

Sustainable Development in Social, Economic and Cultural Context to Answer Global Challenges to Improve Community Welfare in Indonesia

Sabri^{1*}, Eka Febrianti², Asnah³, Rika Novita Sari³

^{1,2,3,4} Haji Agus Salim Institute of Technology and Business Bukittinggi,
Email: sabrisimabur@gmail.com*

INFO ARTIKEL

Riwayat Artikel:

Received : 8 Desember 2024

Revised : 7 Desember 2024

Accepted : 12 Desember 2024

Keywords:

Sustainable Development,
Social, Economic, Cultural
and Welfare

Kata Kunci:

Pembangunan
Berkelanjutan, Sosial,
Ekonomi, Budaya dan
Kesejahteraan

DOI: 10.62335

ABSTRACT

Management is a series of processes that include planning, organizing, directing, and controlling activities to achieve organizational goals in an effective and efficient manner, using the resources owned by the organization. In modern development management, information technology is added as a tool to facilitate the operation of the development system to improve the welfare of society, especially in Indonesia. The implementation of development management that needs special attention, both at the national and regional government levels, includes the preparation of regional development plan documents, implementation of performance evaluations, monitoring regional development, and management of regional development management information systems. The purpose of this study is to see how development in the social, economic, and cultural contexts meets the needs of society and to examine what are the main concepts of development that are relevant to answering global and local challenges. This research method uses reference studies. From the results of this study it was found that development in the social, economic, and cultural contexts has a very significant role in meeting the needs of society, and the main concept of development that is relevant to answering global and local challenges is the concept of sustainable development.

ABSTRAK

Manajemen adalah rangkaian proses yang mencakup perencanaan, pengorganisasian, pengarahan, dan pengendalian aktivitas untuk mencapai tujuan organisasi dengan cara yang efektif dan efisien, menggunakan sumber daya yang dimiliki organisasi. Dalam manajemen pembangunan modern, teknologi informasi ditambahkan sebagai alat untuk mempermudah operasional sistem pembangunan guna meningkatkan kesejahteraan masyarakat khususnya di Indonesia. Pelaksanaan manajemen pembangunan yang perlu mendapat perhatian khusus, baik di tingkat pemerintahan nasional maupun daerah, mencakup penyusunan dokumen rencana pembangunan daerah, pelaksanaan evaluasi kinerja, pemantauan pembangunan daerah, serta

pengelolaan sistem informasi manajemen pembangunan daerah. Tujuan penelitian ini adalah untuk melihat bagaimana pembangunan dalam konteks sosial, ekonomi, dan budaya untuk memenuhi kebutuhan masyarakat serta untuk mengkaji apa saja konsep utama pembangunan yang relevan untuk menjawab tantangan global dan local. Metode penelitian ini adalah menggunakan studi referensi. Dari hasil penelitian ini ditemukan bahwa pembangunan dalam konteks sosial, ekonomi, dan budaya memiliki peran yang sangat signifikan guna memenuhi kebutuhan masyarakat, serta konsep utama pembangunan yang relevan untuk menjawab tantangan global dan local adalah konsep pembangunan yang berkelanjutan.

1. BACKGROUND OF THE PROBLEM

Management is a series of processes that include planning, organizing, directing, and controlling activities to achieve organizational goals in an effective and efficient manner, using the resources owned by the organization. Development management is an integrated system that includes the management of data and information supporting development policies, planning and budgeting, organizing and implementing development, controlling, evaluating, monitoring, and reporting the results of development implementation. In modern development management, information technology is added as a tool to facilitate the operation of the development system to improve welfare. Welfare is the main hope in human life and is the first step towards happiness. However, views on the limits of welfare vary, because each individual or group has different needs for goods and/or services. To achieve welfare, humans need to take certain actions, so that each individual or group will take different steps according to their respective needs.

The level of a person's welfare is determined by the extent to which he or she can obtain the goods and/or services needed. The state, as a result of a social contract between a group of people, has a role to provide the goods and/or services needed by its citizens. In this case, the state carries out its role through the government, which carries out development to meet the needs of these public goods and/or services. (Wrihatnolo 2010) The implementation of development management that needs special attention, both at the national and regional government levels, includes the preparation of regional development plan documents, the implementation of performance evaluations, monitoring regional development, and the management of regional development management information systems. To support this implementation, an understanding of various regulations is crucial, such as Law Number 25 of 2004 concerning the National Development Planning System (SPPN), Law Number 17 of 2003 concerning State Finance, and Law Number 23 of 2014 concerning Regional Government. With these regulatory bases, discussions on the principles of development management are very relevant to ensure that its implementation runs according to objectives.

Based on the background of the problems that have been stated above, the aim of this study is to see how development in the social, economic and cultural contexts meets the needs of society and to examine the main concepts of development that are relevant to answering global and local challenges using reference studies.

2. LITERATURE REVIEW

a. General Concept of Development Management

1. The meaning of management in development

Etymologically, the term management comes from Old French and Italian. In Old French, "management" means the art of organizing and executing, while in Italian, "meneggiare" means to control. (Rizal Putri et al. 2023)

In terminology, there are various definitions proposed by many experts. According to GR Terry, management is a special process that includes a series of planning, organizing, directing, and controlling actions carried out to achieve predetermined goals by utilizing human resources and other resources. The definition of management according to experts is as follows:

1. According to Handoko (1998), management is a process that begins with planning, organizing, directing, and supervising the implementation of activities by members of the organization and the use of resources in the organization, with the aim of achieving predetermined targets.
2. According to George R. Terry in Aditama (2020), management is a process that involves planning, organizing, directing, and controlling activities carried out to achieve predetermined goals by utilizing human resources and other resources.
3. According to John F. Mee in Aditama (2020), management is the art of achieving maximum results with minimal effort, so that prosperity can be achieved for leaders, workers, and society.
4. According to Terry in Nawawi (2011), management is the achievement of goals desired by a company or organization by involving the efforts of other people.
5. Meanwhile, according to Ricky W. Griffin (2004), management is a series of actions that include planning, organizing, arranging, and monitoring to achieve goals or objectives efficiently and effectively. (Desita 2021)

Thus, from the views of the experts above, it can be concluded that management is a process that involves planning, organizing, directing, and controlling to achieve predetermined goals. This process is carried out by utilizing human resources and other resources efficiently and effectively. Management can also be interpreted as the art of managing a business to achieve maximum results with minimal effort, in order to achieve welfare for all parties involved in the organization, including leaders, workers, and the community.

2. Management Functions

Management function is a fundamental element that must exist in management, acting as a guideline for managers (individuals who manage management) to carry out tasks to achieve goals. This is done through planning, organizing, coordinating, and controlling. Based on the definition of management, there are five main functions of management in a company, namely:

1. Planning (*plaining*)

Planning is an important element and basic function in management, because activities such as organizing, implementing, and controlling must be preceded by planning. In general, planning is defined as the process of selecting and connecting various facts and using assumptions regarding the future to visualize and formulate the steps needed to achieve the desired goals. (Siagan 2010)

2. Organizing

Organizing is a process that includes arranging, directing, coordinating, and controlling various resources, such as people, materials, funds, and machines, to achieve company goals. This process involves several main steps, including identifying the tasks to be completed, grouping those tasks, distributing tasks to individuals, delegating authority, assigning responsibility, and coordinating the relationship between authority and responsibility in various activities.

Organizing is a management function that plays an important role in arranging and coordinating the resources and activities of an organization in order to achieve its goals. Organizing principles, such as division of labor, departmentalization, and delegation of

authority, form the basis for creating an effective organizational structure. This process involves identifying the tasks to be performed, grouping the tasks into departments, and assigning resources and authority to support efficient operational implementation. Organizing is a management function that focuses on arranging and coordinating resources and activities to achieve organizational goals. Effective organizing is characterized by clear role divisions, optimal coordination, and an organizational structure that is appropriate to the needs and context of the organization. (Aditya wardhana 2024)

3. Directing

The final management function in business is to ensure that every activity or group in the business can achieve goals and targets in accordance with the planned managerial procedures. If there is a deviation from the plan, a manager is tasked with providing direction to address the problem so that it remains in line with the goals that have been set. (Rodríguez, Velastequí 2019)

4. Execution or *actuation*

Implementation or actuating is a stage in management that involves real action from a plan that has been prepared carefully and in detail. This process is usually carried out after the planning is considered ready, and simply, implementation can be interpreted as application. Actuating plays a vital role in the management process, distinct from other functions such as planning, organizing, and controlling, because it focuses directly on managing people. This function is often referred to as the core of management, as it involves efforts to motivate and direct members of the organization in carrying out their tasks.

According to GR Terry, quoted in Sukarna's book *Principles of Management*, actuating is an effort to arouse and encourage group members to work hard sincerely and in line with the plans and organization that have been determined by the leader. Overall, implementation or mobilization includes various efforts to make plans a reality, through direction and motivation aimed at encouraging members or employees to be able to carry out their duties optimally. (Sukarna 2011)

5. Supervision (*controlling*)

Supervision is a very important management function, because without supervision, the work that has been carried out cannot be guaranteed to be successful. This function aims to ensure that the company runs in accordance with the planned objectives. According to GR Terry, supervision is a process that involves setting standards, monitoring implementation, assessing the results of implementation, and if necessary, making improvements so that the activities carried out are in accordance with the plans and standards that have been set.

Meanwhile, Sondang P. Siagian defines supervision as the process of observing all organizational activities to ensure that all work is running according to a predetermined plan. Thus, supervision acts as a control tool to keep every organizational activity on the right track towards achieving goals. (Hasibuan 2019)

b. Development Indicators

Development indicators are measuring tools or parameters used to evaluate the extent to which a country has achieved its development goals. These indicators cover various aspects, such as economic growth, education levels, public health, and social welfare.

Some indicators that are often used include Gross Domestic Product (GDP), life expectancy, poverty rate, and access to basic services such as education and health. Selecting the right indicators is very important, because it can provide a deeper understanding of the social and economic conditions of a country, while also supporting the formulation of more effective policies.

However, development indicators do not only focus on quantitative aspects, but must also pay attention to qualitative dimensions that reflect the values and needs of society, so that development can run sustainably and inclusively. (Romi 2015)

According to Adisasmita (2006), development indicators cover several main aspects, namely:

1. The level of growth and equity of economic development, which measures the extent to which the economy is developing and its results are distributed evenly.
2. The level of community welfare and socialization, which reflects the quality of life and social conditions of the population.
3. The level of environmental sustainability, which assesses efforts to maintain the sustainability of ecosystems and natural resources.
4. The level of development balance, which refers to the harmony between development in various sectors and regions.
5. Optimization of space utilization, which measures the effectiveness of land and space use to support development activities.

Indicators of development success are interrelated and mutually influencing elements. When one indicator is achieved, its impact will spread to other related aspects. One of the main indicators of development is economic growth, which reflects the extent to which development has taken place. High levels of economic growth in a country usually have a positive impact on the welfare and social conditions of the community. However, if welfare is only felt by a handful of parties, then development cannot be said to be successful. Ideally, welfare should be felt evenly by all levels of society, so that development gaps between regions can be minimized.

Good development does not only focus on humans as the main subject, but also considers environmental sustainability. Humans, as inhabitants of planet earth, must maintain a balance between development and natural sustainability to avoid environmental damage that can threaten their own lives. Successful development must reflect harmony between humans and nature, prioritizing sustainable interactions.

In addition, development is inseparable from human needs to create space as a place for various activities, such as economic, social, cultural, and production. Optimal use of space is one of the important indicators in development. Ideally, development is carried out by considering the balance in the use of space, both for human interests and environmental sustainability.

Currently, environmental issues are a global concern, so environmentally friendly development is a must. According to Adisasmita, optimizing the use of space is one of the indicators of development. An example is the provision of green open spaces in urban areas as a form of space utilization that is oriented towards environmental sustainability. Although achieving ideal conditions in development is a big challenge, efforts towards it must continue to be made for the sustainability of human life and its environment. (Azfirmawarman, Magriasti, and Yulhendri 2023)

3. RESEARCH METHODS

This study uses a literature study method, which involves a series of library data collection activities, reading, recording, and analyzing data systematically, objectively, and critically. This study aims to explore development in a social, economic, and cultural context to reflect the needs of society based on relevant literature sources. The data collection process is carried out by utilizing various sources, such as books, scientific journals, academic articles, and other reliable sources related to this topic.

4. DISCUSSION

A. Development in a social, economic and cultural context in order to meet the needs of society

Development must be understood as a dynamic and sustainable concept, not as something static. Development is an orientation and a series of efforts that never end. Fundamentally, development is a process of social and economic change. The progress of development depends on humans and their social structure, so it does not only depend on government efforts alone.

The development process includes economic growth accompanied by changes (growth plus change) in various aspects, such as the transformation of the economic structure from the agricultural sector to the industrial or service sector, as well as institutional changes through regulation and reform. Well-planned development becomes a more rational and organized effort to improve people's welfare, especially for developing countries or regions. In a social context, development efforts are generally focused on developing values and attitudes that support renewal, development, and national development. This includes increasing motivation and a productive work spirit. Furthermore, this process also aims to encourage community maturity through effective development, encouragement, and energy management.

Meanwhile, in the economic field, development is directed at increasing capital and skills, which support each other to increase income and productivity per capita. One important aspect in this regard is capital fertilization, which is highly dependent on domestic savings, especially from the community. Therefore, various steps need to be taken to encourage increased savings as part of efforts to support economic growth. (subandi 2019)

According to Todaro, the success of economic development can be measured through the following three core values: ("Michael P. Todaro (b. 1942)" 2023)

1. The development of the community's ability to meet its basic needs, which includes access to basic needs such as food, clothing, shelter, education and health services.
2. Increasing people's sense of self-esteem as human beings, where development helps create conditions that enhance dignity and pride as individuals and as part of a community.
3. Increasing the ability of society to choose (freedom from servitude), namely the freedom to make decisions and live life without being bound by restrictive limitations.

Development, in Todaro's sense, is not only a physical process but also a reflection of the collective determination of society to strive for better living conditions through a combination of social, economic and institutional processes. To realize this better life, society needs to have three core goals:

1. Ability to meet basic needs evenly
2. A life of dignity and respect, and
3. Freedom to choose and determine the direction of their own lives

Development in the context of culture is defined as a process that aims to preserve, develop, and utilize local cultural values so that they can reflect the needs and identity of the community. In this case, cultural development is not only about maintaining tradition, but also adapting cultural elements to the dynamics of the times to improve the quality of life of the community as a whole.

B. Key development concepts that are relevant to answer global and local challenges

Facing global challenges such as climate change, social inequality, and economic crises, as well as local issues such as poverty, urbanization, and environmental degradation, effective development must focus on sustainability, inclusiveness, and adaptability. One of the main concepts in this regard is sustainable development, which encompasses three main pillars: economic, social, and environmental. The goal of this concept is to meet the needs of the present without compromising the ability of future generations to meet their own needs, in accordance with the principles of the *Sustainable Development Goals* (SDGs). In Indonesia, the implementation of sustainable development is seen in the management of natural resources based on ecosystems and low-carbon policies, which are relevant in dealing with climate change and environmental degradation. (Rozi and Khaddafi 2024)

In addition, inclusive development is essential to address social inequality, both at the global and local levels. This approach prioritizes the active involvement of communities, especially vulnerable groups such as women, children, and poor communities, in every stage of development. Thus, development does not only focus on economic growth, but also ensures a more equitable distribution of benefits. In Indonesia, for example, development that focuses on empowering local communities has been proven to improve the welfare of rural communities while reducing social inequality. (Sukardi 2016)

Another relevant concept is the circular economy, which focuses on resource efficiency through recycling, reusing, and reducing waste. Given the increasing impact of pollution and resource scarcity, the circular economy is becoming an increasingly important solution, both globally and locally. In Indonesia, the implementation of the circular economy can be seen in the management of plastic waste and the development of renewable energy, which not only contribute to environmental conservation but also create new economic opportunities. (Anggilia, Purnomo, and Hidayati 2021)

Technology is an important element in relevant development. Digital transformation and technological innovations such as the Internet of Things (IoT), big data, and renewable energy have accelerated the achievement of sustainable development goals. At the local level, technology is used to support various sectors such as precision agriculture, energy efficiency, and disaster management. Thus, technology not only provides solutions to global challenges, but also presents more specific solutions to address local problems in Indonesia.

Local wisdom plays a crucial role in realizing sustainable and adaptive development. Traditional knowledge held by indigenous communities, such as customary forest management and the subak irrigation system in Bali, offers appropriate solutions to address environmental and social challenges. This local wisdom-based approach also encourages active community participation in development, creates a sense of ownership of development efforts, and ensures its long-term sustainability. (Hasanuddin, Aqidah, and Nurdin 2021)

By integrating the concepts of sustainable development, inclusive development, circular economy, technology, and local wisdom, Indonesia can face both global and local challenges more effectively. Collaboration between the government, society, and the private sector will be the main key in achieving relevant and durable development in the future. This joint effort will

not only accelerate the achievement of sustainable development goals, but also ensure that the solutions implemented are in accordance with the local context, take into account cultural diversity, and support long-term economic and social sustainability. (Boyolali 2021)

5. CLOSING

National development aims to improve people's welfare through an approach that includes social, economic, and cultural aspects. Social development focuses on justice and equal access for all levels of society, while economic development is oriented towards inclusive growth, job creation, and poverty reduction. On the cultural side, development aims to preserve local values while encouraging social harmony.

The main concept of relevant development is sustainable development, which integrates economic, social and environmental pillars to address global challenges such as climate change, social inequality and uneven development. The core values underlying development are justice, inclusiveness, sustainability and transparency, to ensure that the benefits of development can be enjoyed fairly by all parties and do not damage the environment for future generations.

The main development goals include improving economic welfare, strengthening social cohesion, and preserving the environment. These goals aim to meet the short- and long-term needs of society. The main actors in development include the government, the private sector, civil society, academia, and international organizations, who need to work together to achieve effective and sustainable development goals. Overall, the goals and principles of national development are formulated to create synergy between economic, social, and environmental development, with the principles of inclusiveness and sustainability as the main foundation.

BIBLIOGRAPHY

- Aditya wardhana. 2024. *ORGANIZING IN MANAGEMENT* . Edited by Mahir Pradana. Central Java.
- Amrullah, Muhammad Faris, and Retno Indryani. 2023. "Sensitivity Analysis of Financial Feasibility of Sinergi Land Housing Development Project in Tuban." *ITS Engineering Journal* . <https://doi.org/10.12962/j23373539.v12i2.112636>.
- Anggilia, Mela, Joko Hadi Purnomo, and Niswatin Nurul Hidayati. 2021. "IMPLEMENTATION OF ISLAMIC BUSINESS ETHICS IN THE MANAGEMENT OF HCG (HIKMA COLLECTION GROUP) AT MIFTAHUL HIKMAH KARANG ISLAMIC BOARDING SCHOOL, PARENGAN DISTRICT, TUBAN REGENCY." *LISAN AL-HAL: Journal of Development of Thought and Culture* . <https://doi.org/10.35316/lisanalhal.v15i2.1344>.
- Azfirmawarman, Dony, Lince Magriasti, and Yulhendri Yulhendri. 2023. "Human Development Index in Indonesia." *Journal of Education and Counseling (JPDK)* . <https://doi.org/10.31004/jpdk.v5i5.22864>.
- Regional Infrastructure Development Agency. 2017. *Synchronization of Short -Term Development Programs and Financing 2018-2020* . <https://Bpiw.Pu.Go.Id> .
- Boyolali, University. 2021. "Intelektiva: Journal of Economics, Social & Humanities." *INTELEKTIVA: JOURNAL OF ECONOMICS, SOCIAL & HUMANITIES* .
- Desita, Yustia Ayu. 2021. "Chapter II Theoretical Basis." *Journal of Chemical Information and Modeling* 53 (9): 1689–99.
- Hasanuddin, Rostini, Nur Aqidah, and Jumiaty Nurdin. 2021. "Effectiveness of Village Fund Budget Utilization for Sustainable Development of Lamantu Village, Selayar Islands Regency." *Conomy Deposit Journal* .
- Hasibuan, Malayu SP 2019. *Management: Basics, Definitions, and Problems. Earth of Letters* .

- Hudi, Mohamad. 2018. "NATIONAL DEVELOPMENT PLANNING IN THE PRESIDENTIAL GOVERNMENT SYSTEM (Comparative Study Between the Model of the Main Outlines of State Policy and the National Development Planning System)."
- Kartono, Drajat Tri, and Hanif Nurcholis. 2016. "Concept and Theory of Development." *Village and Urban Community Development* IPEM4542/M: 23–24.
- "Michael P. Todaro (b. 1942)." 2023. In *Exemplary Economists*, 1 .
<https://doi.org/10.4337/9781782543114.00024>.
- Muljani, Srie, Mu'tasim Billah, Farida Pulansari, and Titi Susilowati. 2022. "Implementation of Sustainable Development Through the Realization of Ecovillage in Galengdowo Village." *Altifani Journal of Research and Community Service* . <https://doi.org/10.25008/altifani.v2i6.298>.
- Rahayu, T., & Sari, M. 2021. "The Role of Civil Society in Social Development: A Case Study in Indonesia." *Journal of Social and Public Policy* .
- Rahmawati, Fanni. 2021. "Pillars Influencing the Development of the Creative Economy in Indonesia." *Economic Education and Entrepreneurship Journal* . <https://doi.org/10.23960/e3j/v4i2.159-164>.
- Rizal Putri, Vidiyanna, Nor Balkish Zakaria, Jamaliah Said, Maz Ainy Abdul Azis, and Mohammad Ravi Aditama Putra. 2023. "Management Incentives and Foreign Ownership Effect on Tax Avoidance with the Presence of Credit Risk." *Asia-Pacific Management Accounting Journal* .
<https://doi.org/10.24191/apmaj.v18i2-12>.
- Rodríguez, Velastequí, Maldonado. 2019. "Management and Executives" 3 (2): 1–23.
- Romi, Sukma. 2015. "Indicators of Success of Indonesian Development." *Bulletin of Organization and Apparatus* , 1–6.
- Rozi, Syukror, and Muammar Khaddafi. 2024. "The Impact of Carbon Markets on Corporate Finance in the Context of Environmental Policy" 7: 287–97.
- Sari, Tri Yunita, Heri Kurnia, Isrofiah Laela Khasanah, and Dina Nurayu Ningtyas. 2022. "Building Local Identity in the Era of Globalization to Preserve Endangered Culture and Traditions." *Academy of Social Science and Global Citizenship Journal* 2 (2): 76–84.
<https://doi.org/10.47200/aossagcj.v2i2.1842>.
- Siagan, Sondang P. 2010. "Human Resource Management." *Jakarta: Bumi Aksara* .
- Sopian, Hendri. 2023. "The Urgency of Realizing Sustainable Development in North Lampung Regency." *JMB Media Birokrasi* 5 (2): 133–54.
- subandi. 2019. *Development Economics (Introduction to Development Economics)* . *Professional Human Development Iv Development Economics* .
- Suharjo. 2017. "Preservation of Sundanese Cultural Values." *Science, Faculty of University, Communication* 7 (April): 20–31.
- Sukardi, - -. 2016. "THE ROLE OF LAW ENFORCEMENT IN ECONOMIC DEVELOPMENT." *Journal of Law & Development* . <https://doi.org/10.21143/jhp.vol46.no4.48>.
- Sukarna. 2011. *Fundamentals of Management* . *Mandar Maju* .
- Triwardani, Reny, and Christina Rochayanti. 2014. "Implementation of Cultural Village Policy in Efforts to Preserve Local Culture." *Reformasi* 4 (2): 102–10.
- Ummah, Masfi Sya'fiatul. 2019. "POAC Management. Or Planning, Organizing, Actuating, and Controlling." *Sustainability (Switzerland)* 11 (1): 1–14.
- Wrihatnolo, R. 2010. "Logic Model for Development Evaluation (IDPS, 2010)." *Academia.Edu* .
- Yunindyawati, Tri Agus Susanto, Eva Lidya, Lili Erlina, and Maulana. 2022. "Mapping of Actors and Networks of Relationships between Actors in Rural Development." *Journal of Extension* 18 (02): 307–22. <https://doi.org/10.25015/18202238766>.