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Entry mode strategy for oil services company in emerging country, case study PT. elnusa geosains-oil services company in Indonesia

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This presentation will describe about choosing the best entry mode strategy options in foreign market for emerging oil services company in Indonesia. The nature of simplistic view on relationships between timing of entry, which market to enter and what scale of entry. Identifying the right growth strategy is critical for building world-class business, but execution and governance determine whether companies in emerging market can realize their potential. The most important thing for emerging oil services company are they must have detail information about business practice in that market and degree of control for alliance strategy with trusted local firm partner, they should understand of how to manage risk in uncertain new markets, spend the cost of large scale capital investment, allocate human resources and manage culture in new established organization. Mistake made during the phase launch will erode the value creation of the company, in addition weak controls of this new organization can cost parent companies money and expose them to unexpected risk. Entry mode strategy will depend on these factors which are level of overall investment risk (political, economic and legal), companies financial resources to support each optional strategy, potential and trustworthy local partner for business alliance strategy and level of company's need of control in entry mode business entity.

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