LPS's Strategy to Increase Public Literacy of the Deposit Insurance Program

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Abstrak
The purpose of this research is to identify strategies and steps for increasing public awareness of the Deposit Insurance Corporation program. The qualitative approach was used in this study. The Simple Random Sampling technique was used in this study, which had 150 respondents. Data was gathered using observation, visual analysis, literature review, and interviews. According to the study's findings: 1. Many people are still unaware of and misunderstand the Deposit Insurance Corporation's programs, duties, functions, and authorities (LPS). 2. The public can learn more about the Deposit Insurance Corporation (LPS) guarantee programs by visiting the website and social media, or by visiting the nearest bank. Inquire directly with the LPS office or regional representative about clarification of information. Furthermore, through the socialization of activities both in person and online, 3. Public literacy steps and strategies for the IDIC guarantee program include: a) intensive program socialization to the community, both offline and online, in the form of seminars, workshops, webinars, and so on. b) The significance of involving members of the community (universities, Ormas, NGOs), as well as stakeholders from banking and non-financial financial institutions. (c) LPS takes the ball and walks straight to the center of the community gathering point to introduce the institution. d) Social media optimization for LPS across multiple platforms. e) Increase public trust by outperforming LPS performance standards. f) Creating user-friendly digital applications for the general public. g) Creating poster flyers to be distributed at the offices of banking and non-banking financial institutions

Kata Kunci: strategy, public literacy, deposit insurance program, lps

INTRODUCTION

The banking finance industry sector is an important component in improving the economy. Perbankan has a major influence on the wheels of the Indonesian economy, therefore the stability of the banking system also affects the stability of the national economy. The monetary crisis that occurred in the Asian region in 1998, including Indonesia, greatly affected the financial crisis, especially the banking industry (Hadirnya LPS Di Indonesia, n.d.). This crisis was marked by the liquidation of 16 banks which led to a decline in public confidence in the Indonesian banking system. To overcome this, the government of the Republic of Indonesia made policies, one of which is providing guarantees for all bank payment obligations, including public deposits (blanket guarantee). As stated in Presidential Decree (Keppres) Number 26 of 1998 concerning Jaminan against Payment Obligations of Commercial Banks (Keputusan Presiden Nomor 26 Tahun 1998 Tentang Jaminan Terhadap Kewajiban Pembayaran Bank Umum, n.d.) and Presidential Decree No. 193 of 1998 concerning Guarantees against Payment Obligations of People's Credit Banks (Keputusan Presiden Nomor 193 Tahun 1998 Tentang Jaminan Terhadap Kewajiban Pembayaran Bank Perkreditan Rakyat, n.d.).

Community deposits (blanket guarantees) are considered too broad in scope, need to be limited. Although it is able to ignite public trust in banking, the implementation in the field raises moral hazard between banking managers and the public. Restrictions on coverage in order to create a sense of customer security as a store and maintain the
stability of the banking system. Based on this experience, the Government of Indonesia established a deposit insurance institution and bank resolution in Indonesia. Precisely in 2004 the Indonesian government issued Law Number 24 concerning the Deposit Insurance Corporation. Undang Undang is the legal basis for the existence of a new State Institution, namely the Deposit Insurance Corporation. The Deposit Insurance Corporation has been operating officially since September 22, 2005 until now (Undang-Undang No. 24 Tahun 2004 Tentang Lembaga Penjamin Simpanan. Undang-Undang, n.d.).

The Deposit Insurance Corporation (LPS) has a noble vision and mission as the foundation of the institution in carrying out its duties. Its vision is to become a leading, trusted, and recognized institution at the national and international levels in guaranteeing customer deposits and implementing bank resolutions to encourage and maintain financial system stability. Meanwhile, its mission includes being committed to organizing effective deposit guarantees in order to protect customers; Implement effective and efficient bank resolutions; Implement crisis management through effective and efficient bank restructuring; and play an active role in encouraging and maintaining the stability of the national financial system through competent organizations.

As an institution that protects customer deposits, LPS functions to ensure deposits of depository and order customers and actively maintains the stability of the banking system in accordance with its authority. In addition, LPS is equipped with inherent duties and authorities. The duties of the Deposit Insurance Corporation (LPS) are to Formulate and determine policies for the implementation of deposit guarantees, implement deposit guarantees, formulate and determine policies in order to actively participate in maintaining the stability of the banking system, and formulate, establish, and implement policies for settlement of Failed Banks that have no systemic impact, as well as implement the handling of Failed Banks that have a systemic impact (Law No. 24 of 2004 concerning the Deposit Insurance Corporation. Act, n.d.).

The authority of the Deposit Insurance Corporation (LPS) includes several things, namely Determining and collecting guarantee premiums, Determining and collecting contributions when the bank first becomes a participant, Managing the assets and liabilities of LPS, Obtaining customer deposit data, bank health data, bank financial statements, and bank inspection results reports as long as they do not violate bank confidentiality. In addition, other authorities include reconciliation, verification, and/or confirmation of the data at number 4, Establishing terms, procedures, and conditions for claim payment, appointing, adjusting, and/or assigning other parties to act for the benefit and/or on behalf of LPS, in order to carry out some of certain tasks, conduct counseling to banks and the public about deposit guarantees and impose administrative sanctions.

As a state institution that has the functions, duties and authorities of a super body related to customer deposits in the banking industry as well as the support of strong regulatory regulations and even high operating budgets, the deposit insurance agency (LPS) seems to be far from the public, elitist and has no foothold on earth. It turns out that the public does not know and are familiar with the existence of this institution, including the work program made by LPS related to deposit guarantees. People's literacy about LPS is still said to be very minimal, people's efforts to want to know about this institution are very few. This study was conducted aimed at knowing:

1. Does the public already know the Deposit Insurance Corporation program?
2. How does the public get information about the deposit guarantee program by LPS?
3. What are the steps and strategies in increasing public literacy towards the deposit guarantee program by LPS?

METHOD

This method uses a qualitative approach method (Iskandar, 2009). Research methods include how to approach the problem and the relevance of the methods used to
achieve goals and objectives, the scope and stages of research activities, research instruments, the flow to be implemented (Saunders et al., 2019).

Given that this research is to obtain accurate information from the public, the method to be used is a descriptive qualitative method, where the method of data collection is through literature studies and observations, in-depth interviews with subjects (Cresswell, 2010).

This method uses data in the form of answers from questionnaires to be analyzed in a study. Data analysis in this method uses a questionnaire in the form of a Google Form. The Google Form contains questions that must be answered. The question has variations in how it is answered. How to answer some of these questions there are those who use choices, short answers, and of course long answers in the form of essay answers.

The sharpness of the results of observation, text analysis, interviews and transcripts obtained was analyzed and interpreted (Raco, 2010). Researchers will seek information about what is needed by LPS in an effort to increase public literacy towards the guarantee program. As an initial stage, what is done is to look for literature review (Siyoto & Sodik, n.d.).

As interview participants are people spread across three provinces, namely DKI Jakarta, Banten and West Java. The Research Team will prepare a list of questions to be asked, the answers that will be obtained will then be codded in the same topic (Sugiyono, 2013). The Research Team is a management study program lecturer who has a network with community elements so that they have the ability to be able to interpret the results of observations and interviews. The results of the data processing will be validated by fellow lecturers (peer review) in order to obtain reliable data. This research will utilize consumer theory that focuses on customers (Irwansyah et al., n.d., 2021). where the main target is to be able to help buyers or customers meet their needs. (Collaborate with buyers and make every conversation count).

RESULTS AND DISCUSSION

Result

The researchers found that the factors that make customers confident to store their funds in banks guaranteed by the Deposit Insurance Corporation (LPS) include, among others, because the public feels guaranteed security in storing funds. LPS as an official state institution is believed by the community to have experience and mandate to overcome defaulting banks. The public also believes that the storage of funds in the bank is in preparation for the guarantee of old age. In addition, the community asks LPS to publish how much customer deposit funds can be guaranteed.

As a result of the researcher’s findings, as an effort to increase customer confidence in saving at the Bank, the Deposit Insurance Corporation (LPS) needs to educate the public that the storage of money in the bank is safe. Socialization of activities through offline and online activities to the community. LPS officers and officials must be credible and accountable and able to improve their performance. In addition, LPS is expected to contribute to the assistance of spongeshorsip /grants for social activities. Then, the community hopes that LPS is committed to the programs that have been made realized and can provide a clear understanding to customers.

The positive impact of this study is to open the veil of positioning of LPS institutions, the extent of the existence of this institution's program in the eyes of the public. For the community, this research adds insight and knowledge about the LPS program. Customer trust, security and comfort are increasing with the LPS guarantee program. For LPS, with the results of this research, it is able to get data and facts to be considered in taking program policies, especially strategies for increasing community literacy. With massive digitalization mapping, it also helps people's literacy.
Meanwhile, the negative impact of this study is in the form of information on the shortcomings of LPS in introducing its activities to the community. Prone to fraud on the same level as LPS received by the community.

**Discussion**

The Deposit Insurance Corporation (LPS) has core values in carrying out its programs. This value is sparked in the slogan I CARE. I CARE is an acronym for the values of the Deposit Insurance Corporation (LPS) consisting of Integriti, Collaboration, Accountable, Respect, Excellent. Integrity has the meaning of being honest in saying, doing real things independently based on a code of ethics, and prioritizing the interests of institutions. Collaboration is to prioritize cooperation, synergize with an open attitude and good prejudice, and believe, respect for the achievement of institutional goals (Hadirnya LPS Di Indonesia, n.d.). Accountable means responsible for all actions or decisions taken, based on applicable policies/regulations. Respect, namely respecting, respecting, and having high concern for others based on an attitude of empathy, courtesy and selfless sincerity, Excellence means striving to always strive for the best results by applying high standards, and developing continuous innovation.

In addition to the data coming from the literature, this study used questionnaires as primary data that was distributed randomly. 150 respondents who filled out the questionnaire using the probability random sampling method where respondents were taken randomly.

This study obtained data from a questionnaire of 150 respondents who were distributed. The characteristics of respondents according to gender consisted of 90 men and 60 women with an age range of respondents from 21 to 62 years who were domiciled in the provinces of DKI Jakarta, West Java and Banten, with a composition based on the order of location names, namely 85 people, 55 people and 10 people. Respondents knew the Social Security Institution (LPS) from various media, namely the Internet as many as 20 people, family / friends / relatives / who work in LPS / Banking with a total of 20 people, Online Media as many as 40 people, through Offline Media (Newspapers, Magazines, Bulletins etc.) totaling 50 people and others answering 20 people.

The duties and functions of the Social Security Institution (LPS) are known to 100 people who know, the remaining 50 do not know. For the authority of the LPS, as many as 80 people know, and 70 people do not know. When asked about the vision and mission of LPS, about 80 people already knew and 70 people did not know.

Regarding the Deposit Insurance program initiated by the Deposit Insurance Corporation (LPS), 90 people have known about it and 60 people do not know it. In respondents' relationship with banks whether they ever saved or borrowed, 130 people said they had and 20 people had not or never. A total of 85 people felt safe in saving in a bank that had pledged their deposits to the LPS, 50 people said it was not safe and 15 people did not answer.

The interest of respondents who felt safe in saving in a bank that had pledged their deposits to the LPS amounted to 80 people felt very interested, 40 people were quite interested, answered neutrally only 20 people and who did not answer 10 people. Respondents' assessment of the function of LPS in guaranteeing customer deposits in the storage of funds, around 130 people or 87% said the program was already running well, while those who answered did not work well functioned by 20 people or 13%. Related to the function of LPS in maintaining the stability of the banking system in accordance with its authority. 140 respondents (93%) rated it as functioning, and 7% or 10 respondents rated it not working.

The level of trust of respondents in banks that have been registered with LPS is quite high, this is marked by 80 people feeling very percaya, about 30 people quite trust and choose neutral or not answer as many as 40 people. The function of the LPS in...
resolving and dealing with banks that failed to affect the deposit of funds in the bank, a number of 130 people judged that it had gone well, the remaining 20 people answered that it was not running. This is because the Bank’s Condition can be used by these parties (respondents/customers) to evaluate the Bank’s performance in applying the principles of prudence, compliance with applicable regulations and risk management. The bank's health level itself is the result of a qualitative assessment of various aspects that affect the condition or performance of a Bank through Quantitative Assessment and/or Qualitative Assessment of capital, asset quality, management, profitability, liquidity and sensitivity to market risk factors (Ariwibowo, Robbani, dan Herwati, 2019).

Regarding the role of LPS in paying the deposits of every Bank customer who failed and affected depositing funds in the Bank, 30 people or (20%) rated strong trust, who answered enough to believe there were 60 people or (40%) while those who declared neutral amounted to 60 people or (40%). Regarding financial institutions, both banking and non-banking, are guaranteed by the Deposit Insurance Corporation (LPS). 70 respondents or (43%) said yes, while those who answered were not guaranteed around 80 people or (53%).

Whether the Deposit Insurance Corporation (LPS) guarantees a customer's balance at a bank, as many as 110 people (73%) say yes guaranteed, on the contrary, 40 people (27%) say they do not guarantee. The respondents' assessment of what media so that the public can know the Deposit Insurance Corporation (LPS) program, around 90 people answered through seminars, webinars and socialization. 40 people assessed the need to involve elements of society, and 10 people through the internet, 10 people answered others.

Regarding the effectiveness of LPS socialization in increasing public literacy about its programs, 60 people or (60%) assessed with online activities and 90 people (40%) through offline activities (face-to-face / offline). In terms of the behavior of respondents in internet use, who answered very often as many as 100 people or (67%), answered quite often there were 30 people or (13%), and chose neutral or did not answer as many as 20 people or (20 %).

CONCLUSION

Based on the results of the research conducted, there are several conclusions, including:
1. There are still many people who do not know and understand about the programs, duties, functions and authorities of the Deposit Insurance Institution (LPS).
2. The public gets information about the deposit insurance programs of the Deposit Insurance Corporation (LPS) through the website and social media or comes directly to the nearest bank. Request an explanation of the information directly at the LPS office or representative in the region. in addition, through socialization of activities both offline face-to-face and online (online).
3. Steps and strategies to improve community literacy towards the LPS guarantee program include:
   a) Intensive socialization of programs to the community both offline and online in the form of seminars, workshops, webinars etc.
   b) The need for the involvement of community elements (Universities, CSOs, NGOs) and stake holders of banking and non-financial financial institutions.
   c) LPS picks up the ball to come directly to the community gathering point center to introduce the institution.
   d) Optimization of LPS social media across multiple platforms.
   e) Increase public trust as proof and achievement of LPS performance.
   f) Create digital applications that are easily accessible to the community.
   g) Create poster leaflets distributed at the offices of banking and non-banking financial institutions.
BIBLIOGRAPHY


