

Strategy of Distribution Credit to Small and Medium Enterprises Through Partnership Program and Community Development PT. Pertamina (Persero) III Marketing Branch Bandung.

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Abstract -

The problems are often a barrier to ketch and medium enterprises, cooperatives and other informal sector is difficult to implement self-development that impact business in obtaining access to aid or credit from the banks.

The aim of research to identify obstacles and solutions to overcome the problem in the analysis of lending to small and medium enterprises through partnerships and community development programs, strategy to develop small and medium enterprises through increased ease of administration and distribution of business capital credit facility through institutions related loan portfolio, analyze the solution in solving the problems faced by the small and middle business actors in Bandung, both from businesses themselves and from the policy of the State Agency Partnership Program and Community Development.

Determining the right strategy, it can set the direction of development that specifically focuses on providing capital, by using the method of implementation of the program of partnership development small and medium enterprises so as to realize the development of small and medium enterprises in creating new ventures that professional and even-tempered entrepreneurial reliable. Development referred done by creating a conducive business climate, encouraging an entrepreneurial spirit for the community, facilitate the establishment of small and medium enterprises similar, encourage creating jobs, facilitating capital support, and promote labor-intensive creative effort oriented export quality.

Keywords: Loan, Small and Medium Enterprises, Partnership

I. INTRODUCTION

1.1. BACKGROUND

Small businesses, cooperatives and the informal sector is one vehicle for efforts to expand employment and income distribution of most Indonesian people. Issues that often become an obstacle to small businesses, cooperatives and other informal sector is difficult to implement self-development that impact business in obtaining access to aid or credit from the banks. As one alternative to reduce narrow the social gaps and these problems, then the development of business partnerships between large employers (strong) to small businesses (weak).

In general, the capital of small and medium enterprises are still weak, it helped determine the success

of the promotion and development strategies in the areas

of capital, including how the government, state owned enterprises and communities to implement the concept of capital to help small and medium enterprises in question. The policy for special focus on the provision of capital needs to define a strategy.

PT.Pertamina has a commitment to perform the role of Good Corporate Citizenship through the organization of a partnership program with small businesses and Community Development Program. Partnership Program with the aim to encourage small business activity and economic growth, job creation and business opportunities for the community, while the environmental development program whose purpose is to empower and develop the social and environmental conditions in the area around the company's business. Partnership and Community Development Program is expected to contribute to improving the company's image in the community and the environment around the company so that the company's presence can be received well and can make a positive contribution to the development of the business of PT Pertamina.

1.2 PURPOSE

1.2.1. Research Purpose:

Provide a reference for Pertamina in lending to the small and medium enterprises through partnerships and community development programs in accordance with the needs and appropriate.

1. Identify constraints and solutions to overcome the problems in lending to the small and medium enterprises through partnerships and community development program PT Pertamina (Persero) Branch Bandung Marketing III.
2. Formulate a strategy of development of small and medium enterprises through increased ease of administration and distribution of business capital credit facility through institutions related loan portfolio.
3. Analyze the solution in solving the problems faced by small and medium businesses in the city of Bandung, both from businesses themselves and from the policy of the State Owned Enterprise Partnership Program and Community Development.

1.2.2. Urgency Research.

1. The results of this study are useful for academics in developing the theory of SME management, especially regarding the partnership program and community development with regard to implementation of the loan portfolio, the development of small and medium enterprises, and formulate policy recommendations the implementation of the partnership program and community development are more implicative in improving growth and development of small and medium enterprises in the city of Bandung.
2. The results of this study can give an idea about the existence of small and medium enterprises (SMEs) with a variety of conditions and all the problems faced and development, so that it can be used as information for the government, state enterprises and stakeholders in supporting the growth of small and medium enterprises in the City Bandung in particular and Indonesia in general.

II. METHODOLOGY

This study is an essay of a scientific nature, and therefore writing is required and accurate data that can be justified. The data can be obtained from two sources, namely:

- a. Primary data
Data subjects directly related to the needs analysis in this study. The primary data obtained directly on the object of research through field research, obtained by conducting interviews with employees of the Partnership Program and Community Development (CSR) in Small and Medium Enterprises (SMEs) PT. Pertamina (Persero) Marketing Branch Bandung.
- b. Secondary Data
Supporting data are the outcome of the analysis. Secondary data obtained through library research on the sources associated with the object of research.

Data collection techniques by researchers are:

- a. Direct observation
By conduct a review directly with respondents to obtain the required information.
- b. Interview
Interviews were conducted with direct interviews with the Head of CSR PT Pertamina (Persero) of Marketing Department with trained partners.

This research was done using two models of data analysis, namely:

- a. Descriptive Analysis Method.
The methods of analyzing data to collect, classification, analyze and interpret the data so as to give an overall picture of the problems encountered
- b. Deductive Analysis Method.
The method of analysis of the above can be concluded then provide feedback or suggestions that

may be useful for companies in dealing with problems that occur, especially in terms of lending.

III. STUDY LITERATUR

3.1. Credit Definition

Credit in Latin called "credere" which means to believe. That is when a person obtains a credit, then it means they gain wealth, while the lender means giving confidence to someone that the money to be borrowed will be returned. [1].

3.2. Elements of Credit

Elements of the credit should be considered in granting credit facilities. There are five elements of credit, namely [1]:

- a. Trust, namely the belief lenders that loans in the form of money, goods or services will actually received back in the future.
- b. The deal, the agreement contained in an agreement in which each of the parties signed the rights and obligations of each.
- c. Period of time, this period includes the loan repayment period has been agreed.
- d. Risk, the risk of loss can occur as a result of two things: the risk of loss resulting from customers deliberately do not want to pay his credit when capable and risk of loss caused by things like accidental calamities and natural disasters. And it is the responsibility of the creditor.
- e. Remuneration, which is an advantage over the granting of loans or services, known as interest for conventional banks. As for the Islamic bank remuneration is determined by the quotient system.

3.3. Types of Credit

In general, the types of loans extended by banks when viewed from various aspects are as follows [1]:

- a. Terms of use
 1. The investment loan, the loan is usually used for business expansion and future use for a relatively longer period than usual usefulness of this credit is for the main activities of a company.
 2. Work capital loans, is loans used for the purposes of increasing production in operation. For example, for the purchase of raw materials, or to pay the salary.
- b. In terms of credit purposes:
 1. Credit productive, ie loans used for business improvement, production or investment.
 2. The consumer credit, namely credit used for consumption or used individually.
 3. Credit trade, namely the credits used for trading activities and usually to buy merchandise for which payment is expected from the sale of the merchandise.

c. In terms of time period

1. Short-term credits, is loans with maturities of less than one year or a maximum of one year and is typically used for working capital.
2. The medium-term loans, is loans with maturities ranging from one to three years, can also be given credit for working capital.
3. Long-term loans, is credit longest repayment period over three years.

d. In terms of business sectors

1. Agricultural loans, is credit financed by plantation or farm folk.
2. Credit farms, in this case the credit granted for a relatively short period of time, for example, chicken farms and for long credit to beef cattle or goats.
3. Credit industry, namely credit to finance both for industrial processing industry small, medium or large.
4. Credit mining, which is a type of credit for mining venture, financed in the long term, such as gold mining, oil, or tin.
5. Credit education, is loans granted for the construction of educational facilities or can be in the form of a credit to the students who are learning.
6. Credit profession, namely loans granted to professionals such as: Doctors, professors or lawyers.
7. Credit housing. ie credit to finance the construction or purchase of a home.

3.4. Principles of Lending

Giving credit must pay attention to the principles of lending right. One credit is a way analysis of five C is as follows [2]:

1. Character, namely the nature or character of the individual in this case the debtor
2. Capacity (capability), to see the client's ability to pay credit attributed to its ability to manage the business as well as the ability to search for profit.
3. Capital, to find sources of financing to businesses owned by their customers which will be financed by the bank.
4. Collateral, a prospective customer the assurance provided both physical and nonphysical.
5. Condition, in assessing the credit should also rated economic conditions now and for the foreseeable future according their respective sectors.

IV. RESULTS

4.1. Strategy [3]:

1. To coordinate and synchronize SME Development and Cooperation with the Ministry of Finance, Office of the State Minister of State Enterprises and SMEs Office, Ministry of Industry and Trade, Ministry of Foreign Affairs, Local Government and other state enterprises.
2. Cooperating with leading universities, selected NGOs / reputable and professional agencies in each province in the planning and implementation of the Small Business

and Cooperative coaching the partners / potential partners built Pertamina.

3. Bridging the creation of strategic alliances with the principle of mutual benefit and sustainable between Small Business and Cooperative trained partners Pertamina selected by the manufacturer, distributor, exporter and retailer associations at home and abroad.
4. Bridging the creation of technical cooperation with the production of the product users at home and abroad.
5. Bridging the creation of strategic alliances with distribution / transportation.
6. Engaging Small Business and Cooperative Pertamina selected trained partners in various trade shows and industry at home and abroad gradually and continuously.
7. Focus on Small Business and Cooperative development in the surrounding area Pertamina's operation and business partners.

4.2. Selection of candidates trained partners [4]

a. Channeling System:

- 1) It is conducting a survey to each candidate the partners with regard to the fact on the ground and in writing in the proposal as well as searching for data and supporting information for decision making
- 2) To check the validity of administration and credit analysis, if feasible given the loan and how much the loan will be granted
- 3) Perform selection of candidates for the partners according to priority and availability of funds, taking into account the allocation of available funds.

b. System Executing

PT.Pertamina (Persero) and Bank formed a cooperation agreement whereby the Bank as an executor are fully responsible for the distribution of funds CSR PT.Pertamina (Persero).

4.3. The process of granting credit administration

Held credit cooperation agreement between the Partnership Pertamina with partners who regulate the rights and obligations of both parties, as well as to submit a letter of collateral (if necessary), which will include at least:

- a. Name and address of the partnership program management unit and the address of the partners.
- b. The rights and obligations of each party are doing agreement
- c. The loan of amount and for what used
- d. The terms of the loan (the loan term, interest on the loan, repayment schedule, and the installment amount per month)

4.4. Actual loan funds

Realization of the loan funds to the partners is done by:

- a. Transferred directly from the project account to the account of Partnership Pertamina then transfer the loan funds to the account of the partners.
- b. Through cooperation with the Bank, which the Bank serves as channeling the distribution of funds to small

entrepreneurs and cooperatives. Approval and risk on the disbursement of funds of the Partnership is on PT.Pertamina (Persero) and the Bank are fully responsible for the distribution of funds CSR

4.5. Monitoring the use of the loan funds

Monitoring activities carried out for the partners who had walked six months of receiving credit assistance and monitoring the implementation of at least one time during the partnership. In the implementation of the Partnership monitoring appoint two officers in one of the monitoring team as well as setting up monitoring and the monitoring report form in order to obtain information that is objective and realistic assessment, namely for a maximum of two working days. Implementation of the monitoring can be done with interviews, a review of the location of business activity in the administrative examination. The objective of the monitoring is:

- a. Know the use of the loan in accordance with the agreement.
- b. Know the installment loan repayments
- c. Know the development / growth sales revenue.
- d. Know the development of administration, marketing development, workforce development, development of business and asset development.

4.6. Development of the CSR the partners in the form of aid:

- a. For education / training, assessment / research and apprenticeship to improve entrepreneurial capacity, production management and technical skills.
- b. Marketing and promotion and production
- c. Working capital and investment loans with an interest rate of 4% s / d 6% per annum
- d. The grants only for the partners.

4.7. Program Objectives Pertamina

- a. Increase incomes and overcome economic disparities and inequalities of social structures.
- b. Improving the welfare / prosperity of the people is more evenly distributed, high growth and stability steady.
- c. Strengthening governance relations and mutually beneficial cooperation between Pertamina and the Cooperative Business Enterprise and Small Business and Private Unit.

V. CONCLUSION

PT.Pertamina (Persero) III Marketing Branch Bandung is one of government that implement the Partnership Program and Community Development (CSR) that extend credit to small and medium enterprises and provide guidance aimed at developing small and medium enterprises. Based on the research that has been described previously about the effect of giving credit to the development of SMEs in the Partnership Program and Community Development (CSR) PT.Pertamina (Persero) III Marketing Branch Bandung, taken some conclusion

that the partners who have been given the credit has evolved, this can be seen of the increase in profits, and the courage to compete in the global market through promotions and exhibitions organized or held by the PT. Pertamina (Persero) III Marketing Branch Bandung.

VI RECOMMENDATION

- a. Distribution of credit to SMEs by the PT.Pertamina (Persero) III Marketing Branch Bandung must be accompanied by continuous guidance and supervision, in order to target the use of credit achieved, because a lot of credit used for other purposes and not for developing businesses established partners.
- b. Monitoring is done generally only focus on the written report, it will have negative effect in the long term against the Partnership PT. Pertamina (Persero) III Marketing Branch Bandung, because it will be less know the financial condition of business partners who in fact.

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