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9B17M141

Bali Hai Cruises: Creating Business Success in Indonesia

Stephen Grainger wrote this case solely to provide material for class discussion. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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In the late 1980s, when Bali was an island tourist pathway for surfers, hippies, and backpackers, Australian Dick Chandler saw an opportunity to create the upmarket, tourism-based boat cruise operation Bali Hai Cruises (BHC). Chandler’s previous international experience with Qantas Airways helped him visualize the future growth opportunities in Bali. In March 1990, he and three fellow Australians started the company based out of the Indian Ocean city of Perth and invested in the construction of a 300-seat catamaran, piloting it north from Fremantle, 2,250 kilometres to Bali’s Benoa Harbour, confident they were about to lead the creation of the island’s marine tourism industry.

By mid-2017, the company had grown to employ 460 staff and cater to 150,000 customers annually, with operations still headed internationally by Chandler in Australia, and in Bali, by general manager Andrew Sutherland, who was from the United Kingdom, and by sales manager Pande Ardika, who was Balinese. What was their formula for success? In Bali, many companies had been launched with the right intentions but had failed to understand the Balinese business culture, often returning home frustrated, almost always with empty pockets and sometimes angry. BHC had managed to avoid such disastrous outcomes and could claim success (see Exhibit 1); yet, in planning beyond June 2017, it faced challenges in terms of its aging leadership and workforce, the management and maintenance of its working relationship with the Indonesian government and harbour authorities, the rapidly developing information technology (IT) capacity of the marine tourism industry, the need to upgrade equipment, and the potential of growing competition. What strategies should BHC use in the future to prepare to continue its success and growth in 2018 and beyond?

From the beginning

With its first boat operational, BHC commenced doing day trips out of the Balinese port of Benoa, initially with “more crew than customers on board.” However, as word spread, cruise bookings grew, paving the way for their fledgling company to grow to its 2017 operations that featured two 300-seat catamarans; daily tours to BHC’s offshore recreation pontoon, a resort in Lembongan; evening dinner cruises; and a collection of other specialty cruise events.[[1]](#footnote-1)

The company’s development had been far from smooth, having experienced its share of challenges and having survived the peaks and troughs in Bali’s tourism trade. In 1995–96, the company’s large in-bound Japanese market disappeared, due to false media reports that two Japanese tourists had returned home from Bali having contracted cholera, when, in fact, the outbreak had been in Jogjakarta, on the Indonesian island of Java. Bali’s image had been damaged, and, despite the best efforts to correct the misinformation, the sensitive Japanese tourist market, previously bound for Bali, dried up almost overnight. Over the next 20 years, Bali’s global market and the volume of Bali’s in-bound tourism experienced similar declines as a result of the bird flu outbreak, the 9/11 tragedy, and the Bali bombings in the 2000s. Despite these difficult times, BHC recovered, and its continual growth has been largely attributed to the company’s philosophy, direction, employee loyalty, teamwork, and commitment to hard work.

The set-up

In 1990, BHC set up in the building and dock that it still used today in Benoa, operating the same catamarans, built originally in Australia, for all their cruises. The building BHC was headquartered in was an untidy collection of rooms that BHC wanted to modernize; however, the one-year lease that the Indonesian Harbour Authority made available to all boat companies in Benoa meant BHC continued to operate in an uncertain environment. As a result, it continued to operate out of this old yet functional and serviceable building.

BHC commenced with offering the single-day tour cruise and took advantage of its first-mover marine tourism status to develop a competitive edge. Over time, it began to diversify, invest, and become vertically integrated in the products and services it offered. The company surveyed customers at the end of each boat tour and responded to feedback by updating services to correct whatever negative trends had shown up in the surveys. For example, one such adjustment concerned the subcontracted buses BHC had hired to pick up customers from their hotels in the mornings, drive them to the harbour, and deliver them back to their hotel after their day excursion on the water. Feedback from the BHC post-cruise surveys illuminated that customers did not enjoy these services because these buses were not always air-conditioned and sometimes arrived late, and the unprofessional driver couldn’t speak English. BHC then decided to buy its own fleet of air-conditioned minibuses and train its own drivers to ensure they were on time, well-mannered, and presented a professional image. Their feedback ratings from their customers improved, and from then on, BHC decided to manage its customers from the time they left the foyer of their hotel until they arrived back at their hotel at the end of their cruise experience.

The Leadership Team

Before starting BHC, the managing director, Chandler, had 23 years’ experience working internationally with Qantas Airways, a company with a reputation of having a high quality of service and management. He brought this experience to BHC and worked primarily with the sales manager, Ardika, to grow the business over time. Chandler recalled:

When we began our cruises, most of our customers came from Australia. Now the number of Chinese customers matches the number of Australians on cruises with the Japanese, Europeans, and Indians all present in significant numbers. We have worked hard to develop commitment and trust in BHC from the travel agents in Bali, Australia, China, Japan, and Europe. We have developed strong trust with our business partners, local agents, wholesalers, and so on, and Ardika has been our connection with the local and international agencies.

Chandler emphasized: “The message to our employees and customers is we treat people the way we would like to be treated ourselves. Taking care of our relationships is a priority for us and that rule parallels the Balinese culture of caring for those around you and in the community.”

BHC’s sales manager, Ardika, commenced employment with the company in 1990, as a newly graduated junior in marketing. Chandler described him as a loyal, hardworking, and innovative manager, and reflected that, “There have been times when Ardika has been offered much more money from other businesses or our competitors to leave but he has always refused.”

Ardika started with BHC after graduating from the Bali Hotel School and believed “good fortune” provided him with the opportunity to join the company. Although he knew none of the managers when he commenced, he could see the company had potential to grow. He worked through the initial start-up period when it was difficult to attract customers but also saw demand start to grow and the outlook improve. Following the leadership of Chandler, Ardika over time collected the knowledge and experience to become a culturally sensitive and professional marketer. As a sales executive, his philosophy on how to grow the business was to meet people, talk to them, and find the best ways to support them and work together. From the beginning, every morning he would go the office to meet that day’s cruise customers with a smile, welcome them on board for their cruise, see them off from the jetty, and then get in his car and head out to visit the local hotels’ agents and tour companies to market BHC’s services and build its reputation.

Through these interactions, Ardika met and developed relationships with many people in the industry, including owners of hotels and travel companies. He realized that most people in these positions remained the same, or they moved to other companies in the same industry. He worked with his marketing director, Christine Cole. From the start, the two of them looked after BHC’s marketing. Following the Bali bombings in 2002, Cole left to pursue other options, leaving Ardika, then with 12 years’ experience, the opportunity to be in charge of sales. He believed in “treating your associates as your friend, talk to your friend, and treat your friend in a nice way.” He developed many trusted and loyal associates in Bali’s tourist industry.

Chandler and Ardika had innovative and complementary skills. They knew how to read the market and understood that Indonesians could be reluctant to come forward with feedback. Ardika described how “the Indonesians won’t tell you if you are doing it the right or wrong way unless you specifically ask them. You have to read between the lines and listen carefully.”

Competitors found these skills difficult to emulate, and BHC’s skill in reading and integrating with all stakeholders became a part of its competitive advantage. BHC trained its managers and senior staff to always pay strict attention to what was happening around them and to be proactive to take action at the first opportunity. Chandler’s Western business culture complemented Ardika’s Balinese business culture to produce a hybrid working culture and cross-cultural teamwork that has been difficult to emulate. As an indicator of BHC’s resultant advantage, only one competitor has set up and survived since BHC began in 1990.

the Spirits of Bali

Anyone who had experienced a Balinese dance, feast, cremation, marriage, event, or celebration could tell you that spirits played an important role in Balinese culture. For BHC, it was no different, and Ardika described how the spirits affected employees.

All of our BHC Balinese managers have to take their turn to take the boat over to the company’s resort on the nearby island of Nusa Lembongan on the weekends to check the accounts, supplies, human resources, and so on. They are all petrified because the island is supposedly haunted and has a reputation of black magic. The Balinese believe there is a spirit that manages the karma of this island and they [the spirits] are also our business partner. Spirits and gods play an important role in Balinese society, and businesses must also recognize and respect this.

The spirits are also reflected in the Indonesian employment policy that describes how companies must allow employees time off for important spiritual and religious ceremonies that may affect their family’s life.[[2]](#footnote-2)

Ardika, as a community leader in his village, attracted many requests from his family and other villagers for jobs at BHC. He claimed it was sometimes difficult to deal with these requests because “humble” people from the village didn’t have any hospitality experience and so they sometimes found it difficult to understand the hospitality industry, international tourists, and how to serve the BHC customers appropriately. He reflected on the BHC recruitment policy:

If we can find someone from my family or village who is able to take a position and do the right job, OK, we may hire them; however, I will only choose the person who can do the job well. In Balinese culture, everyone expects the family to be favoured; however, I will only choose family members who will be able to do well for the company. With 460 employees, we really need to get the best people to get the best results so we only hire the local people who are able to comfortably meet our requirements.[[3]](#footnote-3)

This business policy operated outside the traditional Balinese cultural norm of “providing jobs first for family members” and was an example of the BHC human resource management and business policy.

In a more Asian strategy, BHC’s general affairs manager, Perniawan Ketut, occupied a position described in Indonesian as *Kepala Bagian Umum*.[[4]](#footnote-4) His role was to manage the relationships with the Indonesian stakeholders and associates that BHC dealt with. He had been with BHC for 20 years and, in parallel with Balinese business culture, his primary mandate was to monitor and manage all the company’s important government, business, and village relationships. If BHC needed some legal, government, or community issue taken care of, then Ketut was tasked with finding out whom BHC needed to see (their background and their existing relationship with BHC), how to approach them, what procedures may be involved, and, when necessary, setting up the meeting in an appropriate time and place.[[5]](#footnote-5) BHC also employed an officer in Jakarta solely to look after the important relationships there, primarily with the Indonesian central government.

These roles were difficult for competitors to emulate but were important in a developing country that had a developing rule of law that contrasted a Western business environment. From the company’s perspective, BHC’s leader, Chandler, was prepared to take a step back from these issues and let the Balinese managers do business and communicate in their own way. Ardika commented:

Ketut takes care of our involvement with the important locals. This includes communication and maintaining understanding with the harbour authority, the customs, with the head of the region, the head of the village on Nusa Lembongan, and with the local people on the island. He is our connection and can arrange meetings and set them up for us.

Ardika noted that these meetings were primarily for building relationships and that BHC found personnel with the central and regional government needed to be monitored because they changed every few years. In contrast, at the BHC cruise destination of Nusa Lembongan, next to Bali,[[6]](#footnote-6) the village personnel and lifestyle were much slower to change. Communications with the stakeholders on this island differed from dealing with stakeholders on Bali, and Ardika and Ketut needed to deal more with the Banjar, or the local village council. In this environment, change could be much slower, and employees remained in the same position much longer. On certain occasions, Ardika and Ketut could be required to go together to the island to talk to the people and the leaders. They were both Balinese, which meant they could speak the local language and explain clearly to the Lembongan leaders what BHC would like to do, listen to their concerns, respect and honour the local culture, and work together to meet the requirements of their international customers. As Ardika outlined:

Sometimes the Western way can be a little different to what is required so we find the right way to work with all of the local authorities to gain a good understanding and produce good outcomes. It’s a harmonious mixture of the local and international requirements. When there is good communication we can always find a solution. If the communication is unclear, things could go wrong.

BHC’s financial officer was Balinese, and he met with the taxation officials, the bank, and others to care for these relationships in the same way. Various BHC managers dealt with their own specific related government department; the length of time invested in managing these relationships across the company’s history was aimed at developing mutual understanding, respect, harmony, and clarity in communication between all parties. Ardika summed up the situation:

If these were Westerners dealing with Balinese officials, there may be communication barriers that could lead to misunderstandings. Doing business in Bali, there are a lot of cultural considerations that are important. Some things we do are different and sometimes there are unique considerations, and a little bit of flexibility and understanding is required. For example, some project may be on target to be finished in 12 days; however, we always add on a few days to the deadline to allow the flexibility that may be required to avoid going over. We like to keep everyone happy and the regular communication needs to be undertaken to make sure everything is finished on time. When we have an important deadline coming, we keep in contact with those involved about every two days to keep an eye on how the arrangements are developing. We do this with our suppliers, our designers, our printers, and so on, and we are always asking them, “How things are going? When will it be completed by?” We must keep monitoring everything. If we leave it and do not follow up, then things will come to a standstill.[[7]](#footnote-7)

Ardika built many strong connections over time, internally and externally, through working with stakeholders, finding solutions to difficulties, showing concern for the people in the business, and developing these relationships long term. Competitors have found this approach difficult to copy. Ardika and Ketut had built relationships with the government representatives to help maintain the flow of information, licences, and open communication to monitor any changes of policy that may be developing or being implemented. Ardika described the process:

When you begin the relationship, you should always talk about the family and their interests and eventually come to the topic you wish to discuss. If you don’t do this, then communication will be difficult. Dealing with the government we must be respectful so they will welcome us. We don’t get too close because, from time to time, there are some changes and turnover in personnel; however, we don’t get too far away either because they do change policies from time to time. Policy changes are not always communicated clearly so we communicate regularly to stay up to date with the regulations. We invite them to our promotions, marketing events, and dinners. We describe the process of helping each other as “scratch back, scratch back,” and we use it to keep up to date on policy developments.

Ardika and Ketut would keep in touch with the authorities, suppliers, and agents and continued to build their trust and loyalty using Balinese-style communication. They monitored information and legal changes continuously so BHC could keep up to date with any changes. In an environment of regular political policy change, Chandler, Ardika, and Ketut kept all communication channels open in an effort to maintain a contingent approach to management and strategy. Chandler knew, “Western managers would never be able to totally understand or think like the Balinese.”

Chandler followed a similar philosophy by recruiting a Chinese representative to manage the Chinese market, a Japanese representative to communicate with the Japanese market, and so on because he understood that BHC’s Western managers did not think the same way as these other foreign customers and agents. He and Ardika taught their representatives the BHC company philosophy and let them interpret and apply it appropriately in their market. This marketing philosophy brought BHC success, growth, and employee loyalty.

BHC had strict training programs to ensure no under-prepared employees ever reached positions of responsibility without having satisfied the criteria and skills development they needed to hold decision-making positions. Once these trainees were appointed to higher positions, senior BHC staff monitored their development carefully to avoid any possibility of error or danger. Often in these and other critical roles, expatriate staff ensured quality and safety were strictly maintained. The policy of employing expatriates in some positions of responsibility brought considerable experience, motivation, and the necessary skills to operate in challenging environments, especially on the sea, where safety was a priority. One example was Zac (a South African naval engineer) who was responsible for the diving that took place from the Lembongan pontoon. On board the BHC boat, he maintained a steady watch over his experienced and well-trained team, and safety remained paramount.

Andrew Sutherland—the new influence

BHC’s general manager, Andrew Sutherland, managed the day-to-day operations of BHC’s boats and facilities. He managed union issues; oversaw the logistics of carrying 150,000 people per year, including more than 400 employees (among them, 50 expatriates); and ensured that everything operated the way it should. He required adept contingency skills; clear communication skills; and the ability to identify and resolve challenges, work well with others, and motivate his employees to care about each other and get the job done. Sutherland described his workers as being “good friends, who are happy. We make a lot of jokes; however, when something needs to be done, we do it now, and we make sure it is done properly.”

In contrast to the Balinese style of management, Sutherland (who had been with BHC for seven years) provided a Western balance in decision-making on the commercial side. He started with BHC as a diving instructor in 2009, and after several years’ service, Chandler saw his potential and appointed him general manager. Sutherland interpreted Chandler’s directions from Australia and translated them to his team on the ground in Bali. Similar to Chandler and Ardika, Sutherland’s management skills were culturally appropriate for the decisions he needed to make, and the service he provided to the company was difficult to replicate. He helped transform a team of primarily Balinese employees with a background in a high power-distance[[8]](#footnote-8) culture into employees who had the confidence to achieve quality standards, speak up, and contribute to policy and operations.

BHC’s top Balinese catamaran captain described how he and Sutherland “sometimes disagree, argue, and even raise their voices a little bit.” Sutherland’s commercial reasoning skills and knowledge of both Balinese and expatriate cultures provided balance, ensured safety, and consolidated BHC’s competitive advantage. He listened to input from his team and usually managed to convince everyone to do things his way. His encouragement, management style, and cultural respect encouraged members of his team to have the confidence to put forward their point of view. One captain said, “He [Sutherland] will listen to my point of view. We don’t always agree, but together we can get a positive outcome for the company.”

Sutherland was also instrumental in convincing long-serving Chandler and Ardika about the benefits of making modern strategic changes for the betterment of the company, including upgrading BHC’s information technology (IT) capability and services that had begun to replace some of the jobs formerly done manually by older employees; bookings that were formerly confirmed by staff over the telephone could be completed online. He worked with the Balinese Maritime Union, managing these relationships, and could clearly disseminate BHC’s situation, while always working toward maintaining the two parties’ respect for each other.

Operations were constantly being refined and were sometimes reworked under Sutherland’s guidance and his leadership team, which comprised four expatriates and five Balinese managers. They met every Monday to work through any projects, programs, and important issues, and to upgrade and modernize processes and policies under consideration. The team had a competitive spirit, and its bottom line was a collective commitment to move the company forward in a positive way.

Sutherland also cited the low turnover in employees as a positive feature:

There may be turnover in engineers who are in demand globally and can be tempted from external sources but after employees have been here a year they usually stay. Overall our number of expatriate employees leaving is minimal and our local Balinese or Indonesian workforce leaving or retiring is close to zero.

However, employee turnover could become a concern, as technology began to replace some positions.

At BHC’s offices in Benoa, the staff were content, working hard, and committed to doing well. It was a busy workplace, and the method and quality could be seen in the office’s administration, from the employees at the front counter through to the marketing team, the accounts team, and the transport team which managed schedules in the back offices. On the boats, pontoons, and islands, the employees demonstrated teamwork. Employees felt a commitment to quality and safety, and they seemed proud to wear the BHC uniform.

BHC took time and care to look after the local Balinese tour agents and contractors. When the company began in 1990, Chandler had started with a couple of wholesaler travel agents he knew well, and they worked directly with him, but now the local commercial agents did most of BHC’s business. For the Europeans and Japanese markets, BHC sourced most of its customers from local agents in these countries. BHC supported its agents at trade shows in Europe and ensured it was never competing with its local agents. At these exhibitions, visitors to the BHC stall who wanted to make a booking were directed to their local agent. Many local agents did not have the time to present or promote only the BHC product at such events so BHC went to many exhibitions to help attract customers to their agents and to add an extra presence.

As Chandler described:

We give the customers the contact of the local agent when such an agent exists and it makes our relationship even stronger. If there is no local agent, then we will try to help these customers directly. Due to the time zone differences in our customer bases, we prefer to have the local agents there take care of these customers.

Indonesia was not a society of confrontation, and preserving face was important. Consequently, in BHC’s daily communications and negotiations, managers tried not to openly criticize or expose errors made by those in any situation. Senior managers sometimes needed to be firm, and they believed it was important to do so with care and sensitivity so that employees would understand any message without being offended.

It had been effective to promote Chandler’s philosophy to “treat people as you would like them to treat you” to his team through Sutherland and Ardika. They had transferred the message to the Balinese, the Chinese manager, the Japanese manager, and through the employees to their customers. Chandler, Sutherland, and Ardika had contributed to creating a competitive advantage that was difficult to copy. They were “not afraid to get their hands dirty” and knew “how to get the job done.”

The BHC employees showed pride in their company, and many had worked there since the company began. As Ardika said:

We support our staff and employees during good times and bad. If they have any problems, then we help to sort them out if we can. Many employees are the original team members, and if we look after them like a family, then they look after us. If we have a tough period, then we tell them directly, and they work hard to support the company. As we carry more people on our cruises, we generate more wealth and the employees, suppliers, and agents all share in this.

In BHC’s typical year, the tourist seasons varied, with low occupancy from March to April and October to November. These were the quiet months because many Australian, European, and Asian students and their parents were involved in education programs in their home countries. From June to September the Europeans came in large numbers with the Australian visitors being more significant for Christmas and New Year vacations. As a result, the company’s maintenance program was in March–April in readiness for the expected increase in customers in June. The company did not lay off any workers during the low seasons but kept the same employees working the same number of hours all year. However, employees came from a range of religious backgrounds and were encouraged to take holidays in the low season, and everyone was prepared to work hard in the peak season.

As Ardika described:

Employees come from all backgrounds so we have no problems with multicultural interaction and communication. The religious beliefs are important also to our staff members and employees. On Nusa Lembongan, if there is a religious ceremony or festival that a significant number of employees need to attend then the BHC management team will send some staff from the Bali team to cover these employees’ work requirements.

The local religious and social activities were respected; however, flexibility was sometimes required. In peak seasons, BHC management would ask some workers to work in the morning before leaving for the religious ceremony in the afternoon. Communication was always clear, and employees were encouraged to do a good job and take care of both their social and employment responsibilities.

BHC had a professional monitoring program in operation in all areas of business. As Ardika summarized:

One must always be on the lookout for issues and if there is a problem, our team must work together to fix it. Questions like, “When can we complete it by?” and “How sure are we about this timetable for repair?” need to be investigated. Monitoring communications is a requirement of successful business in Bali and to keep chasing a solution until a problem is solved is important.

BHC also exhibited a culture-specific treatment of its agents. In dealing with its European and Japanese markets, deadlines were important, so the BHC team needed to be more exact, whereas working with Balinese and some other Asian agents’ issues required more flexibility. Ardika noted:

Sometimes we need to be more exact with our international partners and more flexible with our Balinese partners to treat them both in a proper way. It is a bit like juggling. The Indian and Chinese markets are different so we treat them differently. We have a Chinese representative, and she is growing our market there. The Indians are professional, and the Chinese [tend to be more] demanding and will move very fast if they are not happy. They also bargain hard so we do not want to cross over these two markets. So, we try hard to keep them separate.

The Future

The competition continued to grow with BHC’s main competitor now vertically integrated through owning hotels, resorts, transport companies, and other tourism facilities. With the Balinese government aiming for 20 million visitors by 2020, there was little doubt that Bali’s two cruise companies would enjoy the growing demand to fill their boats in the low, mid, and high seasons. No new competitors were on the horizon, and Chandler, Ardika, and Sutherland believed BHC’s reputation and focus on quality would protect the company in the short to mid-term, and its continued innovation and diversification would keep BHC competitive in the long term. With such a large increase in Chinese tourists in Bali since 2012, it seemed reasonable to speculate that the next competitor may be from China.

The growth of IT in all industries meant that a significant number of the positions in administration could become redundant. Ardika and Chandler shared their journey with a considerable number of employees, and there would be no forced redundancies due to the relationships that they shared, some of which had developed since 1990.

From a national government perspective, an Indonesian election was scheduled to take place in 2017. If the proactive business government was re-elected, the Indonesian business culture could differ significantly compared with the scenario under a more conservative Muslim government. Predicting the outcome was difficult.

In terms of tourist volumes, the future for BHC seemed secure, with the Indonesian and Balinese governments aiming to attract 20 million visitors by 2019. However, the backgrounds and cultures of these tourists varied widely; mixing the Australians and Europeans with the Indians and the Chinese would be tricky. Each market had its own idiosyncrasies and different characteristics, so constant monitoring and a revised strategy might be needed.

Chandler, who was 77 years old, had been a strong and committed majority owner and had led the company in the right direction. It would be difficult to replace his entrepreneurship and knowledge of how to respect, enjoy, and cater to the spectrum of cultures incumbent among his Balinese, Javanese, Lembongan, and expatriate employees and BHC’s Australia, European, North American, Asian, and domestic customers. His 23 years working with Qantas Airways and twenty-six years leading BHC had seen him develop a résumé of international experience. His long-time partner, Ardika, was also in his mid-60s, and his cross-cultural communication skills were also a characteristic of BHC.

With the political, cultural, and technological worlds changing fast, what challenges lay ahead for BHC post-June 2017, and how could the company best prepare for them?

Exhibit 1: Estimated Accounts for Bali Hai cruises in 2016-17 (Au$1,000s)

|  |  |
| --- | --- |
| **Income** |  |
| Lembongan Cruises | 8,760 |
| Diving | 219 |
| Accommodation | 1,825 |
| Restaurants | 547 |
| Dinner Cruises | 1,280 |
| Special Cruises | 1,275 |
| **Total** | **13,906** |
|  |  |
| **Expenditures** |  |
| Fuel | 438 |
| Wages |  |
| Senior Staff | 165 |
| Middle Staff | 1,022 |
| Employees | 6,849 |
| Food | — |
| Lembongen Tour | 1,095 |
| Dinner Cruises | 480 |
| Employees | 1,343 |
| Power | 73 |
| Mini Buses | 159 |
| Australian Office | 121 |
| Wages | 350 |
| Maintenance | 200 |
| Banjar | 240 |
| Tax | not calculated yet |
| Harbour Fees | 104 |
|  |  |
| **Total** | 12,639 |
|  |  |
| **Net** | 1,267 |

Note: AU$ = Australian dollars; AU$1 = US$0.76 on July 13, 2017.

Source: Company files.

1. For a broader view of the company see “Bali Hai Beach Club Cruise—Nusa Lembongan,” YouTube video, 3:24, posted by Lembongan Day Tours, October 27, 2015, accessed August 4, 2017, https://www.youtube.com/user/BaliHaiCruises1;“Hai Tide Beach Resort HD—Nusa Lembongan Island,” YouTube video, 4:26, posted by Bali Hai Cruises, October 27, 2015, accessed August 4, 2017, https://youtu.be/jE70pOaG320. [↑](#footnote-ref-1)
2. For more on Balinese Culture see Jill Forshee, *Culture and Customs of Indonesia* (Westport, CT: Greenwood Press, 2006). [↑](#footnote-ref-2)
3. For more on human resource management practices in Bali see Mark Christopher Kelly, *Comparison of Human Resource Management Practices and Perceptions of Agri-Business Employees across Three Indonesian Subcultures* (Ann Arbor, MI: ProQuest Dissertations Publishing, 2008. [↑](#footnote-ref-3)
4. *Kepala Bagian Umum* basically translates to “relationship manager.” [↑](#footnote-ref-4)
5. Negotiation, mediation, and compromise were fundamental themes among the district’s individuals and institutions that needed to co-operate daily in a wide range of activities—political, economic, and religious. See Moses Belt Pounds, “Strategies of Negotiation in Three Realms of Balinese Society (Indonesia),” University Microfilms, 1984, accessed April 11, 2017. [↑](#footnote-ref-5)
6. For a map of the region see Google Maps, “Bali, Indonesia,” accessed April 6, 2017, www.google.com.au/maps/place/Bali/@-8.5453383,114.9957914,10z/data=!4m5!3m4!1s0x2dd22f7520fca7d3:0x2872b62cc456cd84!8m2!3d-8.3405389!4d115.0919509. [↑](#footnote-ref-6)
7. For more on the Balinese culture and the idiosyncrasies of such, see Linda Connor and Adrian Vickers, “Crisis, Citizenship, and Cosmopolitanism: Living in a Local and Global Risk Society in Bali,” *Indonesia* 75 (April 2003): 153–180, https://www.jstor.org/stable/3351311?seq=1#page\_scan\_tab\_contents. [↑](#footnote-ref-7)
8. For more on power distance see “Geert Hofstede: National Culture,” Itim: International, accessed April 17, 2017, https://geert-hofstede.com/national-culture.html. [↑](#footnote-ref-8)