

## Analysis of Problematic Credit at Bank BJB with the Implementation of the Guna Bhakti Credit Policy in West Java, Indonesia

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**Abstract:** The application of bank credit policies is carried out so that problems that arise in credit, such as non-performing loans, do not occur. This is because unfavorable credit expansion can affect solvency and public trust in the bank. Because of this, it is necessary to pay special attention to the high level of non-performing loans that are owned, if not handled properly it can cause losses to the bank, so systematic handling is needed to overcome non-performing loans. The purpose of this study is to find out whether Bank BJB has been effective in implementing existing credit policies at Guna Bhakti Credit, to find out whether credit policy implementation can minimize the occurrence of non-performing loans on Guna Bhakti Credit at Bank BJB, and to determine the effect of Guna Bhakti Credit policy on the value of Non-Performing Loans. The method used in this study is a non-statistical quantitative method using a descriptive analysis approach. The results of this study indicate that the analysis of credit policy on Guna Bhakti Credit has proven effective, The application of credit policy has been declared effective and proven to minimize the occurrence of non-performing loans. The application of credit policy to Guna Bhakti Credit can also affect the percentage value of Non-Performing Loans at Bank BJB.

**Keywords:** Credit Policy, Credit Guna Bhakti, Bank BJB.

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### I. INTRODUCTION

The term bank is often used in everyday conversation to refer to a financial business or institution related to finance. Deposits and credit are two of the many financial services offered by banks as financial institutions. A bank is a financial industry company that can take deposits, lend money, and offer other banking services (Bank Indonesia, 2022).

Credit is the main activity of banking in the world, and almost always poses a risk to the welfare and business operations of the bank. It is also often the main cause of bank problems (Yenny Yusra, 2022). Therefore, the success of credit management has a significant impact on the economy and the bank's business, it is necessary to carry out a special analysis of the risks associated with providing credit based on ethical and consistent credit practices (Endang Sugiarti, 2021).

Integration of the credit application process, analysis, and approval is a method by which banks delegate the credit process to prospective debtors. The process by which the bank determines whether the credit meets the requirements by analyzing the credit (Fadini, 2021). If both parties carry out their responsibilities in accordance with the agreement that has been reached, then problematic credit will not occur. Banks can grow if the loan business is successful, but credit problems arise when debtors fail to repay loans on time (Rafaella and Prabowo, 2022). Fred R. David argues that policies include rules, regulations, and procedures that have been created to support efforts to achieve targets. Policies are decision-making tools and provide answers to routine and recurring situations (Mulyana, Y., Rosid, A., 2023). In accordance with (Law Number 10 of 1998) "Credit is the provision of money or bills that can be equated with it, based on an agreement or loan agreement between a bank and another party that requires the borrower to repay his debt after a certain period of time with interest" (President, 2008).

A contract or agreement is a transaction in the name of two or more people, parties who promise each other a service. A loan agreement according to the Indonesian Civil Code is one of the credit requirements regulated in the third book of the Civil Code. Credit transfer is essentially a loan agreement as regulated in articles 1754 to 1768 of the Civil Code. However, in the application of modern banking, the legal bond in credit is no longer just a loan agreement but also affects other agreements such as a power of attorney (Subandi, 2019). Credit risk can be interpreted as one of the most important risks for banks, because credit distribution is one of the main sources

of income for banks. One indicator for measuring credit risk is non-performing loans (Suhardoyo, 2022). Non-Performing Loans (NPL) can show the capacity of bank management in managing non-performing loans in the bank. If the non-performing loan ratio is high, the bank's creditworthiness will deteriorate, and this situation will lead to more cases of non-performing loans (Ragil Noviantika Silitonga Manda, 2022).

According to the provisions (Article 12 paragraph (3) of Bank Indonesia Regulation No. 14/15/PBI/2012) concerning the Assessment of Asset Quality of Commercial Banks, credit quality is divided into five collectabilities, namely current, special attention, less current, doubtful, and bad (Indonesia Bank, 2012). Then, problematic credit is a case where the customer cannot fulfill all or part of his obligations to the bank as agreed. According to Bank Indonesia provisions, problematic credit is credit that is classified as less current, doubtful, and bad. The assessment of credibility or classification into a certain level of credit collectibility is based on quantitative and qualitative criteria (Rani and Hartanto, 2019).

Thus, the way to avoid problematic credit is that banks must implement healthy credit policies. One of the banks that provides a lot of credit to the public is PT. Bank Pembangunan Daerah Jawa Barat and Banten which is more often referred to as Bank BJB. One of the General Banks owned by the West Java and Banten regional governments whose job is to serve the public by providing loans in the form of credit and collecting funds in the form of savings such as savings, deposits and current accounts. At Bank BJB, various credit facilities are also available, among the many credit facilities, consumer credit is the most superior credit product available at Bank BJB. In handling credit risk, Bank BJB also pays attention to the principle of prudence, then pays attention to the procedures in granting credit, and also carries out effective credit supervision. However, of all types of credit available at Bank BJB, the Guna Bhakti Credit product is a credit product that is most populous and interesting to do research (Janner Simarmata et al., 2020). Therefore, the author will take the Kredit Guna Bhakti product which will be analyzed to see the effectiveness of credit policies on BJB KGB pattern 1, BJB KGB pattern 2, and BJB KGB pattern 3.

## **II. LITERATURE REVIEW**

### **Credit Policy**

Credit policy, which is a policy that explains the procedures for obtaining healthy credit, including the credit approval process, and credit management procedures, and credit monitoring. Credit policy regulates credit assessments to ensure that the results of credit collection assessments carried out by banks are in accordance with the provisions issued by Bank Indonesia (Lumintang, J. J., Rumat, V. A., & Rotinsulu, 2019). In order for the process of providing credit to banks to be carried out consistently and based on a healthy credit foundation, a policy regarding credit that has been previously made in writing is needed. In relation to this, BI or Bank Indonesia also decided on the provisions of obligations on Commercial Banks in terms of having and implementing a bank credit policy based on guidelines in the preparation of bank credit policies in SK Dir BI No.27/162/KEP/DIR dated March 31, 1995 (Undang-Undang, 1988). The policy on credit must be made in writing when containing and regulating at least essential matters according to the instructions in the implementation of credit policies in banks, namely: the principle of prudence in credit, credit organization and management, credit approval policies, credit documentation and administration, credit supervision and, settlement of problematic credit (Nanang Tri Budiman, 2020).

### **Credit Risk**

According to Prasetyo and Darmayanti, in (Noviantika & Manda, 2022) credit risk can be interpreted as one of the most significant risks for banks, as one of the main sources of income for banks is from credit distribution. One of the indicators for measuring credit risk is problematic credit. Non Performing Loan (NPL) can show the management capacity of a bank in managing the existing non-performing loans in the bank. If the non-performing loan ratio is high, the bank's creditworthiness will deteriorate, and this situation will lead to more cases of non-performing loans. An increase in non-performing loans can lead to a decrease in sales and profits, because the interest burden on customer deposits is still issued by the bank (Bank Indonesia, 2022). Credit risk depends on the quality of assets determined by the stability of the bank, and the profitability of bank loans.

### **Non-Performing Loans**

Non-performing loans are cases where customers cannot fulfill all or part of their obligations to the bank as agreed. According to Bank Indonesia regulations, non-performing loans are loans classified as 24 in the installment collectibility of substandard, doubtful, and bad. The assessment of integrity and details is based on measurable criteria and quality (Rani and Hartanto, 2019).

Impact of Non-Performing Loans According to (Afriyeni, A., & Putra, 2019) generally non-performing loans are loans that can cause problems for banks as lenders and also for debtors, some of the impacts of non-

performing loans are as follows: a. Towards Banks b. Towards Customers. Factors Causing Problematic Credit According to (Mulia, Indah & Afriyeni, Afriyeni, 2019) there are 2 factors that cause problematic credit, namely: a. Internal Factors b. External Factors. Handling Problematic Credit According to Dewi (Dewi, 2021) in Bank Indonesia circular No.26/4/BPPP dated May 29, 1993, it is written regarding the rescue of problematic credit by means of improved security, which in essence reorganizes before being presented by the judicial institution a. Rescheduling or rescheduling b. Reconditioning or renewal c. Restructuring or restructuring.

### III. RESEARCH METHODS

This research was conducted at PT. Bank Pembangunan Daerah Jawa Barat and Banten or Bank BJB, in this study using a non-statistical quantitative method, where this method compares and analyzes variables in various forms so that this analysis can be interpreted, in other words the variables that need to be considered are not just numbers, to achieve this there must be at least several samples starting with the selected variables and ending with the final results. Then according to (Laraswati, 2022) non-statistical quantitative can be concluded as a research method that focuses on interpreting data or information by identifying patterns or themes that emerge from research using an inductive approach or into a more compact form to make decisions or draw conclusions. The data sources used in this study are primary data sources and secondary data sources.

The researcher conducted observations by directly observing the credit policy on Kredit Guna Bhakti at Bank BJB. And the researcher's secondary data source uses documentation techniques sourced from the 2018-2022 Bank BJB annual financial report which is listed on the official website of Bank BJB. This analysis uses descriptive analysis according to (Creswell, 2012) descriptive analysis which means describing something first then presenting the problem then concluding and making assumptions about a particular population based on the research sample. This problem formulation model contains independent variables and dependent variables, in this model the researcher makes a descriptive problem statement, after which the researcher can present the final problem that connects variables or compares groups (Rizki et al., 2023).

### IV. RESULTS AND DISCUSSIONS

#### a. Analysis of Guna Bhakti Credit Policy

In the BJB Bank credit policy committee based on the decision letter of the BJB Bank board of directors No.160/SK/DIR-KOM/2015 dated March 4, 2015 concerning the credit policy of General Banks. The credit policy committee is responsible for supporting management in formulating policies, controlling policy implementation, monitoring the development and health of the credit portfolio, and providing suggestions for corrective actions.

Credit policy, namely a policy that explains the procedures for obtaining healthy credit, including the credit approval process, and credit management procedures, and credit monitoring. The credit policy regulates credit assessments to ensure that the results of the credit collection assessment carried out by the bank are in accordance with the provisions issued by Bank Indonesia (Lumintang, Rumat, & Rotinsulu, 2019).

According to (Fuandi, 2020) the origin of the word credit which means trust, credit can arise if the borrower can be trusted. This trust is very dependent on the eligibility of the person or company. The eligibility of a person or body receiving a loan is influenced by the 5C Credit Prudence Principles in Bank BJB's Guna Bhakti Credit, namely as follows:

**Table 1. Benchmark Principles for Providing Credit for Service to Bank BJB**

No	Principles of Credit Granting	Benchmark at Bank BJB
1	<i>Character</i>	a. Reviewing the credit application form of prospective debtors. b. Assessing the results of interviews between prospective debtors and Account Officers c. Assessment between Account Officers and treasurers of institutional institutions. d. Analysis of Bi-Checking examination results.
2	<i>Capacity</i>	.a. Review the civil servant class if the prospective debtor is a civil servant. b. Review the salary ledger or list of employee salaries received
3	Capital	The capital benchmark for the Guna Bhakti Credit product is only seen from monthly income, both from movable and immovable assets.
4	<i>Collateral</i>	In the Guna Bhakti Credit Type product, it can be seen from the employee decree and civil servant class level as well as the amount of basic salary so that prospective debtors can be given credit according to the results of the credit analysis.
5	Condition	Inflation rate and bank interest rates in Indonesia

Source: PT. Regional Development Bank of West Java and Banten

In table 1, regarding the benchmark of the principle of prudence in implementing the 5C principle, it can be seen that BJB KGB has implemented the principle of prudence well, regarding the credit feasibility study in determining prospective debtors receiving credit, by including and assessing the elements in table 1. The Guna Bhakti Credit Procedure at Bank BJB has also been carried out to ensure the implementation of policies

and implementation of loan provision consistently. Credit supervision or monitoring is very important, credit officers can evaluate the fairness of the credit given, for example, supervision through Preventive Control means supervision carried out before the credit realization occurs, the purpose of which is to prevent deviations in the use of credit. And Repressive Control means that credit monitoring is carried out after the realization and during credit exploitation to correct deviations.

After the credit realization, Bank BJB carries out routine monitoring every month to supervise and directly deduct the salary that goes into the debtor's account. Internal control over credit risk management also includes routine monitoring by the Board of Commissioners and Directors through reports from the risk management department and the formation of a risk management committee consisting of the Board of Directors and appropriate executive officers.

## **b. Credit Growth Analysis**

**Table 2. Comparison of BJB Bank Credit Targets and Realizations**

Year 2018			
Description	Target 31 Dec 2018	Realization 31 Dec 2018	Achievement
Credits granted	80,875,087	74,899,385	92.61%
NPL (Gross)	1.50%	1.51%	(0.01%)
Year 2019			
Description	Target 31 Dec 2019	Realization 31 Dec 2019	Achievement
Credits granted	82,364,625	81,181,946	98.56%
NPL (Gross)	1.70%	1.58%	92.94%
Year 2020			
Description	Target 31 Dec 2020	Realization 31 Dec 2020	Achievement
Credits granted	84,775,243	89,095,582	105.09%
NPL (Gross)	1.96%	1.40%	71.43%
Year 2021			
Description	Target 31 Dec 2021	Realization 31 Dec 2021	Achievement
Credits granted	95,696,439	95,813,046	100.12%
NPL (Gross)	1.60%	1.24%	77.50%
Year 2022			
Description	Target 31 Dec 2022	Realization 31 Dec 2022	Achievement
Credits granted	103,558,653	115,755,600	111.78%
NPL (Gross)	1.60%	1.16%	72.50%

Source: PT. Regional Development Bank of West Java and Banten

From the results of the comparative financial report of Bank BJB's annual target and realization according to table 2 above, it shows that in 2018 based on the comparative report, from the given credit target, it has been realized as much as IDR 74,899,385 trillion, with the realization of the gross NPL ratio of 1.51%, the results state that the realization of the gross NPL ratio in 2018 exceeded the target value of the gross NPL ratio of 0.01%, which means that problematic loans at Bank BJB in 2018 could not be controlled.

In 2019, based on the comparative report, from the given credit target, it has been realized as much as IDR 81,181,946 trillion, with the realization of the gross NPL ratio of 1.58%, the results state that the realization of the gross NPL ratio in 2019 did not exceed the target value of the gross NPL ratio, this proves that problematic loans at Bank BJB in 2019 can be controlled so that credit quality is maintained.

In 2020, based on the comparative report, from the credit target that has been given, it has been realized as much as IDR 89,095,582 trillion, with the realization of the gross NPL ratio of 1.40%, the results state that the realization of the gross NPL ratio in 2020 did not exceed the target value of the gross NPL ratio, this proves that problematic loans at Bank BJB in 2020 can be controlled so that credit quality is maintained.

In 2021, based on the comparative report, from the credit target that has been given, it has been realized as much as IDR 95,813,046 trillion, with the realization of the gross NPL ratio of 1.24%, the results state that the realization of the gross NPL ratio in 2021 did not exceed the target value of the gross NPL ratio, this proves that problematic loans at Bank BJB in 2021 can be controlled so that credit quality is maintained.

In 2022, the achievement of the results of the realization of the credit provided reached 117.78% and the achievement of the results of the realization of NPL credit reached 92.94% of the achievement of the set credit target, which exceeded the target of 111.78%. The achievement of credit distribution was influenced by growth in corporate, consumer, mortgage, and MSME credit. Distributing credit distribution with the principle of prudence, the gross NPL (Non Performing Loan) value at Bank BJB can be maintained at 1.16% or below the target of 1.60%. It can be concluded that the most superior type of credit in the five-year period, namely 2018 to 2022, is the type of consumer credit and retail credit which is the most superior of all types of credit mentioned in the table above. This can be seen from the total nominal amount of the type of credit in the table above compared to other types of credit, namely consumer credit with a total nominal of IDR 217,226,727 and retail credit with a total nominal of IDR 80,425,020.

**c. The Influence of Credit Policy on Non Performing Loans**

Every bank in providing loans certainly has a policy that is the basis or rule for borrowers who are entitled to credit. The same applies to Bank BJB which applies the precautionary principle set by Bank Indonesia, although the credit policy has been implemented, bad loans still emerge so that they affect the value of Non Performing Loans at Bank BJB, there must be several factors causing problematic loans both from internal and external parties.

**Table 3. Credit Growth Data for Guna Bhakti Pattern 1 Bank BJB**

Year	Outstanding (Rp)	Absolut Non Performing Loan (NPL)/ (Rp)	NPL %
2018	37.499.711	74.183	0.20%
2019	39.484.193	49.425	0.12%
2020	40.911.683	55.604	0.13%
2021	33.429.369	23.742	0.07%
2022	34.920.138	21.617	0.06%

Source: PT. Regional Development Bank of West Java and Banten

Based on the data in table 3, in the last 5 years, the performance of Kredit Guna Bhakti pattern 1 has shown positive growth. However, in 2021 the outstanding value decreased in the nominal outstanding, but in this period the Non Performing Loan value decreased again to 0.07% and the Absolute Non Performing Loan nominal to Rp. 23,742 billion. And in 2022 there was another increase in the nominal outstanding to Rp. 34,920,138 trillion, and there was a decrease in the Non Performing Loan value to 0.06% and the Absolute Non Performing Loan nominal to Rp. 21,617 billion. When compared between 2019 and 2020, the Non Performing Loan value increased by 0.01% with the Absolute Non Performing Loan nominal increasing by IDR 6,179 billion, and when compared between 2021 and 2022, the Non Performing Loan value decreased by 0.01% in 2022, but the Guna Bhakti Credit pattern 1 experienced development because it could reduce the NPL percentage.

Overall, the data above from year to year shows an improving NPL value. In this Guna Bhakti Credit pattern 1 or which is classified as a type of consumer credit, Bank BJB always prioritizes its customers and always tries to offer value-added services. The Guna Bhakti Credit pattern 1 product has a minimal Non Performing Loan ratio, this happens because to pay the debtor's credit installments, the bank automatically deducts part of the debtor's salary

**Table 4. Credit Growth Data for Guna Bhakti Pattern 2 Bank BJB**

Year	Outstanding (Rp)	Absolut Non Performing Loan (NPL)/ (Rp)	NPL %
2018	7.665.671	29.880	0.40%
2019	7.953.380	22.119	0.28%
2020	7.667.117	29.499	0.38%
2021	7.077.150	41.157	0.58%
2022	6.918.243	61.928	0.89%

Source: PT. Regional Development Bank of West Java and Banten

Based on data 4, above in the last 5 years, the performance of Kredit Guna Bhakti pattern 2 shows the following results: in 2018 it had an outstanding nominal of Rp. 7,665,671 trillion, with a Non Performing Loan value of 0.40% and an Absolute Non Performing Loan nominal of Rp. 29,880 billion. Then in 2019 there was an increase in the outstanding nominal to Rp. 7,953,380 trillion, and a decrease in the Non Performing Loan value to 0.28% and an Absolute Non Performing Loan nominal of Rp. 22,119 billion. Then in 2020 to 2022 there was a decrease in the outstanding nominal to Rp. 7,667,117 trillion to reach Rp. 6,918,243 trillion in 2022. However, there was an increase in the value of Non Performing Loans by 0.38% in 2020 to reach 0.89% in 2022 and the nominal Absolute Non Performing Loan increased by Rp. 29,499 billion in 2020 to reach Rp. 61,928 billion in 2022.

Based on the data results in table 4 above, the development of Credit Guna Bhakti pattern 2 increased in 2019 with an average net growth of Rp. 287.7 billion. However, in 2020, 2021, 2022 there was negative growth, why is that because the outstanding on Credit Guna Bhakti pattern 2 decreased while the nominal Absolute Non Performing Loan increased which caused the Non Performing Loan ratio in the last three years to be high.

This is because the implementation of the National Non-Cash Movement (GNNT) in each regional government has resulted in the salaries of non-payroll debtors, especially ASN debtors in regions outside West Java and Banten, being automatically distributed through the Regional Development Information System (SIPD) transferred directly from the regional treasury to the salary accounts of each ASN, so that the treasurer or payer

cannot make direct deductions from the debtor's salary for collective installment payments. The effect of this policy affects selective credit distribution and causes a slowdown in credit growth. This policy not only contributes to growth but also causes a significant increase in the nominal Absolute Non-Performing Loan in the last five years from IDR 29.88 billion in 2018 to IDR 61.928 billion in 2022.

**Table 5. Credit Growth Data for Guna Bhakti Pattern 3 Bank BJB**

Year	Outstanding (Rp)	Absolut Non Performing Loan (NPL)/ (Rp)	NPL %
2018	608.827	3.293	0.54%
2019	709.776	3.901	0.55%
2020	1.008.856	8.029	0.79%
2021	1.153.864	7.892	0.68%
2022	1.536.676	10.660	0.69%

Source: PT. Regional Development Bank of West Java and Banten

Based on the data from Table 5 above, in the last 5 years, the performance of the Guna Bhakti Credit pattern 3 shows results from 2018 to 2022 with an outstanding value that has grown for 5 years, which is IDR 608,827 billion, with a Non Performing Loan value of 0.54% and an Absolute Non Performing Loan nominal of IDR 3,293 billion in 2018 to reach IDR 1,536,676 trillion, with a Non Performing Loan value of 0.69% and an Absolute Non Performing Loan nominal of IDR 10,660 billion in 2022. In this Guna Bhakti Credit pattern 3, which is classified as a type of retail credit for active employees that provides consumer loans for private employees, foundations, pension funds, civil servants, government agencies and village officials, has achieved positive growth over the past five years. In 2022, there was a net growth of IDR 382.81 billion, most of which came from the realization of credit to village officials and Expert Power Workers (TAD). With the growth in outstanding, there was also an increase in Absolute Non Performing Loans from IDR 3.29 billion in 2018 to IDR 10.66 billion in 2022. Absolute Non Performing Loans increased by IDR 2.76 billion in 2022, mainly due to debtors affected by the mass layoff policies of several companies.

#### **d. Efforts to Rescue Problematic Credits**

In an effort to rescue problem credits, Bank BJB implemented a solution to rescue Guna Bhakti Credit in 3 ways, the first is if the debtor dies while there are still heirs to pay his debt, Bank BJB does not demand the remaining installments for his family, but submits this to the insurance party to file a claim, in which case Bank BJB will receive the remaining payment.

Then secondly, for debtors whose work area has moved, Bank BJB can do it in 2 ways:

- (a). If the debtor moves to another work area and there is a Bank BJB in the new work area, then the previous Bank BJB (the initial place where the debtor applied for credit) must obtain proof of a transfer letter from the old office. After Bank BJB in the old place receives proof, the debtor will be asked to pay off his credit obligations, if the debtor does not agree to immediately pay off his credit, Bank BJB will provide relief by means of the debtor being able to apply for a new credit at Bank BJB which is close to his new work area to pay off the credit at Bank BJB (the initial place where the debtor applied for credit) so that the debtor's obligations are fulfilled and pay his credit installments to Bank BJB which is close to his new work area.
- (b). If the debtor moves to a work area where there is no Bank BJB branch, then the debtor is required to pay off the remaining credit at Bank BJB before the debtor moves to his new work area. If the debtor is unable to pay off his/her loan, Bank BJB will send a notification letter to the debtor's office to be processed.

Whether it is paid off by the office first or the transfer of the office is canceled. And third, for debtors who are in arrears in paying their installments, Bank BJB can do it in 5 ways: (a). If the debtor is in arrears for one installment, the bank will collect from the debtor by contacting the debtor via telephone. (b). If the debtor is in arrears for three consecutive installments, the Bank will send a notification, statement letter and summons to the person concerned, copies of which will be sent to the audit team and the relevant regulator. (c). If the handling is unsuccessful, the next step is for Bank BJB to immediately summon the person concerned and in the summons process no more than 3 times in a month. (d). If the debtor fails to pay and does not fulfill the request, the Bank will conduct a direct inspection on the spot to find out the actual situation. And finally (e). Based on the results of the field inspection, the Bank determines the debtor bankrupt.

## **IV. CONCLUSION AND SUGGESTIONS**

### **Conclusion**

The analysis of credit policy in the Kredit Guna Bhakti sector has been effectively carried out by Bank BJB, because it has been carried out in accordance with the established policies, namely in implementing the principle of prudence in the 5C principle (Character, Capacity, Capital, Collateral, and Condition) properly,

implementing credit granting procedures properly, and also credit supervision that has been effectively carried out by Bank BJB.

The implementation of credit policy has been effectively carried out and can minimize the occurrence of problematic credit in the Kredit Guna Bhakti pattern 1 product. The credit policy that is less effective is carried out in the Kredit Guna Bhakti pattern 2 and pattern 3 products which still have a Non Performing Loan ratio value that increases every year.

The implementation of bank credit policies on Kredit Guna Bhakti can affect the value of Non Performing Loans at Bank BJB, this can have an effect because credit that is included in problematic credit (such as: substandard, doubtful credit, and bad credit) can be avoided by implementing the principle of prudence, credit granting procedures, and effective credit supervision.

### **Suggestion**

Bank BJB should be more careful in providing credit, especially on Kredit Guna Bhakti pattern 2 and Kredit Guna Bhakti pattern 3 and Bank BJB should evaluate the reports of Kredit Guna Bhakti pattern 2 and Kredit Guna Bhakti pattern and Bank BJB should tighten supervision of Kredit Guna Bhakti pattern 2 and Kredit Guna Bhakti pattern 3 in order to minimize cases of problematic credit in Bank BJB credit.

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