

WORKING EFFECTIVELY WITH YOUR PARTNER

Who is Your Counterpart? ♦ ♦ ♦

Before coming to Indonesia, inquire about your potential counterparts and partners. The Canadian government and the Indonesian Embassy and consulates in Canada are good sources of information. It is very important that you know the right government

agencies and business people to deal with. It is also important to understand the culture and motivations behind the people you will be working with in Indonesia. Different counterparts require different strategies.

Business ♦ ♦ ♦

Indonesia's economy has shown remarkable growth following the introduction of economic restructuring programs by the government. With economic restructuring, the government's goal was to establish a more diversified, competitive economy which was less dependent on oil. The programs have brought about significant changes in the business environment. These have resulted in steady economic growth and show potential for greater development.

The government recognizes the need for foreign investment and expects that it will bring not only an inflow of fresh capital, but also a transfer of technology and know-how and an understanding of how to sell products in world markets. In 1990 alone, the Government approved 432 new projects valued at US \$5.8 billion and 176 expansion projects valued at US \$2.9 billion.

If companies are interested in doing business in Indonesia, it is important that they first undertake a study, exchange opinions with business friends, listen to managers of factories already operating in Indonesia, check the investment measures and discuss their plans with government officials.

There are no uniform, generic types of business people in Indonesia. Indonesian business people come from many different backgrounds and cultures. Their attitudes toward foreigner partners vary. Canadians should be sensitive to the fact that foreign colonizers once controlled Indonesia's government and much of its commerce. Many companies still employ expatriate managers and advisors, although they are gradually replacing them with Indonesians. Indonesians in the upper levels of management are generally well educated and have international experience.