STRATEGIC RECOMMENDATION ON CONSUMER FINANCING BUSINESS CENTER (CFBC) A PART OF CONSUMER BANKING DIVISION
PT BANK SYARIAH MANDIRI

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Abstract: The position of consumer financing PT Bank Syariah Mandiri (BSM) until the end of 2011 reached Rp16 trillion, where achievement is increased by 58.23% compared to the end of 2010. An increasing number of consumer financing is also accompanied by another achievements namely stable value of NPF. Management target consumer financing in 2015 amounted to Rp50 trillion. This journal is to formulate a strategy for Consumer Finance Division, particularly in the business unit Consumer Financing Business Center (CFBC). The strategy formulated by external analysis through STEEP (Sociocultural, Technological, Economic, Ecological, And Political-Legal Environmental Forces); industry analysis porter five-force, and industry matrix. While an internal analysis conducted by analysis of quality of service, with a SWOT analysis to know the root of the problem. The results of the external and internal aspects of SWOT then summarized in SFAS (Strategic Factor Analysis Summary). Strategy formulation derived from the TOWS matrix. SWOT analysis showed Consumer Finance Division is in the area grow and build with alternative strategies include intensive strategy (market penetration, market development, and product development) or integration strategies (backward integration, forward integration, and horizontal integration). Effort needs to be done is to optimize the acquisition of CFBC application from Development Cooperation by way of making a scheduled visit of CFE (Consumer Financing Executive) that are always monitored directly by CSM (Consumer Sales Manager). Implement a comprehensive B2B collaboration to potential developers. Optimizing referrals from the branch, propose to the Consumer Finance Division that branches provide referral incentives on KPI (Key Performance Indicator), so that the branches are encouraged to approach the developers. Create and develop talent management. Increase promotion through various media and several ways.

Keywords: Islamic banking, consumer finance, CFBC, grow and build, strategy.

Introduction

Current conditions faced by Islamic banks is increasing competition. Competition is not only with Islamic banks but also with conventional banks. Islamic banks have more rapid growth in the amount of 33.11% (year on year / yoy) in 2010, when compared to conventional banks only grew by 18.73% (yoy) in the same year. Despite the growth of Islamic banking is already high but still do not meet the targets set by Bank Indonesia, amounting to 5% of the assets of conventional banks

Currently, Islamic banking assets only reached 3.33% of the total assets of conventional banks. This small proportion of Islamic banking make PT Bank Syariah Mandiri setting a target in 2015 to become the dominant Islamic banks in Indonesia, which has assets of Rp 200 trillion and included in the top 10 national banks from asset scale. In order to achieve a predetermined asset, PT Bank Syariah Mandiri have breakthroughs which one of them is to increase the financing to companies (corporations) or to consumers

One of the dominant sector both conventional and Islamic banking is the consumer. According to the Ministry of Finance of the Republic of Indonesia Number 84/PMK.012/2006 concerning finance
companies, consumer finance is financing activities for the procurement of goods based on the needs of consumers with payment in installments. Based on the obtained data collection from 2009 to 2012 the proportion of consumer finance is always about 30% of the total financing, which means that consumer financing has not increased significantly each year.

2. Business Issue Exploration

2.1. Conceptual Framework

2.1.1. Matrik Industri
Analysis of industry matrix used to determine the relative position of consumer financing BSM with a competitor. This is in accordance with the opinion Wheelen and Hunger (2010:16) that:

“An industry matrix summarizes the key success factors within a particular industry. The matrix gives a weight for each factor based on how important that factor is for success within the industry. The matrix also specifies how well various competitors in the industry are responding to each factor.”

These comparisons BSM consumer financing than other banks by assuming the real value elements include price, cost, SLA, time, service excellence and customer segmentation.
Tabel 2.8 Comparison Value Element

<table>
<thead>
<tr>
<th>Kompetitor</th>
<th>Value Elements</th>
<th>Price</th>
<th>Biaya</th>
<th>SLA</th>
<th>Jangka Waktu</th>
<th>Service Excellence</th>
<th>Segmentasi nasabah</th>
</tr>
</thead>
<tbody>
<tr>
<td>BSM</td>
<td>Biaya adm., notaris, asuransi</td>
<td>12% s.d. 14% p.a.</td>
<td>3 – 5 hari</td>
<td>s.d. 15 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Muamalat</td>
<td>Biaya adm., notaris, asuransi</td>
<td>15% (evaluasi tiap 2 tahun)</td>
<td>1 bulan</td>
<td>s.d. 15 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>BRI Syariah</td>
<td>Biaya adm., notaris, jaminan, appraisai, pengikatan</td>
<td>13% s.d. 15% p.a.</td>
<td>Minimal 7 hari</td>
<td>s.d. 15 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>BNI Syariah</td>
<td>Biaya adm., provisi, notaris, jaminan, appraisai</td>
<td>9% s.d. 11% p.a.</td>
<td>1 minggu</td>
<td>s.d. 15 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Permata</td>
<td>Biaya provisi, adm. kredit, adm. belanja</td>
<td>8.75% p.a. (balcon payment)</td>
<td>5 hari kerja</td>
<td>s.d. 20 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>BII</td>
<td>Biaya adm., notaris, appraisai, asuransi, provisi</td>
<td>13.0% p.a. (balcon payment)</td>
<td>Minimal 7 hari</td>
<td>s.d. 15 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>BNI</td>
<td>Biaya adm., appraisai, asuransi, provisi</td>
<td>9.9% p.a. (balcon payment)</td>
<td>Minimal 2 minggu</td>
<td>s.d. 20 tahun</td>
<td>✓</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

2.2. Method of Data Collection and Analysis

2.2.1. Matrix industry
Matrix industry in addition to using focus groups, the research also involves the consumer as a rater. Determination of sample size was based consumer population in the period of January to December 2012 as many as 684 people. The reason for taking the population of consumers in 12 months time series in order to better describe CFBC achievement in terms of getting consumers. Then the determination of the amount of samples taken researcher takes the Arikunto (2005) which states “if the population size in excess of 100 people then the sample may amount to 10-25% of the members of the population. Based on these opinions, this research took 10% of the population so that the sample used is 70 respondents.

The survey then conducted using a questionnaire with closed-choice answers that respondents were given with each answer choice - each respondent was asked to fill out one of the most decisive answer to select BSM consumer finance.

2.2.2. Analysis of Quality of Service
The analysis aims to measure the service quality gap between service quality as perceived by employees of CFBC with the quality of service perceived by customers.

2.2.2.1. Determination of the sample
The samples in this study were divided into two raters. The first is an employee or staff at the CFBC. While the second rater is consumer financing customers. For samples of CFBC employees were selected that interact directly with customers as many as 10 employees. While the sample customer is in the Division of Consumer Finance Consumer financing quality smoothly. By using the principle of one to many customers possible that one person can serve 7 customer then the customer is a sample size for 10 x 7 = 70. The data, performed on clients who have received disbursements.

2.2.2.2. Survey methods
Method of data collection using a questionnaire in the form of a checklist. Alternative answers using the Likert 5 scale (Malhotra, 2008) with a valuation range of 1 (one) is very poor, 2 (two) is bad, 3 (three) were normal, 4 (four) was good, and 5 (five) is very good. The submission of the questionnaire through direct charging on arrival at CFBC or by telephone.
2.2.2.3. **Validity and reliability**

All dimensions of quality of service is valid with corrected item correlation value of more than 0.3. As for the reliability is greater than 0.6 so that the dimensions are reliable.

2.3. **Analysis of Business Situation**

2.3.1 **Matrix industry**

Processing speed is a factor that selected respondents at the time of financing consumers with CFBC BSM. While the requirement to have the lowest percentage was good employee product knowledge.

2.3.1 **Analysis of Quality of Service**

2.3.1.1. **Description of service quality gaps**

The results showed a higher ratio of customer reliability of the indicators of employee staff. It shows BSM already provide good reliability in customer.

The results showed a higher customer responsiveness than the indicators of employee staff. It shows BSM is less responsive in providing services to clients.
The results showed a higher assurance customer than indicators of employee staff. It shows what is warranted by the employee is not fully understood BSM customers.

The results showed a higher ratio of customer empathy than the indicator employee staff. This show is not maximized BSM employees give personal attention to the customer as the customer wants.

The results showed a higher ratio of tangible customer than the indicators employee staff. It shows employees BSM has not provided physical evidence comfortable on customer.
The results showed a slightly higher ratio of empathy customer than the indicators employee staff. It shows employees BSM has provided empathy on customer although not as much as customer want.

From the picture below shows that a positive gap of service quality (customer lower than staff employees) is the largest bank staff easily found if there is a business interest to be explained directly, both are employees will provide advice on issues relating to business customers. Negative gap of service quality (customer higher than staff employees) is the margin for the second term results and the approval process is not over 3-5 days.
2.4. Root Problems Analysis

Analysis of the root of the problem in this study formulated using SWOT Analysis. Identify the factors derived from the combination of internal factors, external and customer service quality gaps were decided in a Focus Group Discuss (FGD). FGD then prepared a questionnaire to give weight and scoring of factors - factors into Strength, Weaknesses, Opportunity, and Threats. Respondents and FGD participants who filled out questionnaires SWOT matrix taken 3 people from the management: Area Sales Manager, Disbursement Manager dan CFBC Head.

**Strategic Factor Analysis Summary (SFAS)**

<table>
<thead>
<tr>
<th>STRATEGIC FACTORS</th>
<th>Comment</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>S4</td>
<td>Alliance bank</td>
<td>0.06</td>
<td>3.33</td>
<td>0.20</td>
</tr>
<tr>
<td>S5</td>
<td>Approval period</td>
<td>0.08</td>
<td>2.67</td>
<td>0.21</td>
</tr>
<tr>
<td>S6</td>
<td>Responsiveness employee</td>
<td>0.06</td>
<td>3.00</td>
<td>0.18</td>
</tr>
<tr>
<td>S8</td>
<td>Prosedur</td>
<td>0.05</td>
<td>3.00</td>
<td>0.15</td>
</tr>
<tr>
<td>S9</td>
<td>Margin</td>
<td>0.08</td>
<td>4.00</td>
<td>0.32</td>
</tr>
<tr>
<td>W1</td>
<td>employee</td>
<td>0.02</td>
<td>2.00</td>
<td>0.04</td>
</tr>
</tbody>
</table>
From the table above were obtained dominant highest is the period of time for approval and margin results. While the factors with the lowest weight is employee competency.

3. Business Solution

3.1. Alternative Business Solutions
Alternative strategies using the Consumer Finance Division of factor inputs - strategic factors (SFAS) predefined.

3.1.1. Matrik Internal – External (IE)
IE matrix is used to obtain the position of Consumer Finance Division.
Based on the score IFAS namely 2.81 and 3.01 scores EFAS, the Consumer Finance Division of the portfolio is well positioned II cells. Ties II in the area grow and build with an alternative strategy by Fred R. David (2011:221) is an intensive strategy (market penetration, market development, and product development) or a strategy of integration (backward integration, forward integration, and horizontal integration).

### 3.2. Analysis Business Solutions

Selected strategies that will significantly affect the achievement of the Division of Consumer Finance 2015. The order of priorities selected the following strategy:

a. Optimizing acquisition application from the Developer Cooperation
b. Implement a comprehensive B2B collaboration to potential developers, .
c. Optimizing referrals from the branch, that branch proposed referral get incentives on KPI (Key Performance Indicator), so that the branches are encouraged to approach the developers.
d. Creating and developing talent management.
e. Clarify the procedures for analyzing and optimizing customers non fixed income.
f. Maintaining SLA (Service Level Agreement).
g. Programs Branch/CFBC/CFE contest.
h. Evaluation pricing Step Up 2 and 3 levels
i. To launch products PUMP (Advance Funding Housing) Jamsostek
j. The gathering developer
k. Joint marketing program with brokerage.
l. Having Griya promotion in the Print Media and Radio
m. Joint marketing program with developer: rewards program, cashback.
n. Hold join Expo with REI (Real Estate Indonesia) and Apersi (Asosiasi Perumahan Indonesia)

### 4. Conclusion and Implementation Plan

#### 4.1. Implementation plan

Strategy is the overall implementation of activities and choices required to implement the strategic plan

Strategies that have been further developed in the implementation schedule describing the priority short term, medium term and long term.
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<table>
<thead>
<tr>
<th>Activity Description</th>
<th>Time Frame</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimizing acquisition application from the Developer Cooperation by scheduling visits by CFE, and always monitored directly by the CSM.</td>
<td>Tahun 1</td>
<td>CFBC</td>
</tr>
<tr>
<td>The program is carried out every month for 5 year. Responsible for (Person in Charge) of the program is CFBC.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implement a comprehensive B2B collaboration to potential developers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The program is carried out every month for 5 year. Responsible for (Person in Charge) of the program is CFBC and consumer finance division.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optimizing referrals from the branch, that branch proposed referral get incentives on KPI (Key Performance Indicator).</td>
<td>Tahun 4</td>
<td></td>
</tr>
<tr>
<td>The program is carried out early 2013. Responsible for (Person in Charge) of the program is CFBC, consumer finance division and network division.</td>
<td>Tahun 5</td>
<td></td>
</tr>
<tr>
<td>Creating and developing talent management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Talent management development programs conducted 1 year in the second quarter. Development of talent management is also done by providing a career path or career path to employees:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CSM**: Consumer Sales Manager  
**DHC**: Human Capital Division  
**CFBC**: Consumer Financing Business Center  
**DJN**: Network Division  
**DPK**: Consumer Finance Division

### 4.2. Schedule of Implementation Strategy

a. Optimizing acquisition application from the Developer Cooperation by scheduling visits by CFE, and always monitored directly by the CSM.  
The program is carried out every month for 5 year. Responsible for (Person in Charge) of the program is CFBC.

b. Implement a comprehensive B2B collaboration to potential developers  
The program is carried out every month for 5 year. Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

c. Optimizing referrals from the branch, that branch proposed referral get incentives on KPI (Key Performance Indicator).  
The program is carried out early 2013. Responsible for (Person in Charge) of the program is CFBC, consumer finance division and network division.

d. Creating and developing talent management  
Talent management development programs conducted 1 year in the second quarter. Development of talent management is also done by providing a career path or career path to employees:
Career path recommended

e. Clarify the procedures for analyzing and optimizing customers non fixed income.
   The program is carried out early 2013. Responsible for (Person in Charge) of the program is consumer finance division and risk management division.

f. Maintaining SLA (Service Level Agreement).
   Responsible for (Person in Charge) of the program is CFBC.

g. Programs Branch/CFBC/CFE contest
   Conducted 2 times in a year. Responsible for (Person in Charge) of the program is CFBC, consumer finance division and human capital division.

h. Evaluation pricing Step Up 2 and 3 levels
   Responsible for (Person in Charge) of the program is consumer finance division and risk management division.

i. To launch products PUMP (Advance Funding Housing) Jamsostek
   Responsible for (Person in Charge) of the program is consumer finance division.

j. The gathering developer
   Gathering with developers do every once in a year Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

k. Joint marketing program with brokerage
   Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

l. Having Griya promotion in the Print Media and Radio
   Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

m. Joint marketing program with developer: rewards program, cashback
   Planned to be conducted in the third quarter in 2013. Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

n. Hold join Expo with REI (Real Estate Indonesia) and Apersi (Asosiasi Perumahan Indonesia)
   Responsible for (Person in Charge) of the program is CFBC and consumer finance division.

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