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**MODEL OF BANK MARKETING STRATEGY FOR INCREASED PRODUCTIVITY IN TURBULENCE OF MACROECONOMIC CONDITIONS – A CONCEPTUAL FRAMEWORK FOR BANK**

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**Abstract**

*This research aims to develop a marketing strategy model in banks through agents, based on supporting literature studies which can then be analyzed and developed into strategic priorities. This research contributes to the novelty of the analytical framework as input to develop marketing concepts through agents in banks as a strategy to increase productivity as well as efficiency. In addition, this research is also a model for developing marketing strategies for bank products and services through agents as a new channel that has not been developed by banks in Indonesia. The conceptual framework that is the result of this study can help banks build agency programs in order to develop business strategies that focus on bank efficiency, faced with the need to increase portfolios that become sources of bank income. A framework arranged that the theories of company policies, supporting facilities and networking development can be variables to produce competent and professional agents who can support the company's achievements by increase productive agents.*

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## INTRODUCTION

Currently, Indonesia is feeling the impact of the global economic slowdown and restrictions on activities due to the Covid-19 pandemic. Bank Indonesia (2021) mention that the domestic economy also experienced slowing growth. Indonesia's economic growth was recorded at 2.97% in the first quarter of 2020, although the Covid-19 pandemic only broke out in Indonesia at the end of the first quarter. Various institutions project that Indonesia's economic growth in 2020 will be in the range of -1.2% to 3% in 2020. Almost all business sectors feel the impact of the economy, including MSMEs. So far, the MSME sector is one of the business fields that has become a contributor to income for the Indonesian state. Based on The Ministry of Cooperatives and small and medium enterprises of the republic of Indonesia report, the sector is able to contribute more than 60% of GDP. MSMEs are considered to have the advantage to survive in crises, such as the economic crisis that occurred in 1998 which affected all business fields, but MSMEs are still able to contribute to state financial revenues. In addition to the impact of the economic slowdown, the MSME sector still faces several problems. The MSME sector is not only seen as related to business forms, but also requires government attention to help solve business obstacles, provide capital support assistance, to literacy for business development.

Budiarto et al (2018) said that the development of the MSME sector still experiences various obstacles, such as classic problems in terms of limited access to capital, marketing, and technology, as well as problems related to policies that are not partial to the MSME sector, such as basic electricity tariffs, MSME taxes, trade liberalization, and so on. The weak competitiveness of MSME products with foreign products is a challenge for MSMEs in the global era.

In terms of business capital support, many banks seize opportunities by focusing on MSME financing. In addition to being considered MSMEs are not vulnerable to crises, have a wide market coverage for bank business development, the nature of this business form that absorbs a lot of labor, it turns out that financing to MSMEs can provide benefits to banks. Both small and large banks take a role in financing MSMEs, ranging from a local scale per region and a national scale by establishing branches in the archipelago to get closer to the MSME market. However, the current condition of the MSME business

climate in Indonesia, makes many banks and financial institutions that focus on financing the MSME sector need to reformulate strategies to survive and even increase productivity. Within its business, the bank also faces internal and external challenges and obstacles. From the internal side, the performance of MSME lending banks described in financial performance reports often does not support business implementation. From the external side, obstacles come because they are faced with general economic conditions and business competition between banks, for example the development of the digitalization era which must be adapted and adopted in business activities in economic sectors, including the MSME sector, if they want to compete by providing convenience and speed of service. Banks need to adapt to shifts in business activities in these communities so that service improvements are needed. Some banks change their distribution channels by utilizing technology, some banks carry out cooperation strategies with Fintech (Financial Technology), and some banks develop their own digitalization services to serve the needs of MSME customers.

Hastuti et al (2020) said that the process of digitizing MSME marketing this year will still be the hottest topic and is still a big theme (hot news) of the digital world for MSME business people in Indonesia. This will be even more interesting if it is integrated with the big theme of fintech empowerment or financial technology in the field of MSMEs. Strategies to improve digitalization services alone are considered insufficient, but product marketers are needed who function as intermediaries between banks and the public so that the products and services offered can be enjoyed. Banks need to develop and innovate in terms of marketing strategies for their products and services, especially in addition to facing conditions where demand for credit by the public falls. It is even predicted that the macroeconomic impact will also affect bank profits due to bank operating costs and the level of reserves for NPLs (non-performing loans) which are expected to increase during the pandemic era.

In facing business dynamics and current challenges, bank leaders must have a clear direction in running the wheels of the company. The bank must have a strategy in maintaining its current business and a vision of the future as well as changes that must be faced and adapted. Banks need to map out their business strategies to keep producing, starting from basic things such as financial performance evaluation strategies, predicting performance results, determining effective operational strategies, and responding to

competition with challenger banks (fintech), and determining marketing strategies in order to penetrate the market.

The classic problem but still occurs is that banks are still faced with business competition among banks and financial institutions, which causes the portion of market penetration to be smaller, especially for banks that do not have a large number of branches, so banks are automatically required to manage their financial performance to be more effective and efficient. Against this condition In increasingly fierce competition, problems arise due to reduced resources and increasing customer satisfaction standards, so efficiency becomes very important. Efficiency is a factor that reflects the use of existing resources (inputs) to produce maximum output.

**Table 1.** Number of branches in group bank

Size / Bank Name	Large Bank (KBMI 4)		
	Bank ABC	Bank DEF	Bank GHI
Number of Branches	7980	2348	1248

Size / Bank Name	Small Bank (KBMI 1 & 2)		
	Bank XYZ	Bank RST	Bank VWX
Number of Branches	26	231	176

\*include supporting branch, cash, and syariah

Source: Processed data (2023)

According to Santoso (2010), efficiency in banking is a very basic problem to be solved, because efficiency will directly affect the probability and strength structure of bank capital (Capital Adequency Ratio) which is needed to maintain banking business performance. In measuring bank performance, an assessment of the bank's financial performance is generally carried out, namely Return on Asset (ROA), Return on Equity (ROE), Financing to Deposit Ratio (FDR), and Operating Expenses Operating Income (BOPO). This measurement is a consideration of the business strategy that will be taken by the bank, and the efficiency policy that will be taken in order to continue to generate profits.

According to Aviliani (2015), stated that commercial banks in Indonesia as a whole have not operated efficiently as seen from the most volatile banking performance indicator, namely BOPO as an efficiency indicator. A high BOPO indicates inefficient performance, as it signifies large operating costs to generate operating income. Increasing efficiency can be done by increasing revenue or or reducing costs. One of the efficiency efforts is the determination of marketing strategies using marketers who are considered efficient and effective, namely using the services of agents.

The conditions mentioned including the bank's operational obstacles and challenges were also felt by Bank XYZ and its strategic partners. Bank XYZ focuses on MSME financing, with a strategy of lending to the public through branches spread across Indonesia.

In cost management challenges, for example, in general, the majority of banks' operational expenses are caused by labor costs. Throughout 2019, Bank XYZ's workload reached Rp216.01 billion, an increase of 7.62% or Rp15.30 billion compared to the previous year of Rp200.70 billion. Meanwhile, the composition of salaries represents 69.18% of the Bank's total workload. These numbers become relatively large if not balanced with productivity that can generate bank income. Bank income in the form of margin income and fee base income must be able to cover the costs incurred. Margin income is obtained from credit interest paid by debtors while fee base income is obtained from administrative costs and services offered by the bank. So that to be able to make efficiency, it is done by minimizing exit costs or increasing revenue. In an effort to increase revenue, Bank XYZ increases productivity through marketing strategies through sales by bank marketing and by agents.

Bank XYZ has implemented a product marketing pilot project by agents since 2018 and until now product sales through agents have shown progressive performance. Agents are considered as productive distribution channels, because they are able to reach new markets that cannot be reached by marketing banks. In addition, agents are considered to have market knowledge that can enrich information in assessing credit decisions. For example, property sales who become agents are considered to have knowledge about the market value of land and buildings in an area, so that it becomes enrichment in credit decisions.

The use of agents as one of the marketing strategies is considered to provide benefits to banks, both financially and non-financially. Based on the theory proposed by Tyson (2006) states that today more and more organizations apply performance-based pay as part of the application of the concept of pay for position, pay for person, pay for performance (3P) in remuneration management. The general form of application can be in the form of commissions, incentives, or performance bonuses calculated based on performance achievements against the level of decision-making in the organization to foster their sense of ownership of the organization, because the advance or retreat of the organization is more or less in their hands. The application of performance-based pay makes the use of agent services by banks one of the strategic steps to continue running the business and increase the growth of loans disbursed, but still with measurable and efficient operational costs.

Besides providing benefits, including the expansion of marketing networks for banks that do not have many branches such as Bank XYZ and more measurable bank costs, the use of agents has special problems. As from the example presented by Mangani (2018) states that the agent selection process is not right, such as the selection of large and busy agents, the location of agents close to other agents or with mini marts or with bank offices that negatively affect the effectiveness of agents.

In addition, the disclosure of moral hazard behavior by branchless banking agents in the form of tariff mark-ups and pseudo-financial transactions, thus causing risks. For this reason, a comprehensive conceptual understanding of the bank's product and service marketing strategy by agents is needed so that the strategy implemented is right on target in accordance with the bank's target. The conceptual model that is expected to affect the performance of agents to become competent and professional agents so as to produce increased productivity and ultimately increase bank productivity and profits will be the model studied, among others related to company policies, management management, supporting facilities and networking development.

Research on agent management and efforts to increase productivity by agents is carried out as an effort to formulate a company strategy that uses agents as its marketing force massively. The variables thought to form the output were improved agent performance as measured by increased agent numbers, increased agent productivity and loyalty, and improved agent experience. Suspected variables include the company policy

prepared, available supporting facilities, and network development, and then forming competent and professional agent marketers so that the output produced can be obtained by the company.

Organizational policy is important because it includes a comprehensive view of the activities organized in the program, referring to the objectives of the organization. Company policies need to be made so that they are effective and can be implemented. According to Edward III (1980) resources are important in good policy implementation, and are used to see the extent to which resources affect policy implementation consisting of staff, information, resources and facilities. Failures that often occur in policy implementation, one of which is caused by staff / employees who are not adequate, sufficient, or incompetent in their fields. Increasing the number of staff and implementors alone is not enough to solve the problem of policy implementation, but it requires an adequacy of staff with the necessary skills and abilities (competent and capable) in implementing policies.

Second, information has two forms, namely first, information related to how to implement policies, second information about compliance data from implementers with established government rules and regulations. Third, in general, authority must be formal in order for orders to be carried out effectively. Authority is the authority or legitimacy for implementers in implementing politically determined policies. When authority does not exist, the power of implementors in the eyes of the public is not legitimized, which can thwart the implementation of public policy. But in other contexts, when formal authority is available, there is often a mistake in seeing the effectiveness of authority. On the one hand, the effectiveness of authority is required in policy implementation; But on the other hand, effectiveness will subside when authority is misused by executors in favor of their own interests or those of their groups.

Physical facilities are an important factor in policy implementation. The implementor may have sufficient, capable and competent staff, but without supporting facilities (facilities and infrastructure) the implementation of the policy will not be successful. Based on the assessment of these policy indicators, it is expected that the strategy built can contribute more significant growth to the bank.

It was stated by Mangani (2018) that there are several obstacles in the selection process and the practice of moral hazard behavior by branchless banking agents in the implementation of branchless banking programs. Therefore, what policies should be established include the overall activity of the agent, as well as other factors that are thought to support the performance of agent productivity. So that in addition to the elements in the general policy that regulates sales development by agents mentioned above, policies that need to be prepared include how the form of the program is run, agent development projects, social networking, and up to how to treat job achievement. These indicators are determined as part of company policy variables.

A program will not run perfectly if it is not equipped with supporting facilities, such as the availability of technology that helps work, work units that exist to serve the needs of agents and can act as representatives of the company, and also the availability of data that supports the process of control and strategic decision making that is evaluative.

To produce competent and professional agents, it is also necessary to form a network that is able to connect between agents with branches / head offices, as well as between agents and agents. The development of this network needs to be built in order to flow communication and information needed in the daily activities of agents. Through this relationship will be generated communication effectiveness so as to create knowledge management for companies and agents.

In connection with this, the formulation of the problem in this study is how conceptual the framework needed by banks to develop a marketing strategy model in banks through agents. Strauss and Corbin (1998) state that conceptual frameworks are important in data collection and analysis for each member of a research group, even conceptual frameworks are also used to develop theories. Turner (2001) states that conceptual frameworks can be used to facilitate and bridge the movement of people and social structures, understand social life, determine variations in social structure and social personal variations and relationships among these variations. Krippendorff (2004) states that the conceptual framework is the purpose and process of content analysis. The conceptual framework provides three objectives: prescriptive, analytical, and methodological. Prescriptive objectives to guide the conceptualization and design of research and content analysis practices. Analytical objectives to facilitate critical



investigation and comparison of content analysis. Methodological objectives to demonstrate performance criteria and precautionary standards applied by researchers in evaluating ongoing content analysis.

In detail, the research aims to develop a marketing strategy model in banks through agents, based on supporting literature studies which can then be analyzed and developed into strategic priorities. This research contributes to the novelty of the analytical framework as input to develop marketing concepts through agents in banks as a strategy to increase productivity as well as efficiency. In addition, this research is also a model for developing marketing strategies for bank products and services through agents as a new channel that has not been developed by banks in Indonesia.

## **METHOD**

Data collection and analysis are carried out by searching literature studies and observations. In this case, the theoretical basis for research is obtained through literature search derived both from books, other journals and from other reliable sources. In addition, the analysis of data and information used is carried out by observation methods, namely observation and research on how to develop bank marketing.

This research uses qualitative methods through building a conceptual framework for organizing and analyzing. Strauss and Corbin (2009) define qualitative research, which is a type of research whose findings are not obtained through statistical procedures or other forms of counting. According to Sugiyono (2013), qualitative research is a research method used to examine natural conditions, (as opposed to experiments) where researchers are the key instrument, data collection techniques are triangulated (combined), data analysis is inductive, and qualitative research results emphasize meaning rather than generalization.

The role of literature review in the conceptual framework can serve to identify relevant concepts, determine potential relationships or linkages between concepts, and to identify appropriate theories to determine which theoretical perspective to use (Van der Waldt, 2020). According to Creswell (2009), the theoretical framework includes the theory that the researcher will use, statements about the main hypotheses, who has used the theory, and how the theories will be adjusted and related to the determination of variables. Abstract concepts (constructs) must be translated into observable variables. The

conceptual framework is constructed by identifying important variables and the relationships between them.

Based on the results of journal searches in proquest and researchgate with the keywords bank agent, bank marketing and strategy, bank business model, bank employee competence and learning, bank financial success, researchers found at least 20 dissertations or theses and journals according to these keywords.

**Table 2.** Previous research

No	Researchers	Year	Finding
1	Mangani, Ktut Silvania	2018	The implementation of the branchless banking program shows several obstacles in the selection process and the practice of moral hazard behavior by branchless banking agents. Improper agent selection processes, such as selection of large and busy agents, location of agents close to other agents or with mini marts or with bank offices that negatively affect the effectiveness of agents. In addition, the disclosure of moral hazard behavior by branchless banking agents in the form of tariff markups and pseudo-financial transactions, thus causing risks.
2	Paulette D. Gadison,	2016	Project success variables depend specifically on respondent education, project respondent management experience, respondent certification, organization type and PMO maturity. The age, gender of respondents, ethnic respondents and industry type were found unable to predict project performance. Higher levels of education score the importance of achieving project success higher. Three main findings related to resources, namely the quality of leadership relationships, PMO maturity and project performance prediction. PMO leadership in expertise and reward power was perceived by respondents to be more successful in achieving project success. PMO leaders who scored higher in the quality of the Leader-Member Exchange relationship were perceived as experiencing more project success. Project PMOs, Centers of Excellence and/or Strategic PMOs have a greater impact on respondents' perceptions to improve project performance than Business PMOs. This finding highlights the importance of developing PMO expertise to be more strategic for project performance improvement. In addition, the relationship between resources is used by the PMO leader as a factor in predicting project outcomes while emphasizing the importance of the quality of the relationship between the leader and followers.
3	Gultom, Lasmaida	2016	Organizational structure, organizational culture, and human resources have a real and strong relationship with the ethics of commercial banks in Indonesia. Organizational structure, organizational culture, and human resources have a real and strong relationship with the performance of commercial banks in Indonesia in conducting their business.

- |    |                                  |      |  |
|----|----------------------------------|------|--|
| 4  | Wicaksono,<br>Sarwo Edi          | 2019 | The business model is run by expanding the bank's agent network. Bank agents are expected to act as the core of the cell, and help develop community cells that transact non-cash. Provision of process and technology support that supports integrative solutions. This business model can only be realized with a common vision, collaboration and coordination between units, and fair performance recognition rules. |
| 5  | Apriadi, Intan                   | 2017 | Increased competition will cause the level of banking efficiency to decrease. Increased stability will increase the level of banking efficiency. Increased efficiency will increase banking competition. Stability does not significantly affect the competition. Increased competition will decrease banking stability. Efficiency does not significantly affect banking stability in Indonesia.                        |
| 6  | Sudibyoy, Sri<br>Darmadi         | 2018 | The reason respondents from banks still make transactions in cash, is because of inadequate infrastructure considerations, reasons for free transaction fees, human resources at merchants do not support, there is no minimum transaction limit and because they are not sure about security aspects.   |
| 7  | Wasiyo ,<br>Khaita               | 2009 | The following factors have a significant influence on predicting improvements in project management: the presence of PMOs, causal clarity, lesson life cycles, social capital, and proactive knowledge accessibility.  |
| 8  | Santoso, Tri<br>Ruddy            | 2010 | Mergers and acquisitions will not necessarily cause efficiency if the bank cannot control the burden of interest and labor costs in its internal environment, as well as make bank assets more productive by providing loans to quality external parties and reducing lending to bank related parties.   |
| 9  | Triyonggo, Y                     | 2016 | A number of new competencies that need to be added in the context of human resource management are the ability to understand the operational activities of the organization's business processes, the ability to use social media to support the role as a practitioner, project management to handle projects that are in line with organizational needs, and financial measures of human resources.                    |
| 10 | Aviliani                         | 2015 | The most volatile indicator of banking performance is BOPO which is an indicator of efficiency. Increasing efficiency can be done by increasing revenue and / or reducing expenses / costs. Increasing revenue requires a more complex and comprehensive strategy than decreasing costs.   |
| 11 | Hariadi,<br>Slamet               | 2018 | The priority elements to develop integrated supervision of the distribution and guarantee of People's Business Loans sequentially are (1) Graduated Debtors, (2) NPLs, (3) Total distribution and guarantees, (4) Number of recipient debtors, (5) Stakeholder commitment to common goals.   |
| 12 | Jakti, Felix<br>Cahyo<br>Kuncoro | 2014 | There is positive empirical evidence for reaction and learning levels in project manager competency development programs.  |
| 13 | Mahyuddin,<br>Ramli              | 2005 | The average efficiency level of state banks is greater than that of private banks. But the difference is not related to the concept of owner control over the bank.<br>There are indications that size (assets), CAR, NPL have a strong influence on bank efficiency. There is a positive relationship between the level of bank efficiency and the level of bank health.  |

14	Hamsal, Mohammad	2006	The positive linear effect of strategic flexibility on the performance of low-level bank companies is greater than that of high-level. Positive indicators of flexibility are pre-emptive, exploitative, protective, and corrective moves) only to strategic performance. While exploitative and corrective moves have a significant effect on financial performance. Low level banks are more flexible in non-financial performance.
15	Dung, Do Anh	2006	Some specific tactics of influence (inspirational appeal, personal appeal, collaboration, collaboration, rational, judgment, ingratiation, exchange or legitimacy) are the most effective tactics used by leaders to motivate subordinates to do their jobs, and outside the scope of their work.
16	Dewanto, Dedy	2013	Leader innovation can affect project performance.
17	Musa, Soebowo	2017	Entrepreneurship-based orientation shows a positive relationship with strategy implementation which has a positive impact on organizational performance.
18	Sadana, Stefanus Murti Sri	2015	The process of holonic and systemic dialogue through the redesign of HR competencies enhances the efficacy of individuals and organizations to realize the vision.
19	Rachmawati, Dyna	2015	The existence of external and internal fit to deal with environmental uncertainty, using financial and non-financial performance in levers of control.
20	Junita, Audia	2019	Subsystems in strategic HR consist of organizational structure, commitment-oriented HR systems, role behavior, and organizational performance interacting complexly, dynamically, and non-linearly with a pattern of reinforcement behavior, namely a positive feedback system.

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*Source: Literature review (2023)*

## RESULTS AND DISCUSSION

From literature reviews of books and journals, a framework was compiled that included several variables that became the basis for the concept of agency programs at banks. It is arranged that the theories of company policies, supporting facilities and networking development can be variables to produce competent and professional agents who can support the company's achievements.

Friedrich (2008) states that policy is a direction of action proposed by a person, group or government in a certain environment that provides obstacles and opportunities for the proposed policy to use and overcome in order to achieve a goal, or realize a certain goal or purpose. Edward III (1980) there are four variables that determine policy implementation, namely communication, resources, implementor attitudes or dispositions and bureaucratic structure. The communication in question is an information channel.

Information known to decision makers can only be obtained through good communication. In implementing policies, the communication delivered must have

clarity, because in the process of communication flow there is usually a tendency to obscure the purposes of information by policy actors on the basis of their own interests by interpreting information based on their own understanding. The way to anticipate such actions is to establish procedures through clear statements of requirements, objectives, eliminate the option of multiple interpretations, carry out procedures carefully and reporting mechanisms in detail.

Furthermore, resources are important in good policy implementation. Some of the defining points are staff, information, authority and facilities. Furthermore, the attitude of the implementer has an important role in company policy. To implement good policy Edwards III (1980) mentions the need for resources categorized as consisting of staff, information, authority, facilities; building, equipment, land and supplies.

### **Program Form**

Furthermore, in implementing the policy, the company draws up a work plan in the form of a program. According to Saxena et al (1992), a program can be divided into nine elements, Community sectors affected by the program, The needs of the program, Main constraints of the program, Possible changes in the program, Objectives of the program, Benchmarks to assess each program objective, Activities required for action planning, Activity measures to evaluate the results achieved, and Parties involved in the implementation of the program.

### **Project Base Learning**

In a project-based organization, the project is the main unit for production, innovation and competition. A project is defined as an activity with a unity of resources, goals of time limits. Projects are the most important business mechanism that coordinates and integrates all business functions of the company (research and development, engineering, new product development, marketing, HR, and finance), Hobday (2000),

Dewanto (2013) explained that in a project-based organization, the company's knowledge, capabilities, and resources are built through the implementation of large projects. Project managers have high status and direct control over business functions, personnel and other resources. The Division Head and Director are senior resource coordinators (functional manager level), whose role is to assist with project needs, by coordinating business functions for various projects (such as technical, personnel, and

financial resources for project bidding, project management, systems engineering and so on).

The main characteristic and the strength and spirit of Project Based Learning is that there are problems in the real world (really occur) that are raised into scenarios and learning activities, and the role of actors is as experts, who design / develop solutions and products to overcome / solve these real problems.

In project management, there are critical factors that determine the success and failure of a project. Project summary, operational concept, top management support, logistics requirements, facility support, market intelligence (who is the client), project schedule, executive development and training manpower and organization acquisition information and communication channels, and project review are critical factors in the success of a project, Cleland and King (1983) in Jakti (2014). Make project commitments known, project authority from the top, appoint competent project manager, set up communications and procedures, set up control mechanisms (schedule etc), and progress meetings are critical factors in the success of a project, Locke (1976) in Jakti (2014).

### **Agency Theory**

Agency theory as a relationship between agents, namely management and principal, in this case business owners. The principal is the party that mandates the other party, namely the agent, to carry out all activities on behalf of the principal in his capacity as decision makers, Jensen and Meckling (1976). Alchian and Demsetz (1972) argue that firms can be thought of as links for a series of contractual relationships between individuals, whereas classical economics considers firms as single-product entities with the goal of maximizing profits.

Agency theory studies the design of contracts to motivate rational agents to act on behalf when the agent's interests would otherwise conflict with those of the principal. The application of agency theory can be realized in an employment contract that will regulate the proportion of rights and obligations of each party while taking into account the overall benefits. An employment contract is a set of rules that regulate profit-sharing mechanisms, both in the form of profits, returns and risks agreed by principals and agents. An employment contract will be optimal if the contract can be fairness, which is able to balance between the principal and the agent mathematically showing the optimal

execution of obligations by the agent and the provision of satisfactory special incentives or rewards from the principal to the agent.

Referring to the definitions of agency above, a Bank Agent is defined as a party who contracts with a bank with performance-based pay.

### **Supporting Facilities**

Facilities are one of the important elements for implementing the good policies of Edwards III (1980). According to Tjiptono (2001) facilities are physical resources that must exist before a service can be offered to consumers. Facilities can also be in the form of everything that makes it easier for consumers to get satisfaction.

One of the activities of determining the equipment used in a project is the main area of project management, so that underlying supporting facilities becomes an important variable in determining the success of a project.

### **Networking Development**

In new wave marketing, selling is replaced by commercialization that is more two-way, where there is an exchange of value between the company and customers, on the basis of awareness that long-term relationships that are built will benefit both parties. The main competency of commercialization according to Kertajaya (2010) is the ability to map and build an effective network in supporting sales.

Types of networks relevant to each stage of the sales process; Market place network, That is a network that can bring salesmen closer to as many potential customers as possible (prospects); Prospect company network, i.e. take an approach to get buy-in from customers. For example, salesmen in addition to knowing the purchasing department, also approach users, technical buyers, and decision makers; Internal network, namely the network among fellow colleagues in a company, especially to offer products / solutions that tend to be complex; Customer network, which consists of loyal customers, in other words the customer community.

There are two types of coordination, Handayani (1996). First, Internal coordination, consisting of vertical, horizontal and diagonal. Vertical / structural, that is, coordination between those who coordinate with those who coordinate structurally there is a hierarchical relationship. Horizontal, namely functional coordination, where the position is at the echelon level, which according to its duties and functions both have a relationship with each other so that coordination needs to be done. Diagonal, that is,

functional coordination where those who coordinate have a higher echelon level than those who are coordinated, but one with the other is not in one line of command. Second, External coordination, including functional coordination (horizontal and diagonal only)

### **Agen Competence dan Professional**

A performance can be said to be successful if it is supported by employees who have the expected competencies. Competencies are individual characteristics that underlie performance or behavior in the workplace. Performance at work is influenced by knowledge, abilities, and attitudes, as well as work style, personality, interests / interests, basics, attitude values, beliefs and leadership style, external coordination, including functional coordination (only horizontal and diagonal).

Competence as a fundamental characteristic of an individual that is causally related to criteria that are judged to be effective and/or superior performance in a job or situation. The five types of characteristics are: 1) Motives, which are things that a person always thinks or wants that encourage and trigger action; 2) characteristics, are physical images and consistency of responses to situations or information; 3) self-concept, is the attitude, values, or self-image that a person believes in; 4) knowledge, is the mastery of information and learning outcomes in a particular field; and 5) skills, are real expertise in doing and getting things done, Spencer and Spencer (1993).

To build competent HR practitioners in their fields, a comprehensive, measurable, and measurable capability building program is needed. The HR practitioner capability development program requires a guideline on competency standards for HR practitioners so that the capability development program can be assembled in a continuous program to form competent practitioners, Triyonggo (2016).

### **Productivity**

Production is an activity that deals with the creation of goods and services overarching the transformation of inputs into outputs. Kauffman (2000) suggests that the achievement of success is influenced by how to define success correctly and how to measure it. According to Brigham dan James (2010) define production as the way in which resources (inputs) are used to produce a firm's products (outputs). Productivity will basically be closely related to the production system, which is a system where factors such as: Labor (direct or indirect labor); Capital in the form of machinery, work



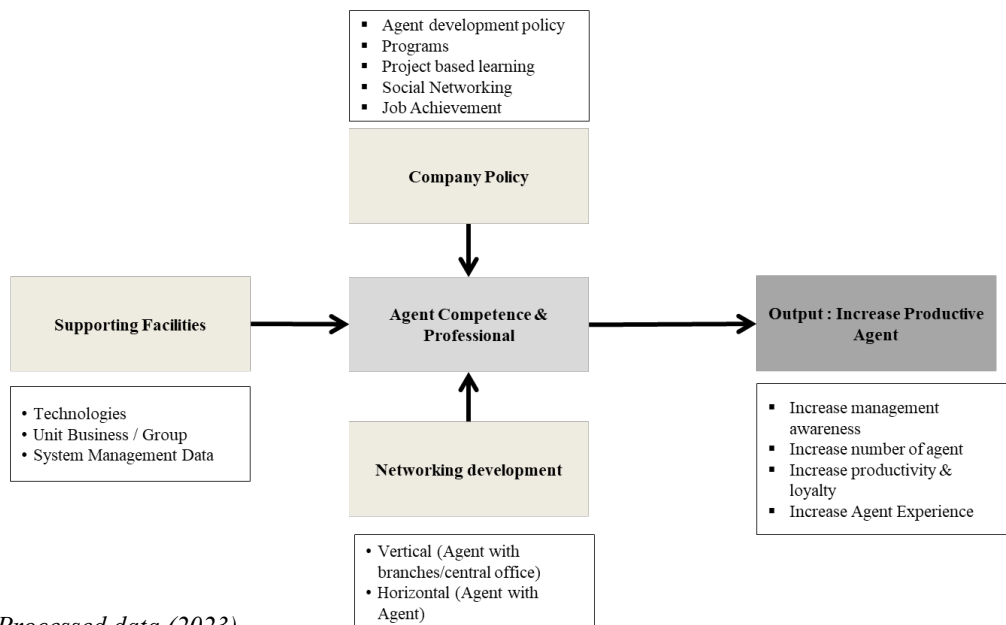
equipment, raw materials, factory buildings, etc., is managed in an organized way to realize finished goods or services effectively and efficiently, Heizer and Render (2008).

In essence, work productivity will be determined by two main factors, namely: 1) Technical factors: namely factors related to the use and application of production facilities better, the application of more effective and efficient work methods, and the use of more economical raw materials. 2) Human factor: that is, the factor that has an influence on the efforts made by humans in completing the work that is their duty and responsibility. Here there are two main things that determine, namely the work ability (ability) of the worker and the other is work motivation which is a driver towards progress and improvement of work performance over a person. Productivity is generated through all components involved in the value-added process, Sritomo (2008).

Agent productivity is an added value generated by variables, which can be measured through the size of the increase in the number of agents, the amount of contribution made through performance outputs, and the level of experience of agents during their time as business partners of the company.

The research model analyzes several variables that allegedly can be used as a conceptual framework in implementing marketing concepts by agents at banks, and can be a measure of success in developing a strategy model.

**Picture 1.** Conceptual Framework Result



Source: Processed data (2023)

## CONCLUSIONS AND SUGGESTIONS

The conceptual framework that is the result of this study can help banks build agency programs in order to develop business strategies that focus on bank efficiency, faced with the need to increase portfolios that become sources of bank income. A framework arranged that the theories of company policies, supporting facilities and networking development can be variables to produce competent and professional agents who can support the company's achievements. Each indicator on these variables allegedly has the power to support the increase in agent productivity, as a bank production engine, expanding knowledge of bank products and services in the community. Productivity formed from strengthening these variables can produce productivity characterized by increased management awareness, increased number of agents, increased productivity & loyalty, and increased Agent Experience.

The suggestion for further research is to conduct a case study measuring the strength of the influence of these variables on banks that have implemented agency programs as their marketing strategy, to find the strongest influence of variables and indicators arranged in the conceptual framework.

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