

Daya Tumbuh Usaha Program

A partnership between BTPN and SB-IPB

SUMMARY OF PARTNERSHIP



Entrepreneurial Growth Program is a partnership between BTPN and SB-IPB targeting consumers on micro-, small- and medium-scale enterprises (MSME) ©BTPN 2016

PT Bank Tabungan Pensiunan Nasional Tbk (BTPN) focuses on micro-, small- and medium-scale enterprises (MSME), and low-income communities (mass market). BTPN believes that mass market customers do not only need financial access but also training and mentoring to improve their business capacity and quality of life.

To fulfill those needs, BTPN implemented a coaching and customer empowerment program called Daya. Daya is organized in a sustainable and measurable manner and aimed at all of BTPN customers.

Daya Program consists of three pillars: **Daya Sehat Sejahtera** (Health and Wellness), **Daya Tumbuh Usaha** (Entrepreneurial Growth/DTU), and **Daya Tumbuh**

Komunitas (Community Development). To improve the quality of Daya Program, particularly the Daya Tumbuh Usaha, BTPN partnered with the Bogor Institute of Agriculture's Business School (SB-IPB) to develop training curriculum based on customers' need. BTPN and SB-IPB believe that the implementation of Daya program can improve the customers' business capacity.

The partnership between BTPN and SB-IPB initially started in 2009 to develop the module and to conduct customer need assessment. Later on in 2012, they began to develop the curricula, teaching references unit, and module improvements. The partnership between BTPN and SB-IPB also includes survey and evaluation of the activity, program monitoring of its impact on beneficiaries, and access for new business. The program implementation is supported by BTPN branch offices throughout Indonesia.

Daya Tumbuh Usaha or Entrepreneurial Growth (DTU) program consists of 3 sub-programs, namely Business Information Program; Skills Development; and New Business Opportunity Trainings. Besides in-class training, DTU program also disseminates information and entrepreneurial tips through posters and flyers.

There are more than 10,000 customers who have participated in BTPN & SB-IPB's 4-module training program. In total, there are 187,000 customers who have participated in DTU program facilitated by 160 certified trainers.

Due to today's digital era, the DTU's curricula will also include introduction to e-commerce for those who wanted to expand their businesses. For this, BTPN involves college students to train the micro- and small-entrepreneurs in online marketing.

THE PARTNERS



BTPN (www.btpn.com) is a foreign exchange bank which focuses on serving and empowering mass market segment that consists of pensioners; micro-, small- and medium-scale

enterprises (MSME); and low-income communities. BTPN business is supported by four pillars, namely: BTPN Sinaya (focusing on funding businesses), BTPN Purna Bakti (focusing on serving pensioners), BTPN Mitra Usaha Rakyat (focusing on serving micro-enterprises), and BTPN Mitra Bisnis (focusing on serving small- and medium-scale enterprises). In addition, BTPN also has its subsidiary, BTPN Syariah which focusing on serving low-income customers. Through the Daya programs, which are measurable and sustainable mass market empowerment, BTPN regularly provides training and information to increase customers' capacity to grow and live a better life.



SB-IPB
Sekolah Bisnis - Institut Pertanian Bogor

SB-IPB (www.sb.ipb.ac.id) is an education institution which offers comprehensive business

school programs from undergraduate to doctoral degrees. Initially established as Master Program on Agro-business Management in 1991, it developed into a business school that provides complete education from undergraduate to doctoral levels (2014).

SB-IPB aspires to become a regional center of excellent in developing accountable leaders based on education applied process in resources and biology, research and spirit of entrepreneurship, as well as focusing on sustainability and global orientation. This vision is aligned with BTPN Daya Program which wanted to empower the customers through the entrepreneurial activities.

INITIATING THE PARTNERSHIP

The partnership between BTPN and SB-IPB is based on a common vision to support the micro-, small- and medium-scale enterprises (MSME) in Indonesia through an ongoing program. Both organizations are synergized with the ability in their respective fields.

For SB-IPB, this partnership has provided an opportunity to not only implement theory but also real-life practice, and therefore improved SB-IPB's capacity and experience.

The partnership between BTPN and SB-IPB initially started in 2009 to develop the module and customer needs assessment. Later on, they worked on a research to measure the Customer Satisfaction Index (CSI). In 2012, they began to develop the curricula, teaching references unit and module improvements for DTU. Besides the curricula preparation and development, the partnership between BTPN and SB-IPB also includes survey and evaluation of the activity, monitoring the program impacts on the beneficiaries, and providing access to new business.



Simulation of Sorting Business Finances Technique - Financial Management of Micro-scale Entrepreneurs. ©BTPN 2016

IMPLEMENTING THE PARTNERSHIP

If in 2009, the partnership between BTPN and SB-IPB covered business assessment activities, module development and consumer satisfaction index, in 2012 the partnership developed into three sub program sections, namely (1) Business Information Program, (2) Skills and Development Training, and (3) New Business Opportunity.

BTPN business units of Purna Bakti, Mitra Usaha Rakyat, and Syariah run the program as they deal with targeted beneficiaries of pensioners, micro-, small- and medium-scale enterprises (MSME), and low-income communities. While SB-IPB conducted the needs assessment survey, and customer satisfaction index, SP-IPB also provided technical assistance on the aspects of program activities, of message content, and training module.

At the outset, SB-IPB conducted customer needs assessment to map customers profile, understand types of their business, the level of knowledge and business skills, and the ability in communications. The result of this research was then analyzed to become the basis for SB-IPB to improve curriculum, customer training module, and educational media required.

IPB Team implemented the needs assessment for approximately six months, using random sample and structured interviews. The IPB research team comprised of lecturers and was grouped into several teams of 3-4 experts each. The result was presented to the team from BTPN for further analysis on the curriculum and module development.

Business Information Center

The activity under the Information Center sub-program includes the customer product selling information, successful business tips, the success story of the entrepreneur, and much more. The business activities information was disseminated through posters and flyers, which were posted in the branch offices. Printed materials

were also distributed directly to the customer. The IEC material was designed by BTPN following the technical advice and the needs assessment result from SB-IPB.

After initial trial and improvement process, the material was printed and distributed by BTPN Headquarters. The Marketing Staff of BTPN branches distributed those materials to the customers as their target audiences. The distribution was reported every month until they had reached all targeted customers.

Skills Training and Development

Based on the needs assessment, SB-IPB compiled a curriculum summary that included training objectives, process, method, and outputs. The curriculum was then translated into modules and Teaching Units, presentation materials, and games. The modules could be used as trainers' guidelines for training.

Until 2016, SB-IPB had developed 24 modules that focused on soft and hard skills. The soft skills part consisted of 6 modules, and the hard skills component consisted of 18 modules. Soft skills modules comprised of such topics as business goals, business motivation, business discipline, confidence, and business adaptation. In developing the soft skills modules, BTPN worked with experts from Atma Jaya University's Faculty of Psychology.

The hard skills modules comprised of the following topics: financial management capabilities, marketing and sales, operations and human resource management. They were grouped into three classes:

1. Class A for micro-level businesses. The purpose was "scanning" or basic business management.
2. Class B for small-scale businesses. The exploring stage was intended to deepen the aspect of maintaining the business.
3. Class C was for medium-level business. It focused more on how to innovate the business.

After the modules were completed in 2014, both Atma Jaya University and SB-IPB teams conducted train-the-trainers (TTT) to 90 BTPN employees. The participants must participate in the competency exam during the training period to receive certification.

The following batch of TTT was participated by 70 employees. Until 2016, there have been 160 trainers from all the branches who received training certification. The certified trainers are then entitled to give the training to the customers. Branch teams organized customer training sessions, selected the participants and set the schedule.

Participating customers have to attend soft skills training. Hard skills are not mandatory as it depends on their categories of business. Business categories are measured based on their turnover, skills and business capital. A module will take 120 minutes.

Usually customers were trained using two modules every month. Participants might attend trainings, which were organized every two weeks for different modules. Until 2016, there have been more than 187,000 participants attending the DTU trainings.

The certified trainers also conducted coaching for customers through one-on-one sessions four times a year. In order to reach more customers, BTPN developed and distributed posters with excerpts from teaching materials. They also organized entrepreneurial seminars with current issue topics such as digital and business innovation.

SB-IPB and BTPN hold a graduation ceremony every year at IPB campus and other locations for those who completed at least four modules in a year. This has been done since 2014 to push the motivation and strengthen the customers' loyalty, and also for tokens of appreciation from BTPN.

New Business Opportunities

This sub-program provides the access to additional revenue through new business opportunities beyond their current business. BTPN also try to partner with other companies which share similar interest towards MSME. If BTPN and the partner reach an agreement, then the branch team will teach this new business opportunity. This, however, is an ad hoc activity and not organized regularly.

Post-Program

SP-IPB helps determine the benchmarks and measurement of success of a post-training. The result will then be analyzed and reviewed by BTPN team on an ongoing basis for improvements.

In addition to the needs assessment, SB-IPB also involved in Customer Satisfaction Index (CSI) measurement, from the beginning until the impact of the activity. SB-IPB determines the factor points to be assessed and BTPN Branch Teams help with the implementation by distributing questionnaires to the customers of DTU program.

After the data was collected, SB-IPB team then tabulated and analyzed the data. The result will be used to improve the program implementation. Among other indicators of the successful program are activity satisfaction, benefits, impact on business, operational cost, and revenue. SP-IPB and BTPN have conducted CSI for four times since 2012 and each will take about five months. The evaluation result will be used to improve the curriculum and Teaching Unit if needed.



Simulation of Production Efficiency Management - Operation Management Training for Medium-scale Entrepreneurs ©BTPN 2016

RESULT

DTU program has been running for four years. Since 2014 BTPN and its partner SB-IPB, have trained 187,000 customers (10,000 of whom were officially graduated and received certificates) with the help of 160 certified trainers.

CHALLENGES AND LESSONS LEARNED

Despite this effort, there are still many micro-scale customers that have not had access to capacity building program. Moreover, business opportunities are also

relatively small and market share is small as well. For example, one of the constraints for micro-scale entrepreneurs is that their market coverage is in village or neighborhood (RW) level only. The customers need training on marketing strategies, expansion and improving competitiveness from the same business, especially on how to compete with modern convenience stores.

PLANS AND EXPECTATION

BTPN open and welcome the opportunity to cooperate with other organizations with the same vision. Related to the business competition and market expansion, BTPN has started to develop the cooperation with trusted partners and e-commerce companies; and preparing to work with the universities to train MSME entrepreneurs on online marketing.

SB-IPB and BTPN are also planning to develop the start-up curriculum for the customers who wish to start a new business. The current curriculum is intended for customers who are already in business for two years or more.

Footnote

- i. The categories of business is based on Law no. 20/2008 which stipulates that micro-scale entrepreneurs are those with turnover less than Rp 300M/year, small-scale entrepreneurs are those with turnover between Rp 300M – Rp 2.5B/year; and middle-scale entrepreneurs are those with turnover between Rp 2.5B – Rp 50B/ year.

About this Case Study

This is one in a series of case studies based on presentations by the partners at sessions of the HBRI Partnerships Forum. The HBRI Partnerships Forum is an activity of CCPHI, a project funded by Ford Foundation.

This case study is based on the presentation by Januar Rusdianto, Head of Daya Tumbuh Usaha, and Idqan Fahmi, Director of Resource and Finance SB-IPB at the 32nd session of HBRI Partnerships Forum. Dian Rosdiana preparing this study in consultation with BTPN and SB-IPB.

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