

## INTERVIEW

# Interview with Tandean Rustandy

**PETER A. LILLBACK AND BENYAMIN INTAN**

(October 15, 2021)

**Tandean Rustandy** is the founder and CEO of PT Arwana Citramulia Tbk—a leading ceramic tiles manufacturer in Indonesia and one of the top-performing ceramic tile manufacturing companies in the world. He is a member of the Yale School of Management Advisory Board and the Advisory Board of the University of Indonesia’s Master of Management Program, is a trustee of the University of Chicago, and sits on the Council of the University of Chicago Booth School of Business. In 2017, the Social Enterprise Initiative Center of the University of Chicago Booth School of Business was renamed the Rustandy Center for Social Sector Innovation in honor of his commitment to philanthropy, environmental issues, and social justice. He obtained his Bachelor of Science from the Leeds School of Business, University of Colorado, and his Master of Business Administration from the University of Chicago Booth School of Business.

**PETER A. LILLBACK:** *Let us begin with a word of prayer.*

*Lord, would you bless our time of dialog and interaction with our brothers Tandean Rustandy and Benyamin Intan. We pray that it will be fruitful for your glory and that it will bless your people around the world. We thank you for the honor to spend this time in your presence and for your glory. And we ask in Christ’s name. Amen.*

*It is our pleasure to interview Tandeand Rustandy, an international businessman who has served in important positions in business in Indonesia, in the United States, and in Europe as well. So, I would like to begin by asking you a question about your personal faith. How did you become a Christian? When did your faith become personal to you?*

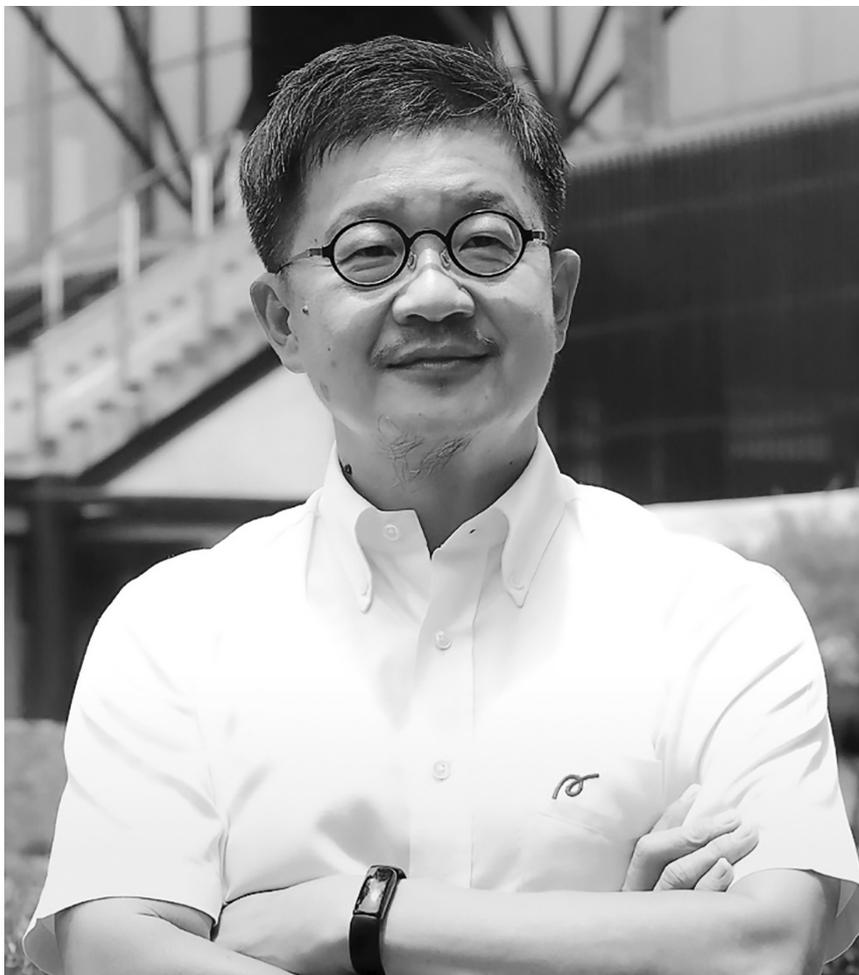
**TANDEAN RUSTANDY:** I got to know Christ in 1981, when I was in high school in Toronto, Canada, by reading and understanding the Bible. At first, I did not have faith at all but was following friends, going to church. God gave me chances to grow in faith gradually. From being charismatic, then becoming a Pentecostal when I came back to Indonesia in 1987, I gradually learned about Reformed theology, and that was a turning point for my life. I realized that whatever things we have, we have to give back, and that whatever we achieve is a blessing. If you are asking about my personal faith, I pray daily that God keeps giving me opportunities, because I live in the world. Every one of us lives in the world full of sin, so I am really afraid that I cannot finish the race [2 Tim 4:7]. I really hope that for the remainder of my life I can maintain the same kind of faith, fully submitted to God.

**PAL:** *At what stage in your life did you begin to think about a career in business? Is that something you aspired to from younger years, or did that develop later in your life?*

**TR:** As a third-generation Indonesian Chinese, I did not have any chance to serve as a doctor, a pilot, in the military, or working in government. Especially, coming from Kalimantan [Borneo], the only way was to study, find a job, and later start a business.

**PAL:** *You began your career by studying internationally. Where did you study, and how did that prepare you?*

**TR:** I am one of the few people in Indonesia who had the chance to study abroad. I attended secondary school in Singapore and in Canada. I did my undergraduate at CU Boulder [the University of Colorado Boulder] in finance, graduating in 1987, and then my MBA from the University of Chicago School of Business. The variety really built up my way of thinking. Since I was young, I have been studying abroad; that means that I had to be self-disciplined. When I was not a Christian, everything was about relying on myself and being disciplined. Humbleness is a very strong foundation for me, personally, especially because I was not from a wealthy family. Becoming a Christian improved my way of life. Before, my mindset was how to become someone through personal wealth. But as time moved on, I learned that although education is extremely important, faith made me



**TANDEAN RUSTANDY**

wiser—it informed me that no one in this life, even my parents, will sacrifice everything in the way Jesus sacrificed himself for me. I apply that when I do business; I think how I can sacrifice—of course, not the same way Jesus has done, but I try my utmost to sacrifice everything, to build people up. Being from a minority as a Christian entrepreneur, I like to cultivate the attitude of being salt [Matt 5:13], to give back and impact society.

**PAL:** *Upon your return to Indonesia, how did you decide on a particular business, and how have you developed that business?*

**TR:** When I got back in 1987, I did not have any idea of becoming an entrepreneur at all because I did not have the capital, the network. I was just thinking of a job, a salary, so that I could take care of my parents and my brother; that was my number one priority. I never thought about setting up a business. I had to look for a proper job to give back to my parents. As time moved on, I worked in the timber industry. I advanced in my position until I was second in the company, the CFO, but I was not satisfied because the company was not run in an effective way. What do I mean by that? A lot of entrepreneurs in business do not create institutional value, because what they care about is individual value. In a corporation that runs for a long time, you need to promote institutional value. That is why many businesses across the world do not last long unless they are run in a professional way. So, I quit and started my own business. I told myself, “Try to run it differently from the normal way in Indonesia.” I gradually put together the things I had learned from my education and from my faith to form a ceramic business. Indonesia is rich in natural resources, and most people, when they start out, like to get into the natural resource industry. However, I was not able to do that because I did not have the capital, so I got into the ceramic business.

**PAL:** *So, you put together some principles that are important for a business. What were the guiding principles? And how do they reflect your values as a Christian?*

**TR:** Before I started my business, I already had a vision. That vision was not only a slogan; I needed to understand it and apply it to my daily life and the business’s daily operation.<sup>1</sup> First, what is the vision of the company? Of course, everyone wants to be the best, so the first principle is, how to be the best? Secondly, how do you achieve this through creativity and innovation? You have to stay ahead of the curve by being creative and innovative and

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<sup>1</sup> “Our Vision: To be the best company in the ceramic industry, full of creativity and innovation, and able to contribute to the development of the country and the society.” Cf. Arwana Ceramics, 2022, <https://arwanacitra.com>.

not following others. You are thinking new things and innovating every day. The third principle comes from the Bible: How can I meaningfully contribute to society and the country, rather than just to the shareholders? So, striving to be the best through creativity and innovation means you always have to work in new ways. If you are successful, you have to give back everything to society, to the country—that is a meaningful contribution.

**PAL:** *Some principles that you also maintain, which I found unique when I toured your plant, are your concern for creation and the well-being of the environment. How did you make those decisions, and what have you done in a business that is highly material sensitive, that has polluting elements, to keep it clean, ecologically safe?*

**TR:** We apply the vision as to what is best. It is not how to become the largest, the wealthiest, but to be the best as a Christian. My business deals a lot with natural resources. My raw material, clay, is God given; my energy—not electric but LNG [liquid natural gas]—is God-given. Those running the company, the factory, are God-given human beings. I keep these three most important things in mind. We have to be best, number one. From Genesis 1, we learn that God created everything for us, but we need to be wise and responsible and to manage what God has given. So, it is about how to be green. Of course, I myself, I love greenery, I love peacefulness, and I love my people to be wealthy. But I have the mindset that God created everything and gave us responsibilities. If you accept Jesus as your Savior, then you understand about creation. This is why our factories are clean. We build up the environment and try to maintain and protect it. At the same time, we talk about preserving the environment, making use of material in an efficient way so as not to waste raw material. So, having the money does not mean that you just increase the capacity and produce more.

Dr. Intan, you are teaching the same subject, maybe for twenty or thirty years; the more you teach, the more you learn, in greater detail. It is the same thing running a business. You have opportunities to branch out, but you are focused on running the business. Do you excel?

So, God gives us an opportunity to be the best by focusing, functioning better in comparison with others. But the important thing is not only being focused but humanizing people, becoming more human. I think that is why the company has been doing so well from day one until now.

**PAL:** *As you have run businesses through the years, what was the greatest challenge you have faced as a businessman, and how has your Christian faith enabled you to address that challenge?*

**TR:** We face challenges every day, but the biggest is really *how can I control myself?* Starting a business is similar to entering professional sport, let us say, basketball. At first, you are a rookie; you have motivation, inspiration, and you never had any money before, and suddenly, you are paid so much. After a while, as you play basketball every day, your motivation will gradually go down. Likewise, with the same kind of business day after day, how do I make myself stay on top? How do I inspire and motivate myself? Number two, when you only have one dollar, and when you have five, are you the same person? There is entitlement: you have the money; you need to spend, to live that kind of lifestyle. In this respect, am I able to control myself and maintain the same way of life? Number three, to begin with, I had no power, no net worth, but now I have power and net worth, so how do I stay humble? Of course, you need competition to stay alive in business, and running a business is always a challenge, but the biggest challenge is always myself.

**PAL:** *Now you have had the opportunity to develop into broader international business scope, including the institutions you studied with in your earlier years. What role have you played in the schools where you studied now that your business has grown, and how do you care for the institutions that blessed you earlier in life?*

**TR:** Let me start with CU Boulder, which has for me a strong sentimental value because it was there that for the first time I lived in the real Western world. When I studied in my high school in Toronto, I still had a lot of Asian friends, but in Boulder, I did not have Asian friends and needed to work. My first paycheck was at CU Boulder. And I started at the lowest level, working in the dormitory, where I had the opportunity to build up trust. I kept thinking, *Why does the school give me an opportunity? I came with nothing.* Looking back, I benefited from the education and lifestyle at CU Boulder. I started my life, as I said earlier, with an emphasis on discipline and relying on myself to accomplish many things, and the school gave the best education, and that school is still surviving. As in the family, parents take care of everything, but children do not take care of the parents well. Likewise, in the church, conflicts occur, as I have experienced in charismatic and Pentecostal circles, and the church rejects its leaders. I did not want to neglect my alma mater, CU Boulder, that gave so much to me. CU Boulder is a public school—it belongs to the state—and yet it survives; its ranking keeps moving up. So, when I was blessed by God, in terms of money, I thought it was best for me to give it back rather than to spend it or to give it to my children. Of course, I have to give for the church work, for God's work, but I do it in a different way. The challenge is always to give back to education. I am extremely proud that at the time I started to talk with the dean of the

business school nine years ago, the ranking of the school was not top fifty, but today it is top twenty. They were willing to listen and to adapt. And though they do not have many resources, they are able to do it. And I asked myself, *is it enough?* I said, *not really*. At CU Boulder, the business and engineering schools are next to each other, but there was no connection between them; everyone is proud: “I am from the college of business!” “I am from the college of engineering!” Yet different colleges should work together. For instance, if in the business school you do not learn about ethics and just think about how to make money, it will lead to a crazy world. If the engineering students, being very specialized, do not understand about the economy, then they just become machines. So, they need to be in partnership. I proposed an idea: since the two colleges are so close to each other, why not start a partnership and have new courses, like an entrepreneurship class for engineering students, which students from both schools can take? An idea is an idea, but the most important thing is that God gave opportunities to prove that something could be done within the state and a public school. The last five years were not easy—a lot of states are short of funding for universities—and yet the University of Colorado was able to complete the building.<sup>2</sup> That is really a great joy.

**PAL:** *You also serve on the board of the Chicago Business School. What have been your insights into the business world from the vantage point of a business school and university board member?*

**TR:** As University of Chicago alumni, from the business school, we have that mindset that there should be no intervention—we have to do it by ourselves, we have to make the market create the market, the market creates the demand, and the demand creates the supply—a free market. So, when I was in the board of council of the Chicago Business School, I had an idea. In 1970, Milton Friedman, a Nobel prize winner from the university, wrote a very famous article in the *New York Times*, where he argued that the only social responsibility of big corporations is to get something, to make a profit, and only in this way they can give back.<sup>3</sup> I do not totally agree, as I believe

<sup>2</sup> “Business and Engineering Expansion: The Rustandy Building,” Leeds School of Business, Boulder, <https://www.colorado.edu/business/about/business-engineering-expansion>; cf. Julie Poppen, “Alumnus Tandeán Rustandy Makes Surprise 7-Figure Gift Announcement at Ribbon-Cutting,” *CU Boulder Today* (November 8, 2021), <https://www.colorado.edu/today/2021/11/08/alumnus-tandean-rustandy-makes-surprise-7-figure-gift-announcement-ribbon-cutting>.

<sup>3</sup> Milton Friedman, “A Friedman Doctrine—The Social Responsibility of Business Is to Increase Its Profits,” *The New York Times*, September 13, 1970, <https://www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html>; cf. <http://websites.umich.edu/~thecore/doc/Friedman.pdf>.

that the school cannot just teach people to make money and to excel in the corporate world, and so the idea of the Center for Social Sector Innovation was conceived. The center encourages smart, kind-hearted, well-educated people to go into nonprofit organizations and into the public sector. The idea that I am always trying to sell is that the school should train not only businesspeople for the corporate world but also smart and generous people to serve society. And then, thank God again, finally, some of the top-gun professors agreed with this kind of idea to support the social sector. This idea, at first a very small thing from a developing country, is now really accepted by scholars respected in their field. It is similar to the parable of the mustard seed, where a very small seed becomes a very big tree [Mark 4:31–32].

**PAL:** *Benyamin, are there any questions that you would like to ask Tandean?*

**BENYAMIN INTAN:** *Yes. In about two weeks, at CU Boulder, they will open a building combining business and engineering. Can you tell us why you think they are disciplines that cannot be separated? What do you mean by combining these two fields of study?*

**TR:** First of all, I am a graduate from the business school, with an accent on mathematics. The way I make a decision is based on numbers, and it is the same thing for an engineer; you cannot make a decision without making a calculation. But the majority of business graduates make a decision by selling an idea. An architect can build a house on a strong foundation that will last for one hundred years because it is based on calculation. By contrast, an economic forecast—rarely longer than five years—is most of the time wrong because it is not grounded in good modelling. Thus, a decision should not be made only on how well you can sell an idea but also by figuring out the data. That results in a better decision. Therefore, engineers by themselves cannot be the bosses; they need to work with entrepreneurs; similarly, businesspeople always want to be entrepreneurs, but they keep selling an idea that is not there, as it is often not properly grounded in calculations. As an aside, the Bible as the word of God is for me more trustworthy than the ideas sold in the corporate world. I am thankful to God for the opportunity he has given me to make a connection between business and engineering in the context of a public school and thus promote greater truthfulness in the business world.

**BI:** *You already told us about your contribution to the school you attended. Could you tell us about your contribution to Indonesia, both in your involvement with the armed forces and as an advisor to the board of the economy and business school of the University of Indonesia, considered one of the best in the country?*

**TR:** I think that the biggest contribution in my life is not outside but in Indonesia. In light of Ephesians 2:10, how can I make a meaningful contribution to society and to the country? I think that the best organized institution in Indonesia is the armed forces. I am not the kind of person who just gives money to nonprofit organizations or foundations, but I feel that I need to go one or two steps deeper. I need to build partnerships with institutions where people can instantly feel the difference. The armed forces is the right institution for me to work with, not because of friendship or connections, but because they share the value of serving the people of Indonesia. Moreover, they are willing to sacrifice without recognition. I always believed in that very simple principle. This is why I have a very close relationship with the armed forces.

The Indonesian economy has been run and is influenced by the Faculty of Economics and Business of the University of Indonesia. Indeed, most of its deans become government ministers—trade, finance, and national development ministers. Are they really good? I do not think so. If they were really good, Indonesia, being independent for so long, would be running in a proper way, like Singapore, Switzerland, or Germany, and many more countries. So when my close friend, Ted Snyder, finished his second term as a dean at the University of Chicago and was recruited to be the dean of the School of Management at Yale, he shared the idea with me that he would like to build the Global Network for Advanced Management (GNAM) with the goal that every country gets the best business school and to found a global alliance.<sup>4</sup> He asked me to introduce him to the three business schools in Indonesia so he could choose one. I started to do networking with the University of Indonesia and its faculty of economics. I argued, “If your school were really good, how come it is not even ranked withing the top one hundred? You need to learn from the best schools and be open to the management ideas.” Networking was not easy, but I believe that God gave me an opportunity when a new dean, Ted Snyder, was selected who had graduated from an Ivy League school and had a background in mathematics and statistics. He tried to make the partnership happen. I am very proud that now that the University of Indonesia is ranked with the top one hundred. That means you are selling something from a specific standpoint. The most important thing for me is not to be part of an advisory board but to have an impact. So, this is my involvement in higher education.

I am also concerned about lower education. The majority of Indonesians are poor and do not live in big cities, yet the majority of the better schools

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<sup>4</sup> “Global Network for Advanced Management (GNAM),” Yale and the World, <https://world.yale.edu/global-network-advanced-management-gnam>.

are in the big cities, so how can they get a better education? In my mind, we have to build up the vocational institutes to help create better opportunities for children who do not live in the big cities to go to better schools. So, I am involved with the army in building schools. For me, if you want to change the world, you have to start by changing education.

**BI:** *You are part of a project involving the government support of higher education. Can you tell us about that?*

**TR:** Yes, I am involved in a program related to the government and higher education—related to the Ministry of Education, Culture, Research and Technology. (Previously, it was under the previous minister, Muhammad Natsir, of the Ministry of Research and Higher Education.) The Indonesian government sends students to the United States and pays for the costs. However, if you are smart and go for a PhD program, you do not have to pay since the school will pay for you. Why then does the government have to spend that kind of money? The basic idea is to recruit the best students (undergraduate and graduate) in Indonesia and train them, for one or two years, just like in army training, by paying them a salary. We help them to apply to the best schools in the United States where they do not have to pay. In this way, you save money for the government. So, they prepare themselves and go to the schools they want to go to. The University of Chicago is a partner in mentoring them, to train them, to go to the better institutions and universities in the United States. I try to connect some institutions in Indonesia to send their best employees to study public policy. For instance, the Bank of Indonesia sends their best employees to Chicago. So that is the work.

I believe that human resources, human capital, is the most crucial resource in running the country to become better, to run corporations better; for that, you need a person with education and knowledge. This is also true in the church. I am not talking about the faith, but I believe that the church needs the help of people knowledgeable in business. For instance, although the Chicago Divinity School has top scholars, the dean of the school, being responsible for fundraising to keep on top and on par with the rest of the university, needs business expertise.

**BI:** *Maybe one last question. Can you tell us about the Rustandy Center for Social Sector Innovation at the University of Chicago, and what is its purpose or goal?*

**TR:** The school named the center after my family name.<sup>5</sup> Basically, my vision

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<sup>5</sup> “The Rustandy Center for Social Sector Innovation,” The University of Chicago Booth School of Business, 2004–2022, <https://www.chicagobooth.edu/research/rustandy>.

matches that of the tagline of the center, “Doing good is worth doing well.” Often, MBA graduates aim to go into big corporations: top companies, top paying jobs. That is what society in general views as a successful career. That is what most people who go to business school aspire to. But I do not necessarily agree with that notion. Business is not all about money. To be successful is not all about being rich or powerful. To me, business should not be all about profit but about creating value or impact. So a business school should teach its students about not just how to make money but also how to create value and make an impact in society.

Consider a graduate from business school who works for an NGO and is stationed in Nigeria. How much would he or she get? Maybe thirty to forty thousand dollars a year or so. The base salary would be relatively low compared to those who work in New York. But an expat in Nigeria can often expect everything to be provided: housing, transport, and living expenses on top of your salary—albeit the level of living is obviously of lower standard than in New York. So you get a low base salary but many perks or incentives. But the main incentive is that you will get a lot of experience and exposure in Nigeria. You will have to face challenges and figure out a lot of things. In the end, you will gain much more exposure, independence, and decision-making skills compared to if you were to work in the United States. What you get are these intangible assets that you would not get working a good or comfortable job in the United States. Let us consider another graduate who works in New York City and earns \$120,000. While your pay is higher, I would argue that your job is less meaningful. Furthermore, the cost of living and expenses are much higher in New York, and the consumerism culture is a lot stronger there. So you will earn more but spend a lot more; maybe even more than you earn. From this example, I would argue that people who choose to work in Nigeria would get more in the end. What you get is not just in monetary, but also some intangible, values. You might have a good life in New York, according to your expectations. But if you are working in Nigeria, you are acquiring new knowledge, you adapt yourself to a new environment, and you become a better person for the future. In Nigeria, your life will be more meaningful because you are creating impact and value to society. This exemplifies the idea I am trying to sell.

Likewise, Jesus, as God, came from heaven and chose to be born on earth. “For God so loved the world, that he gave his only Son” [John 3:16]. He came down to serve, to save us from our sins [cf. Phil 2:6–8]. Most people have this idea that in life we start at the bottom and have to keep going up. They want to climb up—monetarily, socially, and in terms of status; but I do not think that is all there is to life. I can be what I am today because I never think that

I need to be going all the way to the top. Rather, I always think how I can serve people lower and lower. It is counterintuitive, but the lower you go, the higher you go. You get more when you serve more. You gain everything when you let go of everything by following Jesus. This is the basic idea behind the Rustandy Center, which seeks to recruit people with a heart to serve in the social sector, for nonprofit organizations. This is a very simple idea.

**PAL:** *Is there anything that we did not ask you about that you would like to share with us, any final thoughts?*

**TR:** I would like just to add one small thought. I think that as Christians, we are too exclusive, and as Calvinists, we are extremely exclusive. And that is not what God wants us to be. Jesus said, you are like sheep among wolves [cf. Matt 10:16]. So, in our lives, we have to be proud as Christians, and we are to be proud to be Calvinists, but is this really what we want to apply in our daily lives? The simple quote from Mahatma Gandhi, “My life is my message” [cf. Jas 1:22]—we incarnate that by doing God’s work, serving his personal interest. I think that the idea of incarnating our message is taboo in the church. Is the church as an institution aligned with God’s values?

**PAL:** *Those are very searching questions that we need to meditate on. So, thank you very much. Maybe one more question and then I will conclude. As you look at the economy around the world today, is there any hope of it finding some normalcy? Or are we looking at a very difficult time given international debt, international tensions, and competition?*

**TR:** Everything comes back to the personal ego. Look at the United States; the rich are getting extremely rich, the poor extremely poor. For me, the most important thing about the economy is that God has given us everything; the problem comes from ourselves: we are too greedy and do not respect others. When you are rich, you do not want to listen the advice of others because you are very rich and powerful. I think that is wrong. Our current economic situation is not about shortages but greed. Some people like to work hard; some people do not want to work hard, and they complain. As we know from the Old Testament, fighting among tribes was common, and strife was also prevalent in the New Testament. Today, we keep fighting, and tomorrow we will keep fighting. So, it is time for all the religious leaders to think about the institutional value that God has given them; in that way, they will slowly influence people. I believe that we can make the world a better place not by relying on the president or the prime minister but by relying on God to touch the hearts of the people.

**PAL:** *Tandean, thank you so very much. We appreciate it. Ben, how about you conclude our time in prayer.*

**BI:** *Yes, shall we pray.*

*Our heavenly Father, we give thanks to you for the interview with Mr. Tandean this morning. We pray that this interview can be a means for your glory. We pray for Mr. Tandean, his family, his business, and his ministry in your kingdom through the company that you have entrusted to him. We pray also, Father, for Dr. Lillback and Westminster Theological Seminary, that you would help him as president to establish your kingdom through Westminster, to be a means for your glory as well. We pray also for STTRII and our Reformed Evangelical Movement in Jakarta, that you would help us to grow and to walk in your paths always. Thank you, Father. In Jesus's precious name we pray. Amen.*