**Essay Kontribusi**

**Title**: “Strengthening MSMEs as the Backbone of Indonesian Economy and Their Crucial Role in Indonesia Surviving Potential Global Economic Recession”

**Background**

I began seriously thinking about advancing my education in Finance during my economics classes in college. My financial professor from the Portfolio Theory and Investment Analysis class ignited my passion for the investment industry when he taught me about the various analytical tools in the financial market needed to create a sound investment decision. It was my internship experience at an investment bank that further solidified my interest in the field. Being at the forefront of the capital market exposed me to the financial viability assessment process of companies before any corporate actions and helped me see the significant role of the economy in the financial market.

Besides that, my family background in finance has also contributed to my career and education choices. Raised in a family working in finance, I am used to having daily discussions about the role of finance in driving business success, which contributed largely to my passion for finance. In deciding on my undergraduate major, I discussed it with my father and elder sisters since they studied finance during their tertiary studies. I then chose economics instead of finance, because it does not only provide a strong theoretical foundation for finance, but also the underlying market mechanism. As a result, I was able to understand how to make financial decisions for companies to benefit from changes in the economy, as well as anticipate them from certain economic policies.

To achieve my professional aspirations to create a platform that financially supports and builds MSMEs, I realize I need to obtain fundamental knowledge of economics, which covers how the market system works, and the financial skills to perform a portfolio analysis. As a result, I have looked for other opportunities to understand more about the financial industry. In my junior year, I entered the capital market by interning at the Investment Banking division of a leading brokerage firm in Indonesia. During this internship, I helped the team advise a state-owned enterprise for a potential acquisition. I collected historical financial data–long-term plans and industry projections–to build financial projections and perform pre-acquisition feasibility studies on the target company. I also gathered legal and tax considerations to create an optimal deal structure. From this, I got to work on projects involving some of the largest companies in Indonesia and gain skills in corporate valuations, financial modeling, and deal structuring.

After graduating, I worked as a forensics consultant at PwC and served clients from various sectors. In one of my projects, I represented a buy-side multinational company during the due diligence process for an ongoing acquisition deal. By reviewing transactions of the target company, I managed to identify potential fraudulent transactions, with signs of bribery and corruption, resulting in questionable outstanding receivables. I collected evidence indicating that these transactions were conducted with related parties of the target company (i.e. affiliates, subsidiaries, sister companies) and there were no supporting documents to ensure a transparent and fair business practice in selecting the companies as a subcontractor. Our team’s findings ended up halting the acquisition plan and prevented over US$50 million potential financial losses for the acquiring company. My experience in PwC has equipped me with strong quantitative skills, a structured and analytical thought process, and great attention to detail, all of which will allow me to thrive in my postgraduate studies.

**Plans for Postgraduate Studies**

Despite already taking finance courses during and after my undergraduate studies, there are areas that I want to study further in corporate finance, such as capital structure and valuation of assets. Obtaining knowledge in these areas will allow me to have technical financial knowledge that will be central in analyzing the finances of businesses. With a stronger knowledge in finance obtained from pursuing a postgraduate degree, I will be able to manage the finances of my future venture capital and my investment portfolio in MSMEs, evaluate the potentials and finances of MSMEs that I invest in, as well as assist them in accordance with the condition and prospects of their business model.

In deciding my postgraduate degree, I have taken into account several aspects of the programs that different universities offer. These include the degree of variability of its elective courses to allow for the versatility of knowledge that I would obtain through my studies, the diversity of international students to expand my network and gain the ability to think from multiple perspectives, and the extracurricular activities that I can join to gain practical experience and make the most of my postgraduate experience. I also consider my educational background and working experience in accordance with the entry requirements of each program.

Columbia’s MSFE program is perfect for launching my career because it combines highly quantitative and data-driven modules that I will need to learn how to analyze and interpret large sets of financial data. The interdisciplinary curriculum also prepares me to become an innovative leader in finance by staying current with the latest technology and thinking from multiple disciplines, stimulating me to think outside the box.

The MSc in Finance and Economics at LSE will provide me with a stronger foundation in Finance while enriching my knowledge of the underlying economic principles. The financial economics courses will particularly develop my fundamental understanding of the market system from a business standpoint. These courses will also strengthen my knowledge of the role of VCs in the economy and help me learn how to analyze market opportunities for VCs to benefit.

Imperial’s MSc in Finance program also interests me as it offers elective courses related to the application of technology in finance, an understanding of which is relevant in view of my professional aspirations in Indonesia, where MSMEs are struggling to keep up with fast-paced technological developments.

**Post-Graduation Plans**

When the COVID-19 pandemic hit Indonesia in early 2020, the Ministry of Finance introduced the National Economy Recovery program as an effort to maintain economic stability. The program ran from 2020 up until the end of 2022, where various support initiatives were enforced to help the recovery of Micro, Small, and Medium Enterprises (MSMEs). Despite the program has ended, MSMEs still need further support to face the uncertainty that came after the economy was heavily disrupted by the COVID-19 pandemic., With the significant role of MSMEs in the Indonesian economy, I realize that it is imperative to provide MSMEs with guidance and finances that they need to become Indonesia’s solution in facing the threat of global recession.

Due to the COVID-19 pandemic, MSMEs were forced to take informal loans with staggering interest rates and most of them ended up shutting down their businesses. Based on the data collected by LPEM UI and UNDP, over 95% of Indonesian MSMEs reported a decrease in asset value and over 77% reported loss in revenue during the pandemic. In addition, the pandemic also caused holdups in productions due to the scarcity of raw materials, declines in number of customers, as well as hardships in getting financial support, leading to MSMEs struggling to pay their outstanding loans, utility bills, and employee wages.

Accounting for more than 60% of the country’s GDP and over 95% of its labor market, MSMEs are considered to be the main driver of Indonesia’s economy. Despite their significant role, MSMEs still have difficulties securing financing to expand their businesses except for expensive micro-loans. I learned about this when I was doing community service in a remote village in Gunung Kidul Regency called Jatiayu, where I talked to small merchants about their concerns regarding their financial situation. During our discussions, I saw one of their main problems centered around their lack of financial literacy, as indicated by their inefficiency in managing their working capital and bookkeeping records. Consequently, they weren’t able to produce financial statements, which is one of the most important requirements in securing a bank loan. They also didn’t have enough working capital and assets as collateral, making it impossible to get outside funding which dampened their growth.

Upon graduating from my postgraduate studies, I aim to obtain experience and network to build my own VC that focuses on MSMEs. As a starting point, I see myself going back to Indonesia to work as an investment analyst at a leading VC. Surrounding myself with experts in the field and observing how they value and assess businesses before investing will provide me with skills pivotal to achieving my goal as a future venture capitalists, including identifying investment opportunities, negotiating terms of investments, and managing my portfolios. Through this, I also hope to learn fundraising strategies by witnessing how VCs raise capital from investors so I can have the financial capability to invest in MSMEs. With the unique economic landscape of Indonesia that is driven by MSMEs and a large untapped market within the vast archipelago, I am particularly excited for opportunities to work at local VCs. As my goal involves small businesses that tend to hesitate to expand beyond their residential areas, I believe having specific knowledge of the local market and a chance to personalize my approach when talking to them is highly important. The experience of working at local VCs will also give me the knowledge of assessing types of businesses with expansion potential according to the Indonesian market.

One of my goals after graduating is also to fulfill the exam requirements to become a CFA charter-holder. In Indonesia, the number of people holding the CFA charter is still relatively low compared to other countries, with only 300 people in 2021. As someone hoping to build a career in finance, I plan to obtain the CFA charter by 2025. Being a CFA charter-holder, I would be equipped with the globally renowned credibility of CFA charter-holders and financial expertise to assist MSMEs in building their portfolio to enter the global market.

In the long term, with accrued experience and skills, I aspire to build a venture capital (VC) firm that invests in MSMEs. In early 2022, approximately 99.9% of Indonesian MSMEs are micro and small businesses still within the informal sector, needing additional support to enter the formal sector. By improving funding accessibility through direct investment or enhancing their financial administrations to get better funding options, I plan to help grow their businesses and further contribute to Indonesia's welfare through job creation, increasing exports through the expansion of local MSMEs, and regional revenue growth.

Aside from financial support, I also intend to provide guidance for MSMEs in expanding their businesses. With the Indonesian government’s goal for 30 million MSMEs (~47% of total Indonesian MSMEs) to be digital by 2030, MSMEs from remote regions will need the extra help to implement technological advancements in their business. By leveraging technology, I aim to develop cloud-based expense management and cash flow forecasting tools for MSMEs to improve their financial management and monitor my investments to ensure effective resource allocation. Additionally, enhanced technological use can contribute to speeding up expansion to the international market through online commerce platforms.

My professional and academic experiences have laid a strong foundation for my financial knowledge. I am a determined person who always gives my best and eager to learn new things. The idea of continuing my degree outside my hometown fills me with motivation and a determination to succeed as I believe I can develop not only my knowledge and skills to pursue a career in the financial profession, but also my resilience to help shape the Indonesian economy and enhance the role of Indonesia in the global market. With the LPDP scholarship, I will be able to continue building my knowledge and sharpening my skills to start initiatives that will contribute to creating prominent changes to Indonesia’s financial issues. If given the opportunity, I can guarantee that I am worth investing in.

**Recommendation Letter**

To whom it may concern,

I am pleased to recommend Yodhita to apply for the LPDP Scholarship. I first became acquainted with Yodhita in her second year at Universitas Gadjah Mada. Yodhita was one of my students in the Central Banking module, which she managed to complete within the top 10% of her cohort. I also supervised her as my teaching assistant for the same module in her third year. Yodhita has also maintained close contact with me through a vast array of discussions related to her aspirations to pursue a postgraduate degree and future career.

Yodhita exhibits plenty of curiosity and enthusiasm, and she is highly dedicated and committed to learning. She actively participated in my classes and we often interacted during office consultation hours. As a teaching assistant, she ensured the materials were well-understood by the students. She actively reached out to me for concerns from the class that needed my confirmation. Despite being a teaching assistant for two subjects at the time, taking a full course load and working as an intern, she managed to deliver her assignments and prepare her tutorials in a timely manner.

Not only was Yodhita excellent in academics, but she also presided over organizational activities. For instance, she was one of the key leaders in the University’s economics seminar in 2018. Her teamwork and leadership skills contributed significantly to making the seminar the most successful event of the last five years, evident in the amount of funding by sponsors and number of participants that year being the highest it had ever been.

Hailing from a different city, Yodhita was nevertheless able to adapt and adjust quickly to the culture here in Yogyakarta. From early on, she managed to get along well with students from other regions in Indonesia. Her international experiences during her college years and after graduation have made her more independent, adaptable, and open-minded, which are essential to her further study and career. During group discussions, she spoke up, drove the conversation, and engaged others.

To the best of my knowledge, she is an enthusiastic, energetic, and exceptionally natural leader. She was able to maintain her cum laude GPA while leading student organizations at the same time. I take great pride in supporting this excellent and promising student for the LPDP Scholarship. If you have further queries regarding her background or qualification, please do not hesitate to contact me.

Sincerely,

Edhie Purnawan, M.A., Ph.D.

**PENILAIAN DIRI**

**SEBUTKAN KEKUATAN/KELEBIHAN (STRONG POINT) YANG ANDA MILIKI**

*Maksimal 250 karakter per baris*

* Adaptable: I can easily adjust to different types of environments. Throughout my academic and professional experience, I was able to execute tasks beyond what was expected that I managed to receive full-time job offers from all my internships.
* Collaborative: With my high adaptability, I am able to work well in a team. I never hesitate to offer my help to my colleagues and in my previous job, I consistently received high ratings for my relationship skills.
* Continuous Learning: I always try to find learning opportunities to enhance both my skills and credentials. With the growth of online education platforms, I took several courses and certifications while working, one of which was paid by my company.

**SEBUTKAN KEKURANGAN/KELEMAHAN (WEAK POINT) YANG ANDA MILIKI**

*Maksimal 250 karakter per baris*

* I get nervous whenever I have to speak in public, therefore I always try to prepare myself well before every presentation
* I have a hard time managing my high expectations and delegating my tasks to others, and I ended up taking on too much work and responsibility. As someone who aspires to make an impact, I’m learning to manage and allocate my tasks better.
* I have a tendency to be impatient, especially regarding deadlines. I feel uneasy if a project is not finished on time. To overcome this, I try finding ways to be more encouraging and motivational as to provide more efficiency in the workplace.

***BERIKAN CONTOH PENGALAMAN ANDA DALAM PEKERJAAN/BERORGANISASI/PENDIDIKAN***

**PENGALAMAN YANG MEMBANGGAKAN**

* Raised over Rp400 million in funding for the largest economic seminar in UGM, involving Indonesia’s former Vice President and the current Governor of the Central Bank of Indonesia
* Mentored 10+ undergraduate students from various universities in Indonesia, in which all of them managed to achieve their targets, either for entering a university organization, work internship or getting full-time jobs upon graduation.
* Became the only Associate that received a double promotion from a first-year to a third-year, got the highest performance rating, and was granted an award within a year.

**PENGALAMAN YANG KURANG MEMBANGGAKAN**

* I took too long to accept an offer to join a project that I was really interested in because I was already involved in another project
* I missed a family gathering because I was too focused finishing a work deadline

**APA HAL TERAKHIR YANG ANDA AJARKAN PADA DIRI ANDA SENDIRI?**

I recently learned the importance of looking at situations from the bigger picture prior to taking the first step of achieving my goal, thus knowing which steps to take and the best strategy to do so. Interestingly, I actually learned this from taking up wall-climbing. One of the walls was called the “Problem” wall, where we were allowed to make our own route as long as we touched the start point, the end point, and only one particular color of the grips. At first, I was only focused on climbing and finding my way to the end as I went up the wall, which worked for the easier route options. However, with the higher difficulties of the route options, this strategy no longer worked and resulted in multiple falls since I was spending more energy holding on to the grip while trying to look for the colors that I picked for my route. While resting in between the climbs, my coach told me to try looking at the walls as a whole first and imagined the steps that I would go through from the starting point up until the end. I then implemented this on my next try, and I was able to look at the best route to reach the end grip and finish the climb in the most efficient way.

**KESALAHAN APA YANG PERNAH ANDA LAKUKAN SELAMA BELAJAR/BEKERJA**

* When I first worked at PwC, I hesitated asking questions to my supervisor despite not fully understanding the project. Since I was unfamiliar with financial crime abbreviations, such as AML-CTF (Anti-Money Laundering and Counter Terrorism Finance) or APU-PPT in Indonesian, I ended up using both terms on the deliverables that were supposed to only be in English. Fortunately, my colleague noticed this mistake and I rectified it immediately before it was reviewed by my supervisor. From then on, I always ensured that I understood the project thoroughly by finding information online and confirming my understanding with the other team members.
* I miscalculated my credit requirements to take the thesis course and ended up delaying my graduation by a semester. During this time, I decided to take an internship and improve my thesis, thankfully I managed to get a perfect score for my thesis without any revision and gain work experience in the process.

**APAKAH ANDA PERNAH MELAKUKAN TUGAS DI LUAR RUANG LINGKUP TUGAS ANDA YANG SEHARUSNYA? JELASKAN**

In my job at PwC, whenever I work with interns, I always spare time for them to discuss their internship aspirations and help them with their concerns related to work life or college life.

Most of the time, they yearned to work on more complex deliverables to optimize their internship experience. I respected their eagerness to learn and therefore spared several sections of the deliverables for them to do. In doing so, I ended

Sometimes, this action caused delays in our output delivery. There were a few instances when my supervisor scolded me because of the delay, but I protected my interns and took sole responsibility since it was my decision to let them work on the deliverables. It was worth it in the end since all my interns performed highly during their internship and received full-time job offers from PwC.

**SEBUTKAN DAN JELASKAN 1 (SATU) HAL YANG MEMBEDAKAN ANDA DENGAN PESERTA LAINNYA**

Focusing on empowering Micro, Small, and Medium Enterprises (MSMEs), I aspire to build a venture capital (VC) firm that invests in them. As someone looking to grow MSMEs, I am equipped not only with the core knowledge of the economy through my undergraduate degree in economics–which provides me with a strong foundation in quantitative analysis and data-driven decision making–but also with my experience working as a forensics consultant at PwC has given me real-world experience applying these knowledge to solve complex business problems and uncover fraudulent activity. My working experience also has made me realize the importance of good corporate governance and proper due diligence process, both of which will be central to my effort of growing MSMEs that tend to have weak administrative procedures.