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BUSINESS STRATEGY OF PT BANK DKI OTISTA BRANCH

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ABSTRACT : In the era of globalization, many companies compete to get more profit. One of them is a banking company. This competition does not only occur in state-owned commercial banks but also in Regional Government Banks (BPD). PT Bank DKI is one of the regional government banks that is developing. Therefore, PT Bank DKI needs to innovate the right business strategy in order to compete with other BPDs. Objectives: (1) identify the factors that influence the competitive advantage of PT Bank DKI; (2) analyzing internal and external factors that affect the competitiveness of PT Bank DKI using the Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) methods; (3) develop a competitive strategy for PT Bank DKI using the Internal-External (IE) and Strengths, Weakness, Opportunities, and Threats (SWOT) methods; (4) develop strategic priorities to increase the competitiveness of PT Bank DKI using the Quantitative Strategic Planning Matrix (QSPM) method. Quantitative research method by distributing questionnaires and interviews with the leaders of PT Bank DKI as marketing strategy decision makers. The results show that the strategy implemented by PT Bank DKI is still not effective. From the results of the study, suggested PT Bank DKI to use a market penetration business strategy in order to compete with other BPDs.

KEYWORDS : Business Strategy, Bank, Bank Business Strategy

I. INTRODUCTION

Bank is one of the financial institutions that produce financial services. The development of the banking industry in Indonesia is advancing according to the increasingly diverse needs of customers in the current digital era. One of the banks participating in the BPD's banking services business is PT Bank DKI. Nationally, PT Bank DKI is a conventional bank with a fairly large number of customers in the DKI Jakarta area.

PT Bank DKI is in third place for the BPD Book III ranking (core capital Rp 5 trillion – Rp 30 trillion) after PT Bank Jawa Tengah and PT Bank Jawa Timur Tbk version of Investor Magazine in 2019 (HA, 2019). Based on the results of bank.com performance data, it also shows that the position of PT Bank DKI is under other BPD banks such as PT Bank Jawa Tengah and PT Bank Jawa Timur. Based on the asset ranking, PT Bank DKI is ranked 26th, under PT Bank Jawa Tengah which is ranked 20th and PT Bank Jawa Timur which is ranked 22nd.

If the condition of the Bank remains like this without any settlement, follow-up and innovation from the Bank, then the Bank can lose both in terms of expenses and income of the Bank within a certain period of time, as well as in terms of the quality of the Bank's product itself. Therefore, the right business strategy is needed to be able to help resolve the short comings and problems faced by Bank DKI at this time.

The object of this research is the business strategy of Bank DKI. The main focus of Bank DKI's current strategy is to increase TPF (Third Party Funds) both retail and corporate funds. In increasing the TPF, Bank DKI created a new innovation, namely by creating a TPF program that could attract the attention of customers and prospective customers. The name of the DPK program is the JakOneVaganza Program which consists of the Extra Experience Program, Extra Rewards Program, Extra Gift Program, Premium Deposit Program, KilauEmasArisan Program, Flexi Giro Program, and Flexi Current Account Program.

PT Bank DKI Otista Branch is one of the branches that implement the business strategy. PT Bank DKI Otista branch was established in 2011 which consists of two SBOs (Sub-branches) and nineteen COs (Cash Offices). Based on data from Bank DKI in 2019, Bank DKI Otista Branch is one of the branches that has the highest number of TPF in PT Bank DKI. PT Bank DKI Otista Branch ranks 3rd branch with the largest TPF acquisition as of June 2019. PT Bank DKI Otista Branch has business strategies to be able to obtain a large number of TPF so that it can occupy a position as one of the branches with the largest TPF value.

From the description of the background of the problem, the author will review the business strategy of Bank DKI Otista branch which includes aspects of weaknesses and strengths from the company's internal side, threats and opportunities from external companies, as well as alternative strategies to increase sales.

II. LITERATURE REVIEW & THEORITICAL FRAMEWORK

a. Internal Evaluation Matrix (IFE)

The next input stage is carried out to see the determinant matrix of researchers to find out the right business strategy for Bank DKI in the future. Where the first matrix starts with the IFE Matrix which aims to summarize and evaluate two variables, namely the strengths (strengths), what is owned by a company and the weaknesses (weaknesses) that exist within the company's internal and this matrix also provides a basis for recognizing and evaluating relationships among these areas (David, 2016).

In measuring this matrix, the researcher uses the results of the SWOT analysis as a measurement indicator. The total weight score for PT Bank DKI Otista Branch is 4,220. This score is above the average of 2.5, indicating that PT Bank DKI Otista Branch has a strong internal position. And this score also shows that PT Bank DKI Branch Otista is able to maximize strengths and minimize existing weaknesses. It can maximize the large capital they have in expanding their business operations even further.

b. External Evaluation Matrix (EFE)

Based on the identification of the external environmental factors of PT Bank DKI Otista Branch described above, the EFE Matrix table is made by listing the external environmental factors of the company, then assigning weights based on the company's relative opportunities and threats and rankings based on the company's capabilities. the company and add up the total weighted score.

In measuring this matrix, the researcher uses the results of the SWOT analysis as a measurement indicator. The total weight score for PT Bank DKI Otista Branch is 3,361. This score is above the average of 2.50, indicating that PT Bank DKI Otista Branch has a fairly strong external position. And this score also shows that PT Bank DKI Otista Branch has been able to take advantage of opportunities and avoid existing threats. To take advantage of existing opportunities. His party can use the Government of Bank DKI as an investor and policy maker to support its newest program. Make policies that support because this relates to the use of capital that has been provided by the DKI Jakarta Government.

c. Determinants of Success / Competitive Profile Matrix (CPM) at PT Bank DKI OtistaBranch

The CPM matrix can be created after knowing the results of the ranking and weighting of the CPM factors. In determining its own success factors, Bank DKI's internal parties have formulated a number of success indicators which include fast service, increased investment credit distribution, consumer loyalty, promos provided, technology updates that are rapidly developing, flexible with more varied products, satisfactory service feedback.

There are three main competitors for PT Bank DKI, namely PT Bank Jawa Tengah and PT Bank JawaTimur. The total weight score for PT Bank DKI is in the first place with a score of 2.134 while the second place is obtained by PT Bank Jawa Tengah with a score of 1.628 then the lowest order is obtained by PT Bank JawaTimur with a score of 1.444. This score indicates that the competitive position of PT Bank DKI Otista Branch is first among its competitors. This shows that PT Bank DKI Otista Branch has a strong competitive profile with its competitors.

III. RESEARCH METHODOLOGY

Qualitative research methods are used to understand broadly and deeply about a problem in detail on a problem that is being studied. The research object chosen in this study is the marketing strategy at Bank DKI Otista Branch. Time Horizon used is Cross Sectional, where research refers to data collected by observing many things (such as individuals, companies or countries/regions) at the same point in time. Analysis of cross-sectional data usually consists of comparing differences between subjects.

In order to obtain valid data and results, we used data collection methods from literature studies, namely internal sources from Bank DKI. In addition, interviews were also conducted with employees and customers of Bank DKI. Questionnaires were also given to 3 (three) decision makers, namely the Head of Bank DKI Otista Branch, Deputy Head of Bank DKI Otista Branch, Consumptive Relationship Manager Coordinator to determine the weight and rating of internal and external factors as well as success factors for the Competitive Profile Matrix (CPM).

IV. RESULT AND DISCUSSION

In this study, the author will carry out a number of steps to explain the results of the study in order to answer the formulation of the problem that has been described previously. The author will describe the findings from the internal factor stage first, both in terms of strengths or weaknesses. Then it will continue on the

external stage. Then finally, with exposure to the SWOT analysis and the proposed alternative strategies obtained from the results of the preparation of the SWOT, IE, and grand strategy matrices. In formulating the strategy, there are several factors that need to be analyzed first. David (2016) revealed that there are three stages of analysis before formulating the business strategy itself, namely the input, matching, and decision stages.

1. SWOT Analysis

PT Bank DKI has a new innovation so that Bank DKI's products can be demanded by the public and are able to compete with Regional Government Banks and Private Banks even though Bank DKI itself is a third book bank. In developing its products, Bank DKI created a program called JakOneVaganza with the tag line "Program DPK Nabung Makin Untung". JakOneVaganza is a new TPF program innovation to attract customers and non-customers who can make people curious so that people are interested in joining the program. The program is specifically in the field of deposits or funds in the form of Premium Deposits, Extra Experience, Extra Rewards, Extra Gifts, ArisanKilauEmas and Giro Flexi.

Bank DKI has a number of internal strengths that can be maximized in strengthening their business strategy. Based on interviews that have been conducted, Bank DKI has a large capital from the DKI Jakarta Government where the resilience of BUMD's business and operations will last a long time. Bank DKI is the main contributor or partner of the DKI Jakarta government in the development process and the development of a saving culture in Jakarta. Have good products and services and be able to compete with other competing bank products and services. Rank 3 in the Net Promoter Score category (which indicates the level of customer willingness to recommend Bank DKI is quite high, namely IDR 5 trillion - IDR 30 trillion. Improved performance of information technology facilities and development of service networks as well as comprehensive employee competency development.

Talking about weaknesses internally, in the concept of internal and external determinants of the company according to Hilman (2014) there are internal factors that can be referred to as weaknesses of the company. There are five weaknesses from the internal side of Bank DKI that could be a threat to the sustainability of its business. The weakness starts with the ATM machine network which is still limited in Jakarta. Furthermore, there is no Bank DKI branch office outside Jakarta which makes it difficult for customers when they are outside Jakarta. Marketing activities for products and services are still lacking. Innovation is still lacking and technology infrastructure is still uneven.

Based on the internal factors that have been presented previously, Bank DKI can basically take advantage of all the opportunities that exist now. Take advantage of external opportunities that can support the business to keep going. With the support from the DKI Jakarta Government, the promotion of products owned by Bank DKI is easier, such as using the Jakarta Smart Card and Jack One for a number of transactions related to the DKI Jakarta Government. Many potential business partners they can work with to spread their wings again. As well as working with digital wallet companies to provide wider services to their customers. And no less important, Bank DKI has the full support of the DKI Jakarta Government as the largest shareholder and policy maker in the operational area of Bank DKI.

However, the process of compiling all external benefits that can be maximized by Bank DKI does not mean that it can avoid them from threats. Based on interviews conducted, the authors found that today's banking competition is very high, both from Regional Owned Enterprises (BUMD), State-Owned Enterprises (BUMN), and Private Banks. Consumers have the right and may choose to switch to substitute products such as Pegadaian to get a capital loan. Promo competition from other banks and the development of the banking ecosystem cannot be ignored.

2. INPUT STAGE

a. Internal Evaluation Matrix (IFE)

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3. MATCHING STAGE

At the stage of gathering information that affects the continuity of the company. The next stage is to utilize all this information in qualitative models of strategy formulation. The analytical tools used at this stage include the SWOT matrix, the Internal External matrix, and the Grand Strategy matrix.

a. SWOT Matrix

The SWOT matrix is useful in developing SO (strength-opportunity), WO (weakness-opportunity), ST (strength-threat) for the company's progress. The following are the results of the SWOT matrix from PT Bank DKI Otista Branch which leads to market penetration, market development, and product development.

b. IE Matrix

The IE Matrix aims to obtain an alternative strategy based on two dimensions on two key dimensions, namely the total weighted score and the EFE Matrix on the Y-axis and the total weighted score of the IFE Matrix on the X-axis. The IE Matrix positions the various divisions of an organization in a nine-cell view.

Based on the IFE Matrix, the total weight score of PT Bank DKI Otista Branch is 4.220. Then based on the EFE matrix, the total weight score is obtained with a value of 3,361. The following is the result of the IE Matrix of PT Bank DKI Otista Branch. In the IE matrix, PT Bank DKI Otista Branch is in Cell I. With a total IFE value of 4,220 and a total EFE value of 3,361. Companies that are included in Cell I are in a period of growing and building as well as holding and maintaining. Intensive strategy (market penetration and market development) or integration (backward integration, forward integration and horizontal integration) can be the most appropriate choice for the company.

c. Grand Strategy Matrix

The grand strategy matrix is made to determine the company's position in one of the quadrants based on two assessments, namely the company's competitive position which is known through the results of the CPM matrix and the growth of industries in Indonesia. Based on the results of the Competitive Profile Matrix (CPM) analysis, it is known that the CPM value of PT Bank DKI is 2.134, PT Bank Jawa Tengah 1.628, PT Bank Jawa Timur 1.444. PT Bank DKI's CPM value is in the first place and is the highest value compared to its competitors. So it can be concluded that PT Bank DKI is in a fairly strong competitive position.

The following is the result of the PT Bank DK grand strategy matrix using the David (2016) concept. It can be seen that the position of PT Bank DKI Otista Branch is in quadrant 1. Companies that are in quadrant I of the Grand Strategy Matrix have a perfect strategic position. In Quadrant I represents company with high market growth and strong competitive position. Companies in this quadrant have a very good

position. For this company, continuing to concentrate on the current market (market penetration and market development) and current products (product development) is a suitable strategy.

4. DECISION STAGE

The decision stage is the stage of making decisions in the application of the most suitable alternative strategy for PT Bank DKI Otista Branch after analyzing and analyzing the results of the alternative strategies of each matrix at the matching stage, namely, the SWOT matrix, IE matrix and the grand strategy matrix.

Table 1. Matrix Frequency

Alternative Strategy	Matching Methods	Frequency
Market Penetration	SWOT Matrix, IE Matrix, Grand Strategy Matrix	6
Market Development Strategy	SWOT Matrix, IE Matrix, Grand Strategy Matrix	4
Product Development Strategy	SWOT Matrix, IE Matrix, Grand Strategy Matrix	2
Forward Integration Strategy	IE Matrix, Grand Strategy Matrix	1
Backward Integration Strategy	IE Matrix, Grand Strategy Matrix	1
Horizontal Integration Strategy	IE Matrix, Grand Strategy Matrix	1
Related Diversification Strategy	Grand Strategy Matrix	1

Based on the calculation of the alternatives above, it is known that the alternatives with the most frequency are market penetration, market development, and product development.

V. CONCLUSION AND SUGGESTIONS

Based on the results and discussion of the research presented by the author, it can be concluded several things as follows:

1. Bank DKI Jakarta Otista branch awares of the internal and external factors that determine future business development.
2. Its party has implemented a number of strategies based on the SWOT they have found.
3. However, there needs to be a change in business strategy from several lines, such as market penetration, product development, and market development for the sake of their business continuity.

In accordance with the objectives of this study, namely to find out the right way to implement a suitable, effective and efficient business strategy with the company's internal and external environmental conditions, as well as the strengths and weaknesses of PT Bank DKI Otista Branch, threats and opportunities that will be faced in an effort to increase revenue. company. So, the suggestions that can be given to the company, namely:

1. Based on the results of the QSPM, it can be suggested for PT Bank DKI Otista Branch to carry out a market penetrati on strategy.
2. Maximizing external potential and support from the DKI Government to continue to socialize and market their products.

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