

Innovation Management for Corporate Sustainability: Lessons from PT Bridgestone Tire Indonesia

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ABSTRAK: Tulisan ini bertujuan untuk menganalisis manajemen inovasi yang dilakukan oleh PT Bridgestone Tire Indonesia untuk mencapai keberlanjutan perusahaan. Dengan menggunakan pendekatan kualitatif dan triangulasi data ditemukan hasil penelitian sebagai berikut. Manajemen menerapkan prinsip kaizen dalam inovasi proses dan inovasi produk perusahaan. Selain itu, komitmen perusahaan untuk terus berinovasi dengan memperhatikan aspek keberlanjutan (lingkungan, ekonomi, dan sosial) diwujudkan dalam 8-E (energy, ecology, efficiency, extension, economy, ease, empowerment, dan emotion).

Kata kunci: manajemen, inovasi, keberlanjutan.

ABSTRACT: PT Bridgestone Tire Indonesia employs innovation management in order to achieve business sustainability, as discussed in this article. The study findings shown below were discovered using data triangulation and a qualitative technique. The management implements the kaizen principle, which guides the company's procedures and new product ideas. Furthermore, the 8-E (energy, ecology, efficiency, extension, economics, ease, empowerment, and emotion) demonstrates the company's commitment to continuous innovation while considering sustainability challenges (environment, economy, and social).

Keywords: management, innovation, sustainability.

1. INTRODUCTION

Every corporate entity is affected by the evolution of the business environment, which is characterized by technical advances and product variations. Business competition is getting increasingly complex as a result of industrial globalization, with competitors from both within and beyond the country. To thrive in the market, each company entity's performance must be considered (Wijaya et al., 2019). Management-led innovation is one of the factors that influence its performance.

Companies that innovate start or introduce something new, both in terms of process and product results (Hartini, 2012). This innovation undoubtedly leads to improved quality, providing a competitive advantage over similar products on the market (Lestari, 2019). If the company is able to achieve that goal, its performance will not only survive but significantly improve. Companies must generate innovation that addresses the issue of sustainable development, particularly the ninth goal, which is industry, innovation, and infrastructure (Fund, 2015; Sachs, 2012). Sustainability is defined in three (three) major areas: the environment, society, and the economy. Sustainable innovation necessitates a high level of managerial commitment (Hidalgo & Albors, 2008).

PT Bridgestone Tire Indonesia is one of the companies with good performance because it applies innovation management to its business activities. This company has been established for almost 1 (one) century. However, it only entered Indonesia about half a century ago, namely since 1973. Its main business activity is producing motor vehicle tires. Indeed, the development of the automotive industry since the establishment of PT Bridgestone Tire Indonesia until now has continued to grow. However, if the company does not develop sustainable innovation, then the company will not be able to

survive. Moreover, new competitors are born that are narrowing the market. This article will attempt to comprehensively describe the innovation management of PT Bridgestone Tire Indonesia so that it can be a lesson for other business entities in achieving corporate sustainability in the future.

2. METHOD

A qualitative approach is the right way to identify, describe, and analyze innovation management activities for corporate sustainability at PT Bridgestone Tire Indonesia located at Jalan Raya Bekasi, KM 27 Pondok Ungu, Harapan Jaya Village, North Bekasi, West Java. Because, to dissect the problem does not require mathematical operations or statistical data processing (Gerring, 2017). On the other hand, this research problem is holistic, complex, dynamic, and full of meaning so that it is impossible for data in this situation to be collected using a quantitative approach (Hennink et al., 2020).

From various existing data collection techniques, this study uses triangulation, which is a combination of participant observation, in-depth interviews with management, and documentation studies including literature studies for data analysis (Kim et al., 2017). Therefore, data source samples are selected purposively and snowball sampling which is temporary and will develop later after the researcher is in the field. Testing the validity of the data so that the data is credible is done through data validity testing. The test includes extending observations, increasing perseverance, peer discussions, member checks, and negative case analysis. Thus, qualitative data analysis is carried out interactively through the process of data reduction, data display, and verification.

3. RESULT AND DISCUSSION

The research results and discussion will be separated into two sub-chapters. First, the description of the results contains data obtained by researchers on PT Bridgestone Tire Indonesia from its initial establishment to innovations carried out by management. Second, qualitative analysis will reveal problems, assess, and draw conclusions from the perspective of innovation management theory.

3.1 Descriptive Data

PT Bridgestone Tire Indonesia is a company that produces and/or distributes motor vehicle tires for cars, commercial trucks, buses, light trucks & vans, forklifts, and motorcycles. The company not only produces inner tubes but also tubeless tires. Founded by Shojiro Ishibashi in 1931 and entered Indonesia in 1973, PT Bridgestone Tire Indonesia has a vision of "Serving the Community with the Highest Quality". The highest quality is not just an aspired goal, but also a company commitment in its business activities. This quality is related to products, services to consumers, and the use of cutting-edge technology. This commitment is a joint commitment of all elements of the company.

Historically, PT Bridgestone Tire Indonesia produced its first tires for trucks and buses in 1975. The following year, the company marketed them commercially to 42 agents and sub-agents throughout Indonesia. Then, the company marketed them to motor vehicle assembly companies as original equipment in 1977. The company's innovation continued to be carried out by producing radial tires for cars (sedans). The company's increasing performance required management to expand the factory in 1980. Based on company data (2024), there are currently around 3,300 permanent employees

spread across 2 (two) factories, namely Bekasi and Karawang, West Java. Meanwhile, according to Bridgestone's official website, there are around 14,106 employees who have joined (as of December 31, 2023). Further developments can be seen in the following table.

Table 1. Development of PT Bridgestone Tire Indonesia

Year	Information
1982	Inauguration of Bridgestone Skills Training Center and first export to New Caledonia (currently exporting to 71 countries across 5 continents).
1990	Establishment of a network of model stores to strengthen the marketing and development network (currently there are 377 model stores).
1994	The company obtained a Zero Accident Certificate from the Minister of Manpower of the Republic of Indonesia.
1995	The company obtained ISO 9002 quality certificate from LLOYD's register Quality Assurance Limited, UK.
1997	Construction of a new factory in East Karawang, West Java and obtaining ISO 9001 & QS 9000 quality accreditation.
1999	The launch of the first product with AQ DONUTS (Advance Quality Driver Oriented New Ultimate Tire Science) technology, namely the RE711 radial tire and the first export to the United States.
2000	ISO 14001 quality accreditation, inauguration of the Proving Ground (Tire Quality Test Circuit) and launch of the Turanza ER 60 tire.
2004	The company obtained ISO/TS -16949 quality accreditation.
2010	The company inaugurated BINEC (Bridgestone Indonesia Education Center).
2012	The company obtained certification and adoption of the Occupational Health & Safety Management System (OHSAS) 2007.
2014	The company is campaigning Ecopia Go Indonesia: a proof that Ecopia tires are fuel efficient.
2016	Ecopia EP150 which is designed for fuel efficiency has been selected as the OE tire for LCGC.
2021	The company innovated by creating Bridgestone One Stop Service (BOSS), Bridgestone Truck Center (BTC) with 1500 stores spread throughout Indonesia.
2024	Participating in the 2024 GIIAS exhibition in Tangerang

Sumber: <https://www.bridgestone.com/corporate/profile/>

3.2 Qualitative Analysis

To support PT Bridgestone Tire Indonesia to survive and expand in the future, the management innovates through the kaizen method. In theory, kaizen is a production technique that applies the principle of perfection because it involves continuous improvement of work (Smadi, 2009). Kaizen comes from Japanese which consists of two syllables, namely "kai" which means an action or change to improve and "zen" which means good. In Japanese culture, applying the kaizen principle means having the view that life should focus on continuous improvement efforts.

The implementation of the kaizen method at PT Bridgestone Tire Indonesia includes the concept of continuous improvement involving all employees from top management to lower management. It is easy to talk about and learn, but on the other hand there are also many obstacles in its implementation. This is because companies and/or entrepreneurs are often quickly satisfied when the level of business achievement is high and feel that they do not need continuous improvement or are less enthusiastic about improvement.

Different from companies that have consistently implemented the kaizen principle. At any level, it must always be improved and the company must be humble, this is important because it will always be able to see what must and needs to be improved. PT Bridgestone Tire Indonesia applies the kaizen principle in 3 (three) gen, namely genba (continuous improvement in the actual place), genbutsu (continuous improvement in the actual product), and genjutsu (continuous improvement in the actual thing). In addition, the management also always applies 5W + 1H (what, who, where, when, why and how) in its operational activities.

Innovation management implemented by PT Bridgestone Tire Indonesia is found in process innovation and product innovation. The management implements production methods that reduce waste and emissions and use more environmentally friendly raw materials. This is evidenced by the company's commitment to announce a global sustainability procurement policy on February 6, 2018. The policy is intended to help identify and evaluate suppliers, promote best practices, and act as a communication tool. The expected impact of the policy is the realization of long-term environmental, social, and economic sustainability both in the company's internal environment and the company's external environment.

PT Bridgestone Tire Indonesia implements 8 (eight) values that are the company's commitment to the community, customers, business partners, and suppliers. The eight values are energy, ecology, efficiency, extension/sustainability, economy, ease, empowerment, and emotion. These values will help stakeholders create new opportunities that can not only improve compliance, safety, and QCD (quality, cost, and delivery) but also create value for the entire supply chain. Management is committed to 100% environmentally friendly materials by 2050 and beyond.

The company realizes that to produce motor vehicle tires using natural rubber material. Therefore, sustainability in the procurement of raw materials is implemented by management by inviting farmers, suppliers, intermediaries, business partners, colleagues, industry groups, to NGOs (Non-Governmental Organizations) to work together to achieve these targets.

In terms of product innovation, PT Bridgestone Tire Indonesia always carries out product development so that the company can compete with similar tire companies such as Goodyear, Gajah Tunggal, Dunlop, Michelin, Achilles and so on. Product innovation is also continuously carried out to match what consumers expect. Market tastes are one

of the things that management considers in product innovation. The tendency of people to switch from fuel-based vehicles to electric-based vehicles is inseparable from the company's innovation management. This innovation is realized in enliten technology. This technology emphasizes the use of recirculation in the manufacturing process. In addition, this technology uses lighter materials so that tires can save fuel/electricity. Another advantage is that it is able to produce relatively low levels of wear and noise. The following is an example of an electric vehicle tire produced by PT Bridgestone Tire Indonesia:



Gambar 1a. Ban Mobil Konvensional



Gambar 1b. Ban Mobil Listrik

Basically, both types of tires above are the same as footwear and/or as load-bearing. However, electric car tires have different specifications compared to conventional car tires. The specificity lies in the optimization of its noise and there is rolling resistance. From the technology side to achieve its vision in contributing to realizing a sustainable environment, in developing its products it always refers to three factors, namely Environment, Safety, or driving safety and Satisfaction or customer satisfaction. From the environmental side, the development of tires with Low Rolling Resistance (LLR) technology is one solution to help reduce carbon gas emissions.

CONCLUSION

Sustainable innovation management at PT Bridgestone Tire Indonesia uses the kaizen principle which leads to process innovation and product innovation. This innovation takes into account environmental, social, and economic aspects that not only apply to the company's internal but also stakeholders outside the company, especially the community, customers (consumers), business partners, and suppliers. The implementation of this innovation is expected to have significant long-term benefits for the company. In addition, the company can also contribute to maintaining the availability of natural resources for future generations.

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