementation of the strategy. This suggests that to make informed decisions, it is essential to have a comprehensive understanding of the ongoing activities in the workplace. In essence, root cause analysis must incorporate the participation of individuals possessing practical expertise. According to Kanbanize (2023), it can be argued that those with experience in a specific field can best offer precious insights and information about any given matter.

The 5 Why’s analysis is commonly employed to address problems and resolve issues. In the event of a system or process malfunction, a 5 Whys analysis can facilitate the identification of the fundamental cause underlying the problem. The tool facilitates the identification and resolution of a problem’s underlying cause, hence mitigating reoccurring process failures. In addition, utilising the 5 Why technique fosters active participation from all team members, facilitating ongoing enhancement (Kanbanize, 2023).

The author’s use of the 5 Whys technique serves the objective of corroborating the fundamental cause linked to the analysis of the root cause. The elucidation of this technique has been achieved by examining a business situation using Stakeholder and K-T analyses. The application of this methodology is associated with the problem of the Town Hall held by PT. The BBB programme, facilitated by the YBBB Foundation, is further explicated and visually represented in Table IV.

TABLE II: SITUATION ANALYSIS

Identify Concerns		Set Priority			Process
Major Concern	Sub-Concern	Timing (H,M,L)	Trend (H,M,L)	Impact (H,M,L)	Action needed
Even though it should be able to accommodate employees to increase PT KPC's productivity, it is no longer congested.	-PT. BBB can profit from strategic locations -Have a substantial quantity of funds, but the allocation appears inefficient.	High	High	High	Decision Analysis
In terms of comfort and privilege, a decline was observed.	-Stagnant premise and facilities look like they are abandoned	Moderate	High	High	Problem Analysis
Place capability to support Town Hall progress	-The building cannot be renovated because the state already owns it. -Small parking lot if there is an exhibition fair.	Moderate	Moderate	High	Potential Problem Analysis

Source: Suriadi (2023).

TABLE III: PROBLEM ANALYSIS

Town Hall is presently not crowded and is not the most popular destination for local residents.				
Problem Statement	Is	Is Not	Distinction	Possible Root Cause
What	Not the preferred option of local residents	The predominant option of local residents	The predominant preference of local residents.	Numerous options for locations to visit
Where	In close proximity to the mine job site	Close to downtown	Differences in region and resident demographics	Road infrastructure enables residents in the vicinity of the town hall to explore other options.
When	Start at 2020s	Start at 1990s	Still top choice, different road infrastructure and a little competition	Outdated place and stagnant innovation
Extent	Town Hall is less competitive and less accommodating to local residents	Local residents are accommodated	Accommodated necessities and desires	Incremental innovation

Sources: Ibadı (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

TABLE IV: 5 WHYS IMPLEMENTATION FOR TOWN HALL PROBLEM

Problem Statement	Town Hall, located at the near of job site does not appear to be a primary destination for PT. BBB's employees, contractors, Sub-Contractors and Other Visitors
1. Why	Town Hall has been quiet since 2015 approximately – now. In contrast to that golden period in the 1990s
2. Why	Numerous contenders are highly preferred by visitors, particularly the employees. The accessibility of Sangatta is favorable due to its well-established road infrastructure
3. Why	Visitors who switched from visiting the Town Hall felt that PT. BBB and YBBB did not cater to their needs and preferences, failing to address the demands and requirements of modern times
4. Why	The progress of innovation and renovation for the Town Hall has remained stagnant during each management period.
5. Why	There are no facts in the sphere of focus and development for the Town Hall in order to attract visitors with specific brand awareness
Root Cause (s)	1. The development of a comprehensive Town Hall road map is imperative for the strategic direction and expansion of the organization. Given the numerous resources and budgetary capacity of the company, the roadmap should be designed with a clear focus on re-establishing Town Hall as the preferred choice in the market. 2. It is imperative to effectively identify the preferences of visitors and identify the fields and facilities that are considered essential for development. 3. Innovation, as a public domain, should be pertinent to the contemporary era.

Sources: Ibadı (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

#### IV. LITERATURE REVIEW

During the process of developing this magazine, a comparative analysis was conducted with three prior journals. These journals were examined to identify specific components that may be included in order to facilitate the process of renewal. Firstly, a comparison will be made with the journal article authored by (Purwanto, 2014) from Tata Loka, the publishing bureau of Undip Planology. This article focuses on the Simpang Lima Area in Semarang, which now serves as the Central Business District, and proposes its conversion into a Public Space. By employing descriptive analysis methodologies, the researchers utilise Conceptual Frameworks derived from the fields of Public Space and Urban Space.

The second argument posits that Public Space, namely City Parks in Indonesia, should adapt its concepts and amenities in light of the Industrial Revolution to effectively appeal to

students and workers. This viewpoint draws upon a comparative analysis presented in the *Jurnal Arsitektura* by Bayuadi, Sudarwanto, and Pandelaki (2020). Hence, it is imperative to establish a coworking space that is both technologically sophisticated and conducive to comfort. This study aims to analyse the Nganjuk City Park pilot as a representative case study to investigate the state of City Parks in Indonesia in the post-COVID period. The Conceptual Framework derived from the Good Public Space Index (GPSI) is employed with descriptive analyses.

The final citation for this journal article from the *Journal of Regional and City Development* can be supported by referencing a comparative publication (Setionurjaya & Tyas, 2018). The Gelora Bung Karno (GBK) Complex has the potential to serve as a comprehensive facility for DKI Jakarta residents who have not yet availed themselves of the opportunity to engage in a healthy lifestyle at GBK. This serves as an illustration of the various associations that may be drawn between a smaller-sized Town Hall and its

relevance to Urban Cultural Heritage, which encompasses a wide range of sporting amenities. The researchers utilise descriptive quantitative data to analyse and interpret the Conceptual Framework of Urban Heritage.

The first article explores three difficulties related to the balance between private and government privatisation. Subsequently, the notion of modern Public Space, incorporating technology-based facilities and Urban Heritage with a focus on sports, will be further examined. This specific literature analysis has the potential to offer insights into the prospective social and economic advancement of Town Hall, considering the involvement of PT. BBB demonstrates sufficient allocation of resources towards corporate social responsibility (CSR) and possesses a robust business brand.

## V. RESULTS AND DISCUSSION

Once the identification process is completed, which includes the utilisation of Stakeholder Analysis, K-T Analysis, and 5 Why Analysis, PT, BBB necessitates the development of a comprehensive strategy to address emerging issues effectively. To determine the most suitable line of business, AHP Analysis can be employed. Additionally, Porter's Five Forces can be utilised to assess the competitive viability of the new Town Hall project. Furthermore, Value Co-Creation Analysis can be employed to enhance.

### A. AHP Analysis

The Analytical Hierarchy Process (AHP) was established by Thomas Saaty, an inventor, during the 1970s. The Analytic Hierarchy Process (AHP) is based on breaking down a complicated Multiple Criteria Decision Making (MCDM) problem into a set of hierarchies, which are then subjected to pairwise comparisons among their constituent elements. The construction of the pairwise comparison matrix is based on the relative significance of each alternative concerning each criterion. The necessity of pairwise comparison in the Analytic Hierarchy Process (AHP) is advantageous as it encourages decision-makers to carefully evaluate the relative importance of different elements and engage in a more comprehensive analysis of all scenarios. The Analytic Hierarchy Process (AHP) is a methodology that enables the measurement of qualitative and quantitative indicators by including subjective preferences, expert knowledge, and objective facts. Saaty posits that the Analytic Hierarchy Process (AHP) is based on a sequential procedure consisting of two main stages: first, complexity reduction through decomposition, followed by the subsequent synthesis of relationships (Mohammed & Harputlugil, 2020).

The utilisation of the Analytic Hierarchy Process (AHP) commences by establishing a network or hierarchical structure of the problems that are to be investigated. This paper will examine the fundamental objectives, criteria, sub-criteria, and hierarchy options. By employing pairwise comparisons, the relationships within the structure are ascertained. The resulting matrix from this pairwise comparison will consist of a ratio scale obtained from the primary vector's eigenvalues or eigenfunctions. The matrix exhibits both positive and negative attributes, as indicated by the following equation (Saaty, 1993b):

To initiate the ranking process based on numerical evaluations, the author used 1, 3, 7, 5, and 9 values to assess unequivocal quantities obtained through spoken assessments. Table V presents the elucidation of each rating item. This procedure is undertaken to ascertain the accurate assessment by soliciting the viewpoints of knowledgeable adjudicators.

Verbal Judgments	Ratings
Equally Important	1
Moderately More Important	3
Strongly More Important	5
Very Strongly More Important	7
Extremely More Important	9

Source: Saaty (1993b).

In this study, the author utilises Saaty's methodology (Saaty, 1993a) and adopts a reference-based approach to determine the Analytic Hierarchy Process (AHP) value of two expert judges, specifically the manager of the IRR Department of PT. The BBB organisation collaborates with the Superintendent or Head of Daily Operations at YBBB. It is essential to acknowledge that a minimum of two respondents is necessary for this study. To determine the most suitable course of action for enhancing the commercial operations of the Town Hall. The outcomes for each phase of the Analytic Hierarchy Process (AHP) are presented in Fig. 1.

### 1) Hierarchy Diagram

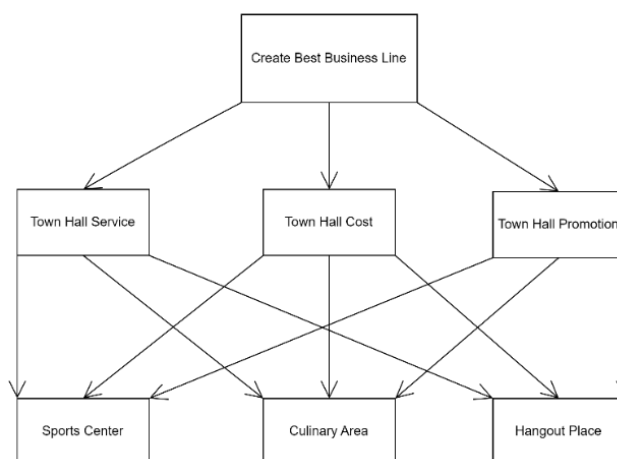


Fig. 1. Hierarchy of town hall case.

The criteria utilised in this study were gathered from secondary data sources and encompassed three key dimensions: Service, Cost, and Promotion. The subsequent factor to be considered pertains to the allocation of weight to three option possibilities: Sports Centre, Culinary Area, and Hangout Place. After establishing the map or schematic flow of the Analytic Hierarchy Process (AHP), the subsequent step entails initiating the processing phase, which prioritises the criteria.

### 2) Criteria Ranking

The author initially assessed the Town Hall requirements from the manager's perspective. The primary determinant is Service, followed by pricing and Promotion. However, when the Superintendent is merged with Cost, Service, and Promotion, they are integrated. The numerical value of Service is equivalent to that of cost at a ratio of 0.44, as

indicated in Table VI. Additionally, Promotion is also a factor to consider. This implies that Promotion and Weight Service exhibit similarities, hence necessitating the prioritisation of both.

TABLE VI: CRITERIA RANKING

Criterion	Service	Cost	Promotion	Row Average
Service	0,44	0,44	0,44	0,44
Cost	0,44	0,44	0,44	0,44
Promotion	0,11	0,11	0,11	0,11

Sources: Ibadi (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

### 3) Service Ranking Towards Decision Alternatives

In order to determine the appropriate hierarchical ranking, it is essential to compute the criteria for each choice alternative. The evaluation of the decision alternatives based on the Service criterion has been concluded, revealing that the Sports Centre has obtained the highest ranking with a score of 0.57. The Culinary and Hangout Area follows this, as Table VII indicates. The Sports facility at Town Hall exhibits considerable promise in providing exceptional services throughout the East Kutai region, as seen by its substantial scale.

TABLE VII: SERVICE RANKING TOWARDS DECISION ALTERNATIVES

Service	Sports Center	Culinary	Hangout	Row Average
Sports Center	0,55	0,53	0,63	0,57
Culinary	0,36	0,35	0,28	0,33
Hangout	0,08	0,12	0,09	0,10

Sources: Ibadi (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

### 4) Cost Ranking Towards Decision Alternatives

In contrast to the cost mentioned above criterion, gastronomic considerations are assigned the highest ranking, with a score of 0.63. The programme "Sports Centre" garnered the second highest viewership, with "Hangout" securing third in popularity. Based on a cost analysis and the assessment of two expert judges, selecting the Culinary option would be the most financially prudent decision. The expenses, being of a relatively moderate character, are within the limits of the budget, as indicated by the comparative figures presented (see Table VIII).

TABLE VIII: COST RANKING TOWARDS DECISION ALTERNATIVES

Cost	Sports Center	Culinary	Hangout	Row Average
Sports Center	0,23	0,22	0,33	0,26
Culinary	0,69	0,65	0,56	0,63
Hangout	0,08	0,13	0,11	0,11

Sources: Ibadi (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

### 5) Promotion Ranking Towards Decision Alternatives

The Promotion mentioned above carries relatively low significance within the evaluation process and exerts negligible influence on the final ranking decision. However, the data suggests that experts consider the Sports Centre a prominent area for progress, as evidenced by a score of 0.71 (refer to Table IX). The culinary field obtained the second and third rankings, with backing from Hangout.

### 6) Overall Ranking for Best Decision Alternatives

According to the analysis, Service and Cost are the elements that hold the most tremendous significance. The

Sports Centre is more favoured than Culinary regarding the Promotion criterion, as it weighs 0.449 points compared to Culinary's 0.436 points, with a slight difference of 0.013 points (see Table X). Hangout has been assigned a low ranking, specifically a score of 0.114, indicating its position at the bottom. Therefore, according to the assigned weights in the Analytic Hierarchy Process (AHP), the Sports Centre is considered the most ideal alternative.

TABLE IX: PROMOTION RANKING TOWARDS DECISION ALTERNATIVES

Promotion	Sports Center	Culinary	Hangout	Row Average
Sports Center	0,72	0,66	0,74	0,71
Culinary	0,09	0,08	0,06	0,08
Hangout	0,19	0,25	0,19	0,21

Sources: Ibadi (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

TABLE X: OVERALL RANKING

Decision Alternative	Weight
Sports Center	0,449
Culinary	0,436
Hangout	0,114

Sources: Ibadi (personal communication, May 4, 2023) and Suriadi (personal communication, April 19, 2023).

### B. Porter's Five Forces Analysis

Developing a competitive strategy requires thoroughly understanding industry structures and their dynamic characteristics. As per (Porter, 1979) research, the primary goal of a strategist is to analyse and effectively navigate the competitive environment by directly assessing competitors or adopting a broader perspective that encompasses the organisation's competition (Bruijl, 2018).

The designation of the Town Hall will be contingent upon the assessment conducted by the Analytic Hierarchy Process (AHP) to ascertain the presence of suitable Sports Centres, Culinary Establishments, and Recreational Venues. According to the proposed plans, an additional assessment is required to determine the feasibility of renovating the Town Hall. In order to establish a competitive edge against peer-to-peer platforms and comparable enterprises. The one in charge of overseeing the operations and activities of IRR Department of PT. BBB assists the author in constructing the new Town Hall by employing Porter's Five Forces framework. The criteria established by Michael Porter determine the viability of the Town Hall's ongoing operations.

#### 1) Bargaining Power of Buyers

Town Hall attracts a significant number of visitors who possess substantial purchasing power and are presented with many choices of destinations to explore. Most individuals in question are adequately remunerated workers of mining firms and the affiliated organisations they operate under. Furthermore, it is evident that inside every sector, with the exception of sports, a multitude of meticulously selected rivals exists. Hence, the level of the Buyers is deemed to be *strong*.

#### 2) Bargaining Power of Suppliers

One of the obligations of commercial entities and individuals entrusted with the maintenance of the Town Hall is to provide and manage athletic facilities encompassing a diverse range and significant number thereof. The Town Hall's presence is essential for facilitating various activities

and promoting sales within the community. The Town Hall also requires individuals to occupy the various sectors inside its premises. Hence, the amount of strength exhibited by the Suppliers is deemed *moderate*.

### 3) Threat of New Entrants

In the coming years, the likelihood of East Kutai acquiring the probability of East Kutai obtaining a structure similar to the Town Hall in the foreseeable future could be higher. Whether through implementing Corporate Social Responsibility (CSR) activities by other mining companies or through the involvement of external investors. Additionally, the Government is considering the development of a revised iteration of “Bukit Pelangi” and establishing a jogging area known as Folder, situated within an artificially constructed lake. Nevertheless, the probability of exceeding the Town Hall is diminished. Based on a personal discussion with Mr. Ibadi on May 4, 2023, it has been asserted that the sustainability of the Government’s administration is comparatively lower in quality when compared to that of Town Hall. As a result of these variables, the level is classified as *low*.

### 4) Threat of Substitutes or Product Services

The Town Hall faces significant competition from various establishments, including sports facilities, dining establishments, essential amenities, stores, and venues for communal gatherings. Currently, only sporting facilities that can achieve victory are deemed eligible. The region of East Kutai, specifically North Sangatta, exhibits a lower level of competition compared to other areas that are characterised by a more significant number of rivals. Hence, in the context of the *strong level*.

### 5) Competitive of Rivalry

In actuality, the presence of equitable adversaries or counterparts for privately administered Town Halls could be much higher. The Bukit Pelangi region is a unique government-owned establishment, distinguished by its extensive range of facilities. Additionally, this locale holds the potential to function as a communal hub, offering opportunities for gastronomic exploration and enjoyment. Nevertheless, the Town Hall retains the ability to pursue them due to its enduring management by PT. BBB continues to exhibit superior performance relative to the Government. Hence, considering the prevailing conditions, Bukit Pelangi remains on par with the Town Hall yet exhibits the capacity to transcend it. The degree of competition among competitors is *moderate*.

Based on the considerations mentioned above, it is evident that an external analysis employing Porter’s Five Forces framework indicates that the competitive intensity of Town Hall is classified as *moderate*. This suggests that they have a position of lower priority. Nevertheless, East Kutai people have the potential to emerge as the preferred choice by undertaking a challenging route, as the Town Hall faces a multitude of competitors that can be strategically pursued through meticulous planning. The critical means of achieving success for Town Hall was through the initial strategy of focusing on business lines and sports facilities. This approach was chosen since Town Hall had a competitive advantage over its rivals regarding business lines.

## C. Value Co-Creation Analysis

In order to further elaborate on the notion of value co-creation, scholars have delineated value co-creation interaction as a dynamic and collaborative process characterised by active engagement and social contact between the provider and consumer. The provider launches this process and aims to develop value for the customers involved. Customer-provider collaborative creativity is a strategic approach to enhance an organisation’s knowledge-acquisition processes. This approach involves actively engaging customers in the co-creation of meaning and value. However, the initiation of the process is undertaken by the provider (Kijima & Arai, no date).

The comprehensive research conducted to ascertain the optimal business venture and its external feasibility made it apparent that despite the challenges associated with restoring the crowd to its customary state, the Town Hall necessitated a strategic approach and effective framing to achieve success. This thesis focuses on the shared objectives among stakeholders in formulating plans. It provides an overview of the Town Hall Management, Business Actors, and Visitors, aiming to facilitate the reciprocal synergy between the perspectives of “providers” and “buyers” in this context.

The author employs many data sources throughout the investigation, including an interview with the manager of the IRR department at PT. BBB and the individual responsible for overseeing the day-to-day activities at YBBB. Furthermore, the qualitative surveys, which consisted of 162 respondents, were structured; thus, each query was categorised into three distinct perspectives. There are 140 allotted for guests, 12 designated for YBBB administration, and 10 allocated explicitly for enterprises and staff. The following explanations are presented herein from a Value Co-Creation perspective.

### 1) Co-Experience of Service

The decline in visitors’ engagement with the Town Hall can be attributed to many factors. The judgments expressed by the interviewees and respondents regarding the Town Hall center on its lack of cleanliness, which they perceive as detracting from its overall appeal as a visitor destination. The environment’s ambiance requires to have vibrancy, rendering it less competitive than its counterparts, providing more enticing venues for physical activity, convenient shopping experiences, diverse gastronomic options, and recreational pursuits.

Despite being mentioned in the management’s records, sports facilities maintain the perspective that the modifications are gradual and necessitate timely renovations. It is imperative to sustain the preexisting framework. The participants also agreed, provided that the process of “modernisation” persists. In summary, it is recommended that the Town Hall undergo renovation. This recommendation is supported by qualitative and quantitative findings, which indicate that prioritising sports facilities, followed by a culinary Hangout handling facility, would be most beneficial.

### 2) Co-definition of the Shared Internal Model

Once individuals understand the dynamics between Town Hall Management, Entrepreneurs, and Visitors, a prevailing theme emerges that one seeks to discern to facilitate a more advantageous transformation of the Town Hall in the future.

In particular, the revitalisation of (a) infrastructure facilities, which retain their urban heritage as state-owned assets, is observed. Additionally, there is an expansion of jogging tracks and (b) the provision of fitness facilities, such as gyms. It is worth noting that there is a significant number of sports enthusiasts and PT. BBB can leverage its resources to establish unique value propositions in this regard.

Furthermore, the area is expected to develop into a gastronomic hub characterised by competitive product prices and acceptable rental rates for company operators. The ultimate phase entails reactivating musical and sporting activities at the Town Hall. The ability to evoke public attention is enhanced by the opulence of a location, which is more than a mere coincidence.

The Co-Definition of the three stakeholders refers to the process by which the Town Hall is transformed into a facility that offers top-notch sporting amenities, catering to the interests and talents of the local community, with a particular focus on PT employees and their families. BBB is bolstered through the strategic reorganisation of culinary establishments to attract visitors and establish itself as a focal point for public gatherings. This is achieved by hosting various scheduled events, including concerts, health walks, and sports competitions. These events, which cater to the widespread interest in music and sports, aim to replicate, albeit on a smaller scale, the concepts elucidated in the literature review of the GBK complex (Setionurjaya & Tyas, 2018).

### 3) *Co-elevation of Each Other*

During this particular time, the company PT. BBB and YBBB will have the capacity to examine and evaluate the progress made since the inception of the Town Hall renovation project, which has placed a greater emphasis on the establishment of sports stadiums, culinary establishments, and social gathering spaces. What areas of improvement can be identified at this stage of the application's progress, and what improvements can be made?

The author emphasises the significance of adopting a "Services Dominant Logic" approach, managing existing facilities, such as the "Goods Dominant Logic" framework, and allocating sufficient budgetary resources for infrastructure facilities. This approach involves periodically activating activities from the perspective of the three business lines.

In the realm of sports, various training programmes and contests are offered for each specific discipline. Similarly, in the culinary domain, food festivals are organised with effective promotional strategies, and venues are designated as popular gathering spots for hosting events according to guests' preferences. The following are strategies for enhancing the stakeholder-derived definitions.

### 4) *Co-development of Internal Value*

According to an interview conducted with the manager of the IRR Department, the primary purpose and objective of the Town Hall is to serve as a venue for employees, with a particular emphasis on those affiliated with PT.BBB. Individuals can experience the state of being pleased and satisfied. After a period of fatigue experienced by employees while working. It is hoped that the Town Hall will become a place to refresh them. Afterwards, improve their performance

for the company and ultimately increase the company's revenue.

In order to accomplish this, PT. BBB In order to effectively address the requirements of many stakeholders, should develop a comprehensive framework that establishes coherence among three essential perspectives: local businesses, business actors inside the Town Hall, and prospective and existing visitors unfamiliar with the destination. The proposed transformation of the Town Hall aims to establish an Urban Heritage site that focuses on developing sports arenas, providing quality food, and creating communal spaces.

According to (Setionurjaya & Tyas, 2018), it is anticipated that the Town Hall has the potential to transform into GBK (Gelora Bung Karno) Township, incorporating local wisdom. This transformation is expected to commence with the re-establishment of brand recognition, ultimately regaining its status as the top-of-mind destination for employees, particularly those affiliated with PT. The BBB organisation and its adjacent communities. This is further supported by PT's frequent annual and even monthly regular schedules. The user's text states, "BBB." These factors can be integrated within the Co-Development framework to establish a sustainable Town Hall.

## VI. CONCLUSION

Based on this research, which was through qualitative and quantitative research methods. Through analyses from Stakeholder Analysis, K-T Analysis, 5 Whys Analysis, AHP Analysis, Value Co-Creation Analysis and external analysis from Porter's Five Forces. The author concludes that there are at least four recommendations that can be implemented realistically by PT. BBB.

- 1) Recognising the potential for the Town Hall to emerge as the premier Sports Centre in East Kutai, PT. BBB can strategically prioritise the advancement of optimal business lines within this industry. Furthermore, the implemented modifications have the potential to enhance brand recognition, positioning the Sports Centre as the preeminent establishment in the East Kutai region.
- 2) Leveraging the abundant resources provided by PT. When executing the Implementation Plan, BBB emphasises "Service-Dominant Logics" rather than "Goods Dominant Logics." This entails directing attention towards harmonious alignment with the several work programmes and objectives implemented at the Town Hall.
- 3) Despite possessing a "Moderate" rating in Porter's Five Forces framework, an opportunity exists for revival. Restoring the Town Hall to its former glory requires significant exertion. The Culinary Area emerges as a potential auxiliary choice for bolstering the Sports Center's operations, as indicated by the Analytic Hierarchy Process (AHP) outcomes and qualitative questionnaires obtained from the participants. The seriousness exhibited by the Culinary Area in revamping its facilities aligns with the objectives of enhancing the overall appeal and



functionality of the Town Hall.

- 4) The prioritisation of the Sports Centre can serve as a means to effectively implement urban heritage conservation efforts. The restoration of deserted places can be achieved by integrating new components derived from rigorous and contemporary research while preserving existing buildings.

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