SUMMARY

TEGUH SAPTONO. Commercial Retail Lending Business Strategy Case Studies BRI Bogor Pajajaran Branch Office. Supervised by BUNASOR SANIM dan IMAM TEGUH SAPTONO.

Intense competition in the banking business today, encouraging bankers to be more effective and efficient in this business. Although the lending process has been guided by the prudential banking principles through a variety of approaches and methods of comprehensive analysis, this process is basically just covering projection or estimate of the ability of prospective borrowers in making payments. This allows for the uncertainty in the loan business will give effect to the occurrence or possibility of deviation from the credit analysis process or commonly referred to as credit risk. The credit risk may lead to funds distributed can not be returned, the decrease in interest income, bank losses due to the increasing cost of reserves to cover non performing loans.

The purpose of this research were to identifying and analyzing the supporting and inhibiting factors of commercial retail lending, reviewing commercial retail lending procedures by PT. Bank Rakyat Indonesia (Persero) Tbk, Bogor Pajajaran Branch Office to prospective borrowers and formulate appropriate strategies in an effort to increase commercial retail lending.

The research method is case study with focused on commercial retail lending business process. The data are gathered by purposive sampling method by determining who are included in the research respondents and should really be known that the respondent can provide the desired information according to research problems. Respondents were selected with the consideration that the respondents has a skill / competency areas studied, involved in the lending process, understand the company's management, as well as having the competence and authority in the business.

The results showed that the influential internal factors in the business of commercial retail lending at BRI Bogor Pajajaran Branch Office are the location and BRI network, the types of commercial retail lending, human resources, education and training programs, reputation, funding business, marketing and product offerings, realization administrative costs, long process of credit analysis, information / business profile, loans negotiating, communication and monitoring with the debtor. Location and BRI network and the long process of credit analysis are the most influential factors because as the largest bank in Indonesia, BRI branches office has been established in the areas that have good business potential, so hopefully the branches will work to maximize the potential business for achieve the performance of banks, especially lending must be balanced with the length of the loan process in order to compete with similar business.

The influential external factors in the commercial retail lending at BRI Bogor Pajajaran Branch Office are increasingly critical customers, potential target market of lending, commercial retail lending needs, the development of information technology, government regulations on the business / retail industry, the number of banks competitor, bank competitors technology, alternative financing and bank facilities of competitors, consumer purchasing power, and credit risk. Potential target market of lending is very important because its may
allocate funds to debtors with performing loans in accordance with the business potential in the Bogor Pajajaran branch office.

In general, commercial retail lending business at BRI Bogor Pajajaran Branch Office was referring to the principle of prudential banking with reference to the BRI lending guidelines. Research results indicate that the priority of the recommended strategies in an effort to increase commercial retail lending at BRI Bogor Pajajaran Branch Office are to improve services, communications and the best relationship with customers to explore and develop business customers (6.081), accelerate and simplify the evaluation process with fixed priority prudential banking (5.876), mapping potential business or target market in order to market loans product (5.466), to market and educate customers / prospective customers about the advantages, benefits and facilities of competitive and attractive retail lending products (5.446), increased use of information technology to assist in the credit lending process (5.216), determine and develop the target market / prospective customers proactively / marketing by design (5.200), improving credit quality monitoring to minimize credit risk (4.923), and increased competence of human resources through education and training programs (4.806).

Keywords: Management Strategy, Commercial Retail Lending, IFE, EFE, SWOT, QSPM