

Strategy management at PT. Asuransi Jiwasraya (Persero) Malang regional office

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ABSTRACT

This research is descriptive in nature, namely providing an overview and analysis of the current condition of the company's environment both internal and external to the company. This company faces various problems that must be resolved where fast environmental changes require companies to be more responsive in developing products to deal with the increasingly rapid growth of the insurance industry. This study aims to determine the strengths, weaknesses, threats and opportunities owned and faced by PT. Asuransi Jiwasraya (Persero) Malang Regional Office and determine the right strategy for the company in an effort to develop its business and achieve company goals. So from this research it is hoped that the company can take the right strategic steps in the company's operational activities. The analytical tool used in this study consists of three stages, namely the input stage, matching stage, and decision stage. At the input stage the analysis tools used include Internal Factor Evaluation (IFE) analysis and External factor Evaluation (EFE) analysis. At the matching stage, analysis tools are used in the form of Treath-Opportunity-Weakness-Strength (TOWS) analysis and Internal External (IE) analysis. And by using the Quantitative Strategic Planning Matrix (QSPM) at the decision stage, various alternative strategies are analyzed and one strategy is prioritized for implementation. Based on the results of environmental analysis and company position, the strategy chosen is the market penetration strategy. The functional strategy in the field of operations or production includes sales promotions, product presentations, and product outreach. In the field of finance, it covers cost effectiveness and efficiency, simplification of bookkeeping procedures, and the proper use of budgets. In the field of marketing includes market penetration, sales of products that provide large profits, as well as payment of commissions and marketers' rights. And in the field of human resources includes implementing training and providing knowledge about new products.

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1. INTRODUCTION

The development of the insurance business in Indonesia is currently showing a significant increase. Where insurance companies are currently trying to make the insurance industry one of the pillars of the long-term non-bank financial industry in Indonesia. The number of insurance assets in Indonesia

which is still small is also a very large and promising insurance business opportunity. According to the June–December 2006 edition of the Financial Journal, the life insurance industry, seen from the number of customers, grew by more than 26%. This indicates a higher level of public awareness of the need to have life insurance and good financial planning.

The development of the insurance industry in Indonesia can be seen from the development of the net premium of insurance companies. Insurance aims to cover people against unexpected financial losses caused by death too soon or life too long. Here it is illustrated that in life insurance, the importance of life insurance as a source of investment funds in the insurance business as a non-bank financial institution that collects public funds, has an increasingly important role as a source of capital for investment in various fields. Insurance to Complement Credit Requirements Lending interested not only in the current state of the company and its wealth, but also in how well the company has protected itself from unforeseen future events.

The way to get this protection is to have an insurance policy. Insurance Can Reduce Worry The primary function of insurance is to reduce worry due to uncertainty. If someone has paid an insurance premium, they are free from the worry of a big loss by bearing a small loss (in this case in the form of a premium that has been paid). Insurance Assists Health Care.

Life insurance companies try to carry out regular health checks for policyholders in the hope of detecting diseases earlier and providing treatment if necessary. To deal with industrial growth that continues to move fast, companies need to continue to innovate, especially in terms of product innovation to maintain and seize new markets. This innovation must also be accompanied by the right strategy in order to achieve company goals. Strategy is a large-scale plan and is oriented to future to interact with the company's environment in order to achieve company goals. Every strategy taken by the company is certainly expected to improve the company's performance both in the form of business effectiveness and efficiency.

Therefore, in determining a company strategy, both general strategy and strategy at the functional level, various factors must be considered, both internal and external factors. strategy is part of management. strategic management allows a company to be more proactive than reactive in shaping its own future, it allows a company to initiate and influence (rather than just responding to) activity, and thus can strive to control its own goals.

Strategic management assists company management in analyzing internal and external environmental conditions and situations. Thus, company management can determine the company's current position in the midst of the business environment as well as predict the steps to be taken to anticipate future developments in the business world. Strategic management focuses on the integration of all organizational components to achieve success.

Understanding strategic management, of course, must define strategy within the scope of business. So between the previous understanding of strategy and the current understanding of strategy in a business sense, we can draw a common thread that can connect the similarities between the two. But before stepping on strategic management, we first know the meaning of management and the strategy itself, seen from the opinions of experts who describe the science of strategic management. Strategic management is a series of processes or stages.

The strategic management process provides a unified framework for managers to deal with problems that are unique to the company and to identify new opportunities more easily and foresee strengths that can be exploited and weaknesses that must be improved. This process is intended to integrate the mission and objectives associated with the internal and external environment consisting of the company's strengths and weaknesses as well as opportunities and threats to choose the right strategy to achieve the desired goals.

2. METHOD

The method is a way that is used to achieve the desired goals and objectives. While research is an investigation carried out from a certain field of knowledge to obtain the facts and data needed with the aim of obtaining a solution to a problem or answer to a particular problem located in the area. The object of this research was conducted at the Jiwasraya Insurance Company (Persero) Malang Regional Office, which is located at Jl. Merdeka Barat No. 4-6 Malang, East Java.

The research method is used as a guide in conducting a research so that the goal of getting answers to existing questions can be achieved. The type of research conducted by researchers is in

the form of exploratory descriptive research. Descriptive research is a non-hypothetical research so that the research step does not need to formulate a hypothesis. Exploratory descriptive is descriptive research that is exploratory in nature and aims to describe the state or status of the phenomenon. The data source in this study uses secondary and primary data and the data collection process is one of the stages in the research that determines the level of accuracy of the research results.

The process of systematic data collection will help in the next research process. the data collection process is determined by the methods and techniques of data collection. The method of data collection that will be carried out in this research is a case study, which is a method of collecting data by taking several elements. The data that has been identified is then processed for analysis.

In this study, the authors used the strategic management model from Fred R. David as a reference for formulating strategies at PT. Asuransi Jiwasraya (Persero) Malang Regional Office. Determination of the main strategy according to David, Fred R. (2006: 286) is processed and analyzed through several matrices and a series of stages and carried out several stages of data analysis for maximum research results.

3. RESULTS AND DISCUSSION

3.1 Aspects of Company Management.

Research with insurance management with several aspects that affect product fabric, promotion with advertising, personal selling, sales promotion, and publicity, on the third aspect is the price of life insurance premiums calculated and compiled using various materials needed such as death rates, birth rates residents, and so on and to support maximum service, PT. Asuransi Jiwasraya (Persero) Malang Regional Office currently has 26 permanent employees, 5 contract employees and 125 agents. This is strived to create a fast and precise service. Another effort made by the company to provide the best service to its customers is to apply the latest information technology to complement the speed and accuracy of its services.

Table 1. Number of life insurance in 2002-2006

| Year | Individual Coverage (PP) | | Group Coverage (PK) | |
|------|--------------------------|------------------|----------------------|------------------|
| | Net Premium (Rupiah) | ΔNet Premium (%) | Net Premium (Rupiah) | ΔNet Premium (%) |
| 2002 | 70,613,028,696 | | 3,255,819,948 | |
| 2003 | 50,354,102,712 | (28,69) | 7,135,922,070 | 119,17 |
| 2004 | 37,706,422,375 | (25,12) | 7,135,922,070 | 8,19 |
| 2005 | 36,663,728,023 | (2,77) | 5,639,241,604 | 26,95) |
| 2006 | 46,072,544,293 | 25,66 | 11,169,926,281 | 98,07 |

Table 1 above shows the amount of life insurance premiums, where in 2005 the receipt of individual and group premiums experienced a decline. In addition to Indonesia's unfavorable macroeconomic conditions in 2005, the decline in premium receipts was also due to a shift in sales patterns which increased sales of policies with regular premiums rather than one-time premiums. In this study, it is not only several aspects that influence besides marketing aspects such as price, promotion and other aspects other than that are aspects of human resources such as the number of employees, working hours, facilities and financial aspects of human resources.

3.2 Internal Environment Analysis

Strength of good company reputation and experience Good company reputation and experience of PT. Asuransi Jiwasraya (Persero) as the first life insurance company established in Indonesia has been tested for 147 years and still stands strong as trusted life insurance company in Indonesia until now. The company's location in the city center causes the company to be well known by the public. A strong and sturdy organizational structure is a strength for PT. Asuransi Jiwasraya (Persero) Malang Regional Office. Complete life insurance products owned by PT. Asuransi Jiwasraya (Persero) Malang Regional Office is the answer to the high bargaining power of buyers. This analysis tool is used to see the company's internal conditions in determining the factors of strategic advantage owned by the company. The weighting in this analysis is based on the relative importance of each factor to succeed in the industry the company enters, while the rating is based on the condition of each existing critical success factor.

3.3 External Environment Analysis

Government policy on insurance and consumer protection Government policy on the insurance industry has a good impact on insurance companies so that the structure of insurance companies in Indonesia is stronger from insurance attacks from abroad and can increasing public confidence in the insurance industry in Indonesia is called opportunity. Indonesia's economic growth rate which has an improving trend provides an opportunity for the business world, especially insurance companies to develop their market more aggressively. With an increase in per capita income, it means that there is an increase in people's purchasing power which allows people to increase their consumption. This is a threat because the political conditions of a country will greatly affect the continuity of a business. After identifying the various opportunities and threats that can support and hinder a company in achieving its goals, then the next step is to prepare a profile of the opportunities and threats contained in the external environment using the EFE analysis tool. The weighting in this analysis is based on the relative importance of each factor to succeed in the industry the company enters, meanwhile rating is based on the condition of each existing critical success factor.

3.4 Company Position Analysis

From the results of the TOWS analysis that has been carried out, the company can formulate an appropriate and appropriate marketing strategy to implement so that the company's goals can be achieved. From the TOWS matrix analysis, matching the strengths (S), weaknesses (W), opportunities (O), and threats (T) of the company produces several alternative strategies, namely SO, ST, WO, and WT strategies. The purpose of using this IE matrix analysis is to determine the strategic position of a company and alternative strategies of a company, by using the total score of EFE analysis results to consolidate industry attractiveness and the total score of IFE analysis results to consolidate competitive position. Furthermore, based on this position, it can be seen what strategy is right for the company.

4. CONCLUSION

Based on the research that has been done and the results of the analysis obtained, it can be concluded that in the external environment, namely the remote environment, it can be seen that political, economic, socio-cultural, demographic, and technological factors have a significant role in the insurance industry so that they affect the condition of PT. Asuransi Jiwasraya (Persero) Malang Regional Office. On political factors, Government Regulations and Laws are an opportunity, while Indonesia's current political conditions are a threat to companies. In terms of economic factors, national economic growth and people's per capita income are opportunities, while the Rupiah exchange rate against the Dollar and the inflation rate can be a threat. Socio-cultural factors, population, and technology is an opportunity for the company and the analysis of the internal environment shows that PT. Asuransi Jiwasraya (Persero) Malang Regional Office has outstanding strengths in the form of the company's reputation and experience, comprehensive insurance products, good liquidity ratios, and mastery of the latest insurance technology. While the weaknesses that stand out in this company in the form of promotions and the number of customers who are less and the image of insurance and SOEs that are not good affect PT. Asuransi Jiwasraya (Persero) Malang Regional Office which is a BUMN. While the weaknesses that stand out in this company in the form of promotions and the number of customers who are less and the image of insurance and SOEs that are not good affect PT. Asuransi Jiwasraya (Persero) Malang Regional Office which is a BUMN. While the weaknesses that stand out in this company in the form of promotions and the number of customers who are less and the image of insurance and SOEs that are not good affect PT. Asuransi Jiwasraya (Persero) Malang Regional Office which is a BUMN.

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Improving the company's performance and employee professionalism can be done to minimize the company's weaknesses. by strengthening the company's advantage. Management must periodically evaluate and control the strategies that have been implemented. With this evaluation and control, the company will be able to monitor environmental changes, both internal and external, that are very likely to occur.

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