

Strategy Implementation of Non-Cash Transaction Supporting Performance in the Supply Chain Responsive and National Movement in Non-Cash

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Abstract:- The responsive supply chain is the result of an interaction of partner collaborative networks, information technology and knowledge management. In a rapidly changing environment, companies must create Reviews their supply chains to be more responsive. Supply chain resistance must be supported by effective and efficient payments. An effective and efficient payment system can be made through a non-cash payment system. Despite increasing every year, Compared to ASEAN countries, non-cash transactions in the retail sector in Indonesia are still very low. This study aims to Determine and analyze the supporting and inhibiting factors for the implementation and installation of non-cash payment instruments in the SME environment until the strategy is Formulated to increase of the number and frequency of non-cash transactions in Indonesia, so as to Increase the responsiveness of SME supply chains. The quality of research analysis method uses Internal Factor Evaluation (IFE), External Factor Evaluation, IE Matrix, SWOT and Quantitative Strategic Planning Matrix (QSPM). This research was conducted in two districts items, namely Banyumas Regency and Brebes Regency, Central Java. Data collection methods in this study were Secondary Data Review (SDR), Direct Observation, Interviews, questionnaires, and Focus Group Discussion (FGD). The results of the study provide alternative strategy recommendations: (1) Extending the area of non-cash transactions, (2) Providing incentives, (3) Improving Network Capabilities, and (4) Reducing Operational Costs.

Keywords: Non-Cash Transactions, SMEs, AHP, SWOT, QSPM

I. INTRODUCTION

Responsive supply chain is the result of an interaction of a collaborative network of partners, system. information technology and knowledge management (Gunasekaran, Lai, & Edwinceng 2008), In a competitive environment, there is a need to develop cost-effective solutions and responsive to the needs of the market (Gunasekaran et al., 2008), Business enterprises compete in an environment of increasingly complex and rapidly changing, managers must continually create their supply chains become more responsive (Malhotra & Mackelprang 2012),

A supply chain is a dynamic process that includes continuous flow of materials, funds and information in several functional areas, both within the chain and among the

members of the chain (Ahi & Searcy, 2013; Jain, Wadhwa, & Deshmukh, 2009), In the field of applied business, superior company has realized the real competition that the business effectiveness paradigm shift the focus of competition of the company against the company become the paradigm of the supply chain against supply paradigm (Qrunfleh & Tarafdar, 2013), Business organizations are increasingly thinking that they have to compete as part of a supply chain to quickly understand the changing market (Cigolini, Cozzi, and Perona, 2004), Strategic view of managing the supply chain is very important, especially for complex environments and virtually without limits (Li, Ragu-Nathan, Ragu-Nathan, & Rao, 2006),

Network of organizations involved in the activities of the supply chain upstream and downstream generate value in the form of the products and services provided to end consumers (Christopher, 2000), The integration of the supply chain or Supply Chain Integration (SCI) refers to the extent to which the organization works with partners intra and inter-organization to achieve effective and efficient flow of products, services, information, money and decisions with the aim of providing maximum value for customers (Chang, Ellinger, Kim, & Franke, 2016), The effectiveness and efficiency of the supply chain must be backed up with a payment system that effectively and efficiently as well. Effective and efficient payment system can be done through a system of non-cash payments.

Indonesia currently ranks lower than the country - host a regional country, the percentage of non-cash transactions pelaksanaan. Despite increased each year, compared with the ASEAN countries non-cash transactions in the Indonesian retail sector is still very low. Based on McKinsey study (2013), the number of non-cash retail transactions Indonesia reached 0.6%, while Singapore has reached 44.5%. For Thailand reached 2.8% and Malaysia at 7.7%. Based on the records of Bank Indonesia (BI) in the year 2009, there were 48,000 transactions worth 1.4 billion rupiah per day. This number is very small when compared with the total population of Indonesia and the total transaction amount. By looking at Indonesia's economic growth at 5.0% is still relatively high among ASEAN countries 5, which is 4.7%.

Efforts to increase the frequency of and the amount of non-cash transactions have been carried out by the stakeholders, namely one by Bank Indonesia (BI) as the Central Bank in Indonesia. On August 14, 2014, the Governor of Bank Indonesia Agus DW Martowardjoyo has launched the National Movement of Non-Cash (GNNT) on. Through the National Movement of Non-Cash (GNNT) is expected to accelerate the use of non-cash payment instruments through the number, frequency or spreading. which have been pursued by Bank Indonesia from a few years earlier.

Payment transactions which have traditionally been done the business community in Indonesia has many drawbacks, including: (1) Less safe. By bringing a large cash impact on the risk of crime, (2) less practical. Society must bring a certain amount of cash in time will make payments for goods to be bought. (3) The risk of counterfeit money. Sometimes physical money will be mixed with counterfeit money. (4) The transaction times longer. The process of calculating the amount of money big money will takes time long when transacting in cash. (5) Value for money less intact. Value for money will be eroded by inflation because trnasaksi result in cash.

Three strategies GNNT the form of (1) Forming Region Non-Cash in Campus Environment, (2) Payment Instruments Non-Cash for Financial Services Government, and (3) Distribution of Social Assistance Government that is being promoted is still around in the society the top and bottom layer. So there is one thing that is overlooked by policy makers that there is a link level or middle level this policy to be a "discontinuous", ie the attention of strategy at the level of SMEs.

Indonesian SMEs play an important role in the penetration and expansion of non-cash transactions and continue central part of the program. Retail directly touch the whole community of Indonesian consumers. Retailers SME-based retailer is a huge potential for development and expansion of non-cash financial transactions in Indonesia. One of the activities that could be used to support GNNT is the implementation of non-cash payment instruments such as EDC (Electronic Data Capture) in the Small and Medium Enterprise (SME) in the field of retail.

The real problems in society that very few SMEs are the SMEs who install or implement instruments non-cash transactions in the business environment. This is certainly strongly inhibits the growth of transactions that involve the wider community as well as lowering keresposifan supply chain performance. On one side according to the number of SMEs in Indonesia CPM greater than most countries - other countries, namely 56,534,592 SMEs in 2012. With the contribution to GDP is 58.92 percent and contributions in labor absorption 97.30 percent. The number of workers of CPM released by the Ministry of Cooperatives and SMEs showed an increase of 6.03% in 2012 increased to 107 657 509 114 144 082 in 2013. If the perpetrators and the

community is empowered SMEs can certainly increase and optimizes GNNT through non-cash transactions very large both in number and frequency.

Under these conditions, it is necessary to investigate and analyze the factors supporting and hindering the implementation and installation of instrument non-cash payments in the SME to the formulation of a strategy to increase the number and frequency of non-cash transactions in Indonesia, so as to improve the responsiveness of the supply chain of SMEs and support the Movement National Non-Cash in Indonesia.

II. RESEARCH METHOD

This research was a survey with qualitative and quantitative approaches. The study was conducted in two districts, namely Banyumas and Brebes, Central Java. Consideration of these two lie within the region are each working area of the two teams, Brebes to TPP (the location of the University of Civilizations) and Banyumas for TPM (location UnSoed), Secondary data were obtained from the data available at the source - the source of a good referral from the department of cooperatives and SMEs, Ministry of Industry and of the environment of Bank Indonesia (BI), The primary data obtained directly from respondents who are participants, including the bankers who cover operational manager, branch manager, sales force and field operators installer instruments. Of the SMEs, research respondent is the owner, manager or cashier SMEs that already mengimplementasikan EDC. The method used to obtain data from the respondent is through Secondary Data Review (SDR), Direct Observation, interviews, questionnaires, and Focus Group Discussion (FGD).

III. RESULTS AND DISCUSSION

SWOT analysis

This study qualitative use qualitative methods SWOT.

Strength

1. *Security*

Non-cash transactions through the community will feel safer when it will make the payment for goods to be bought, since the use of non-cash transactions will reduce the risk of crime compared with cash when it will make the process of purchasing an item.

2. *Speed*

People who want to make payment for goods bought do not need to wait to linger in the process of the transaction, due to the use of non-cash transactions only need to do one swipe on each transaction.

3. *Practicality*

In addition to safety and speed, use of non-cash transactions will provide convenience to the public with

no need to carry a certain amount of cash in when they wanted to make the process of payment of goods purchased.

4. *Easiness*

In the use of non-cash transactions, not counting the money for the transaction difficulties in large quantities and do not bother to provide coins for change.

Weakness

1. *The Low Quality of Human Resources*

Communities with lower education became one of the weaknesses in the smooth running of a national program of non-cash movements (GNNT) in Indonesia. Technology illiterate and afraid of making people more comfortable with the process cash transactions.

2. *Procedures and Paperwork*

In the use of EDC for SMEs of course there are the administrative process and procedure to be followed, such as should the License and TIN for the business and their standard monthly sales volume of at least IDR 15,000., Businesses that do not qualify prefer to make payments in cash.

3. *Cost Issues*

EDC GPRS their costs to be paid every month. In addition to the cost of GPRS EDC also the merchant discount rate (MDR) of 1.6 to 2.5% is paid by the merchant. Most SMEs objected to the costs to be borne.

4. *Lack of Flexibility*

There is an issue of flexibility of use of EDC. Customers must have the card, the customer must fill out a bank account to be able to perform non-cash transactions.

5. *Business Environment Issues*

People feel has not been necessary in the process of non-cash payments, because they are familiar with the process of cash payments. In addition the average payment is below < IDR 50,000.

Opportunity

1. *Value for money awake*

The use of non-cash transactions, the possibility of the value of money will be maintained, not exposed to inflation

2. *Earn interest or services*

Through the non-cash transactions, users earn interest or services from a bank account.

3. *The odds of getting lottery or prize*

People who use non-cash transaction process has a chance to get a lottery or prize. Because many of the Bank conducting a sweepstakes or prize for its customers.

4. *government program*

With the use of non-cash transactions in the community have the opportunity to contribute to the program of the government.

5. *Opportunities to create new technology*

With the non-cash transactions can become a trend in society, so it has a chance to be developed into new technologies.

Threat

1. *Disorders Cyber Crime*

The security of non-cash transactions in Indonesia still needs to be improved, as the trend of the advent of public conduct online transactions, both for banking transactions, e-commerce, as well as remittances. The transaction between the consumer and the service provider is still vulnerable to cyber crime interference from third parties, which intending to steal the materials illegally by breaking into corporate data and personal.

2. *Technology Engine Trouble*

In the process of non-cash transactions will allow disruptions such as machinery and technology, the incidence of error / failure of the system, the process is repeated.

3. *Network Disruption*

In the process of non-cash transactions will allow network disruptions such as network events that weak due to the limited availability of the network throughout the region in Indonesia.

Position Analysis of Strategies and Competitiveness

After the factors of power (strength) and weaknesses (weakness) is identified, further weighting each factor. Giving weight to do with a number from 0.0 to 1.0 according to the size or importance of the influence of factors. The weight of 0.0 is given to factors that are not important and 1.0 is given to the more important factor. More results to find the weights with the pair comparison methods are summarized in the following matrix:

Table 1. Pairwise Comparison Weight Internal Factors

	1	2	3	4	5	6	7	8	9	Total	Weight
1										5	0,139
2	2									7	0,194
3	3	3								3	0,083
4	1	2	3							4	0,111
5	1	2	4	5						2	0,056
6	1	2	4	6	6					4	0,111
7	1	2	4	7	7	7				5	0,139
8	1	2	4	8	5	8	8			3	0,083
9	9	2	4	4	9	6	7	9		3	0,083
Total										36	1,000

Source: primary data., 2019

Results weighting method comparisson pair subsequently loaded on a matrix of IFE (Internal Factor Evaluation), which is in table 4.2. After each factor is weighted, then determined rank / rating / score between 1 and

4 which indicates whether or not the response. Summary results of the analysis of internal factors through the Internal Factor Evaluation can be seen in the following table:

Table 2. Internal Factors Weight Score Calculation

No.	Internal Strategic Factors	Weight	Ranked	Score eight
	Strength			
1	Security	0,139	4	0,556
2	Speed	0,194	4	0,776
3	Practicality	0,083	2	0,166
4	Easiness	0,111	3	0,333
	Weakness			
5	The low quality of human resources	0,056	1	0,056
6	Procedures and paperwork	0,111	3	0,333
7	cost issues	0,139	3	0,417
8	Lack of flexibility	0,083	2	0,166
9	Business environment issues	0,083	2	0,166
		1,000		2,969

Source: primary data., 2019

After factors chance (opportunity) threat (threat) is identified, further weighting each factor. Giving weight to do with a number from 0.0 to 1.0 according to the size or

importance of the influence of factors. More results to find the weights with the pair comparison methods are summarized in the following matrix:

Table 3. Pairwise Comparison Weight External Factors

	1	2	3	4	5	6	7	8	Total	Weight
1									2	0,071
2	1								2	0,071
3	3	2							1	0,036
4	1	2	4						1	0,036
5	5	5	5	5					5	0,179
6	6	6	6	6	5				4	0,143
7	7	7	7	7	7	7			7	0,250
8	8	8	8	8	8	8	7		6	0,214
Total									28	1,000

Source: primary data., 2019

Results weighting method comparison pair subsequently loaded on the matrix EFE (External Factor Evaluation), which is in table 4.4. After each factor is weighted, then determined rank / rating / score between 1 and

4 which indicates whether or not the response. Summary results of the analysis of external factors through External Factor Evaluation can be seen in the following table:

Table 4. External Factors Weight Score Calculation

No.	External Strategic Factors	Weight	Ranked	Score Weight
	Opportunity			
1	Value for money awake	0,071	2	0,142
2	Earn interest or services	0,071	2	0,142
3	The odds of getting lottery or prize	0,036	1	0,036
4	government program	0,036	1	0,036
5	Opportunities to create new technology	0,179	3	0,537
	Threat			
6	Disorders cyber crime	0,143	3	0,429
7	Technology engine trouble	0,250	4	1,000
8	network disruption	0,214	4	0,856
		1,000		3,178

Source: primary data (processed), 2019

QSPM Analysis (Quantitative Strategic Planning Matrix Strategy)

Phase matching (matching) are both in this research is to use analisis SWOT (Strength-Weakness-Opportunity-Threat). This analysis is used to determine alternatives to the current strategy. Through SWOT analysis is to be obtained

alternatives strategies that allow enhances competitiveness (David, 2009: 324-345). Summary results of analysis of strategic alternatives through analysis QSPM (Strategy Quantitative Strategic Planning Matrix) can be seen in table 4.4 as follows:

Table 5. Analysis of Alternatives Strategies

No	Internal Strategic Factors	Weight	Expanding the area of non-cash transactions		Incentives		Enhance capabilities and technology		Reducing operating costs	
	Strength									
1	Security	0,139	4	0,556	0	0,000	2	0,278	0	0,000
2	Speed	0,194	4	0,776	0	0,000	2	0,388	3	0,582
3	Practicality	0,083	4	0,332	2	0,166	0	0,000	2	0,166
4	Easiness	0,111	4	0,444	2	0,222	0	0,000	1	0,111
	Weakness									
5	The low quality of human resources	0,056	0	0,000	4	0,224	0	0,000	0	0,000
6	Procedures and paperwork	0,111	0	0,000	1	0,111	0	0,000	0	0,000
7	cost issues	0,139	0	0,000	3	0,417	3	0,417	4	0,556
8	Lack of flexibility	0,083	0	0,000	2	0,166	1	0,083	0	0,000
9	Business environment issues	0,083	2	0,166	0	0,000	2	0,166	3	0,249
	Sub-Total	0,999		2,274		1,306		1,332		1,664

NO	External Strategic Factors	Weight	Expanding the area of non-cash transactions		Incentives		Enhance capabilities and technology		Reducing operating costs	
	Opportunity									
1	Value for money awake	0,071	3	0,213	3	0,213	2	0,142	4	0,284
2	Earn interest or services	0,071	4	0,284	1	0,071	0	0,000	2	0,142
3	The odds of getting lottery or prize	0,036	0	0,000	3	0,108	0	0,000	0	0,000
4	government program	0,036	4	0,144	0	0,000	0	0,000	0	0,000
5	Opportunities to create new technology	0,179	4	0,716	0	0,000	4	0,716	4	0,716
	Threat									
6	Disorders cyber crime	0,143	2	0,286	0	0,000	0	0,000	1	0,143
7	Technology engine trouble	0,250	2	0,500	2	0,500	3	0,750	2	0,500
8	Network disruption	0,214	1	0,214	2	0,428	3	0,642	2	0,428
	Sub-Total	1,000		2,357		1,320		2,250		2,213
	Total			4,631		2,626		3,582		3,877

Source: primary data, 2019

Based on the QSPM analysis above it can be seen that the expanding the area of non-cash transactions strategy is the main strategy with a score of 4,631 followed by lower operating cost (3,877), Increase network capabilities and technology (3,582) and incentives (2,626)

IV. CONCLUSION

Based on the objectives to be achieved in this study we concluded that to increase of non-cash instruments that support the implementation of responsive supply chain performance of SMEs needed alternative strategies such as: (1) Expanding the area of non-cash transactions, (2) Reduce Operating Costs, (3) Enhance Network Capability, and (4) Incentives.

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