Fandil[1], Zumrotun Nafiah[2], Yovita M. Hartarini[3]

THE EFFECTIVENESS OF INDIVIDUALS, GROUPS, AND ORGANIZATIONS TOWARDS HANDLING OF NAD LOANS DURING THE COVID-19 PANDEMIC (STUDY ON BPR ARTO MORO SEMARANG)

Fandil [1], Zumrotun Nafiah[2], Yovita M. Hartarini[3]
[1,2,3] STIE Semarang
fandil@stiesemarang.ac.id, zumrotun_nafiah@stiesemarang.ac.id, yovita@stiesemarang.ac.id

Abstract. *Giving credit is the main activity of banks in generating profits, but the most significant risk also comes from lending. The main problem facing the banking industry in Indonesia during the COVID-19 pandemic is non-performing loans (NPLs). Covid-19 has had significant impact on the increase in non-performing loans at conventional commercial banks. The Covid-19 variable can be used as an external indicator of an increase in non-performing loans for commercial banks in Indonesia. The Financial Services Authority (OJK) has issued Financial Services Authority Regulation Number 42 /Pojk.03/2017 concerning Obligations to Prepare and Implement Credit or Bank Financing Policies for Commercial Banks that the handling of bad loans can be carried out individually, in groups, and organizations. To determine the effectiveness of individuals, groups, and organizations in handling bad loans during the COVID-19 pandemic, this research proposes research on the effectiveness of individuals, groups, and organizations in handling bad loans during the COVID-19 pandemic. The purpose of the study was to analyze the effectiveness of individuals, groups, and organizations in handling bad loans during the covid-19 pandemic.*

This type of research is descriptive and quantitative. The research design is cross-sectional. The research site is at BPR Arto Moro Semarang. The research time is from January-December 2022. The population of this study is all 915 BPR Arto Moro Semarang credit customers in 2020-2021. The sample of this research is 915 people. The sampling technique used was accidental sampling. The primary data source is Data on Potential Debtors Affected by Corona Virus in the Banking Sector of BPR Arto Moro Semarang. The secondary data source is data from BPR Arto Moro Semarang credit customers. Primary and secondary data collection methods use. The data analysis method uses frequency distribution analysis.

The results showed that the effectiveness of handling bad debt collections individually by sales (AO) with effective results was compared to handling collections of bad loans by the Dept. Collective (Collective) and BPR / Asset Recovery Group with ineffective results.

Keywords: effectiveness; bad debt; covid-19 pandemic

Abstraksi. *Pemberian kredit merupakan kegiatan utama bank dalam menghasilkan keuntungan, namun risiko yang paling signifikan juga berasal dari penyaluran kredit. Masalah utama yang dihadapi industri perbankan di Indonesia selama pandemi COVID-19 adalah kredit macet atau bermasalah atau Non Performing Loan (NPL). Covid-19 berdampak signifikan terhadap peningkatan kredit bermasalah di bank umum konvensional. Variabel covid-19 dapat dijadikan sebagai indikator eksternal peningkatan kredit bermasalah bagi bank umum di Indonesia. Otoritas Jasa Keuangan (OJK) telah mengeluarkan Peraturan Otoritas Jasa Keuangan Nomor 42 /Pojk.03/2017 Tentang Kewajiban Penyusunan dan Pelaksanaan Kebijakan Perkreditan atau Pembiayaan Bank Bagi Bank Umum bahwa penanganan kredit macet dapat dilakukan secara perorangan, kelompok, dan organisasi. Dalam usaha mengetahui efektivitas individu, kelompok, dan organisasi terhadap penanganan kredit macet*

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di masa pandemi covid-19, maka melalui penelitian ini diusulkan penelitian mengenai efektivitas individu, kelompok, dan organisasi terhadap penanganan kredit macet di masa pandemi covid-19. Tujuan penelitian adalah untuk menganalisis efektivitas individu, kelompok, dan organisasi terhadap penanganan kredit macet di masa pandemi covid-19.

Jenis penelitian ini adalah deskriptif kuantitatif. Desain penelitian cross sectional. Tempat penelitian di BPR Arto Moro Semarang. Waktu penelitian pada bulan Januari-Desember 2022. Populasi penelitian ini adalah seluruh nasabah kredit BPR Arto Moro Semarang tahun 2020-2021 sebanyak 915 orang. Sampel penelitian ini sebanyak 915 orang. Teknik pengambilan sampel menggunakan accidental sampling. Sumber data primer yaitu Data Potensi Debitur Terdampak Virus Corona Pada Sektor Perbankan BPR Arto Moro Semarang. Sumber data sekunder yaitu data nasabah kredit BPR Arto Moro Semarang. Metode pengumpulan data primer dan sekunder menggunakan. Metode analisis data menggunakan analisis distribusi frekuensi.

Hasil penelitian menunjukkan bahwa efektivitas penanganan penagihan kredit macet secara individu oleh sales (AO) dengan hasil efektif dibandingkan penanganan penagihan kredit macet secara Kelompok Dept Kolektor (Collective) dan BPR/Recovery Aset dengan hasil tidak efektif.

Kata kunci: efektivitas; kredit macet; pandemi covid-19

INTRODUCTION

In order to carry out its function as a distributor of public funds (financial intermediary), banks have facilities in the form of credit. Credit facilities are bank products that are most in demand by the public in an effort to meet needs (Satradinata & Muljono, 2020). Giving credit is the main activity of banks in generating profits, but the biggest risk also comes from lending (A. L. Putri & Sugiyanto, 2021). There are 3 main problems faced by the banking industry in Indonesia in the COVID-19 pandemic situation, namely liquidity risk, bad or problem loans or Non-Performing Loans (NPL), and loss of intermediation income (Rizwan, Ahmad, & Ashraf, 2020). Covid-19 has a significant impact on increasing non-performing loans in conventional commercial banks and the covid-19 variable can be used as an external indicator of increasing non-performing loans for commercial banks in Indonesia (Hardiyanti & Aziz, 2021). The national banking non-performing loan rate increased from 2.53% in December 2019 to 2.7% in February 2020. Several Indonesian banks, particularly small-scale banks, have gone out of business due to unresolved credit problems, such as the bad credit case that occurred at the Rural Bank (BPR) BKK Kebumen, MNC Bank, Artos Bank, Bank Banten, Dubai Syariah Panin Bank, and BJB Syariah Bank (Hardiyanti & Aziz, 2021). According to the Financial Services Authority (OJK) until May 2020, the ratio of bad loans reached 3.01% and this percentage increased compared to the previous months which was around 2.8% (Yuliarto, 2021).

Mapping of bad credit research during the covid-19 pandemic, produces an overview of research topics that are correlated with bad credit. The COVID-19 pandemic has a positive and significant impact on banking non-performing loans (Hardiyanti & Aziz, 2021; Haryansah, Maramis, & Senewe, 2021; Krisen, 2022; Moh et al., 2021; A. L. Putri & Sugiyanto, 2021; Rafaella, 2022; Siregar & Sitanggang, 2021; Suprianto & Nugroho, 2021; Syukriana & Nurdin, 2021; Tasya & Nasution, 2021; Vegayanthi, Budiartha, & Wesna, 2022). It has even had an impact in various countries [15–18]. Research to overcome the problem of bad loans during the

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covid-19 pandemic with the first solution, the Government and the Financial Services Authority (OJK) issued a policy of relaxing the delay in credit payments and financing installments from banks and finance companies to ease the burden of the pressure of the corona virus outbreak. Second, the flexibility in credit restructuring for 12 months is to maintain the health, liquidity and profitability of banks, with a maximum value of 10 billion rupiah due to the impact of covid-19 (Yuliarto, 2021). Data mining research uses the K-Nearest Neighbor algorithm in determining bad credit for electronic goods (Silvilestari, 2021). Another limitation of previous research is that research on the impact of bad loans has been carried out, but only on the factors that cause bad loans. Existing research targets the impact of COVID-19 on bad loans, and none involves research or replication of the effectiveness of individuals, groups, and organizations in handling bad loans during the COVID-19 pandemic. OJK through Financial Services Authority Regulation Number 42 /Pojk.03/2017 concerning Obligations to Prepare and Implement Credit or Bank Financing Policies for Commercial Banks that the handling of bad loans can be carried out individually, in groups, and in organizations (Financial Services Authority (OJK), 2017) .

The purpose of this study was to analyze the effectiveness of individuals, groups, and organizations in handling bad loans during the covid-19 pandemic. This research is very important because the handling of bad loans during the COVID-19 pandemic can be done individually, in groups, and in organizations which will be a good choice, because it is expected to increase banking income. Handling bad loans during the COVID-19 pandemic, which can be done individually, in groups, and in organizations, will undoubtedly be the leading solution for the banking industry, both nationally and locally.

LITERATURE REVIEW
A. Credit
Financing or credit is the provision of money or an equivalent claim, based on an agreement or agreement between the bank and another party that requires the party being financed to return the money or bill after a certain period of time with compensation or profit sharing (Pande, Putra, & Putri , 2020). Credit is the provision of money or an equivalent claim, based on a loan agreement between the bank and another party, the borrower is obliged to repay the debt after a certain period of time with a certain amount of interest (Murdiyanto, 2012). Credit is the provision of money or an equivalent claim, based on an agreement or loan agreement between the bank and another party that requires the borrower to pay off the debt after January span as a certain time after the member's interest (Tarigan, Wantoro, & Abidin, 2020).

B. Bad Credit
The potential credit risk is the emergence of bad loans or Non-Performing Loans (NPL) (Hermuningsih, Sari, & Rahmawati, 2020). Bad credit is credit that is classified as substandard credit, doubtful credit, and non-performing loans. Bad loans can be defined as loans that have difficulty in payment due to intentional factors or external factors that are beyond the control of the debtor (Budiarto, 2021; Hardiyanti & Aziz, 2021). Bad loans are loans or non-current loans whose debtors cannot meet the agreed requirements, for example interest payment requirements, collection of loan principal, increased margin deposits, binding and increasing guarantees, and so on (Puspadma, 2021). Credit congestion is something that is the cause of difficulties for the bank itself, namely in the form of difficulties, especially those concerning the soundness of the bank, therefore banks are obliged to avoid bad loans (Wijoyo, 2020).

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RESEARCH METHODS

A. Type of Research

This type of research is descriptive quantitative. The research design is cross sectional.

B. Place and Time of Research

The research site is at BPR Arto Moro Semarang. Research time in January-December 2022.

C. Population, Sample, and Sampling Technique

The population of this research is all 915 BPR Arto Moro Semarang credit customers in 2020-2021. The sample of this research is 915 people. The sampling technique used was accidental sampling.

D. Data Source

The primary data source is Data on Potential Debtors Affected by Corona Virus in the Banking Sector of BPR Arto Moro Semarang. The secondary data source is data from BPR Arto Moro Semarang credit customers. The primary data instrument uses Data on Potential Debtors Affected by Corona Virus in the Banking Sector of BPR Arto Moro Semarang.

E. Data Collection Method

Primary data collection method using Data on Potential Debtors Affected by Corona Virus in the Banking Sector BPR Arto Moro Semarang. Secondary data collection using documentation.

F. Data Processing Method

Data processing methods include collecting, classifying, entering, tabulating, editing, verifying, and presenting data.

G. Data Analysis Method

The data analysis method uses frequency distribution analysis as follows:

$$P = \frac{n}{N} \times 100\%$$

Information :

P = Proportion

n = Number of categories of samples taken

N = Total number of samples

BPR Arto Moro Semarang stipulates credit terms, namely the credit period of n/30. Thus, the debtor is obliged to pay off his obligations a maximum of 30 days after the invoice date. To determine the effectiveness of individuals, groups, and organizations in handling bad loans, the following criteria are used:

Table 3.1

Criteria for Effectiveness of Individuals, Groups, and Organizations in Handling Bad Credit

No	Days	Criteria
1	0-30 days	Effective
2	> 30 days	Not effective

RESEARCH RESULTS AND DISCUSSION

A. Bad Loans Collectability of BPR Arto Moro Semarang

1. Number of Account (NOA) Bad Credit Collectability BPR Arto Moro Semarang

Table 1

Frequency Distribution of Number of Accounts (NOA) Bad Loans Collectability BPR Arto Moro Semarang

No	Collectability	Category	Total	Percentage (%)
1	Current –Collective 1	Current	669	73.11
2	Arrears 01 to 30 days - (Collective 1)	Substandard	42	4.59
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention	56	6.12

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4	Arrears 61 to 90 days - (Collective 2)	Doubtful	111	12.13
5	Collective 3	Loss	14	1.53
6	Collective 4	Loss	6	0.66
7	Collective 5	Loss	17	1.86
		Total	**915**	**100.00%**

Based on the table above, the current collectability (Current) – Collective 1 in the current category is 669 people (73.11%). Arrears 01 to 30 days - (Collective 1) in the substandard category as many as 42 people (4.59%). Arrears 31 to 60 days - (Collective 2) category under special attention as many as 56 people (6.12%). Arrears 61 to 90 days - (Collective 2) doubtful category as many as 111 people (12.13%). Collectively, there are 14 traffic jam categories (1,53%). Collectively 4 categories of traffic jams were 6 people (0.66%). Collective 5 categories of traffic jams as many as 17 people (1.86%).

2. Nominal Collectability of Bad Loans at BPR Arto Moro Semarang

Table 2
Distribution of the Nominal Frequency of Bad Credit Collectability of
BPR Arto Moro Semarang

No	Collectability	Category	Nominal	Percentage (%)
1	Current –Collective 1	Current	Rp 252.851.206.650	75,30
2	Arrears 01 to 30 days - (Collective 1)	Substandard	Rp 11.940.695.058	3,56
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention	Rp 15.891.155.936	4,73
4	Arrears 61 to 90 days - (Collective 2)	Doubtful	Rp 45.318.261.215	13,50
5	Collective 3	Loss	Rp 3.304.210.874	0,98
6	Collective 4	Loss	Rp 430.352.781	0,13
7	Collective 5	Loss	Rp 6.039.433.803	1,80
		Total	**Rp 335.775.316.317**	**100.00**

Based on the table above, the collectability of current (Current) – Collective 1 in the current category is Rp. 252.851.206.650 (75.30%). Arrears 01 to 30 days - (Collective 1) in the substandard category amounting to Rp11,940,695,058 (3.56%). Arrears 31 to 60 days - (Collective 2) category under special mention amounting to Rp 15,891,155,936 (4.73%). Arrears 61 to 90 days - (Collective 2) doubtful category amounting to Rp 45,318,261,215 (13.50%). Collectively 3 categories of traffic jams amounted to Rp. 3,304,210,874 (0.98%). Collectively 4 categories of traffic jams amounted to Rp 430,352,781 (0.13%). Collectively 5 categories of loss amounted to Rp 6,039,433,803 (1.80%).

3. Handling of Bad Credit Collectability of BPR Arto Moro Semarang

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Table 3
Distribution of the Frequency of Handling Bad Credit Collectibility of
BPR Arto Moro Semarang

No	Collectability	Category	Billing Handled	Amount
1	Current –Collective 1	Current	Individual by Sales Account Officer (AO)	25
2	Arrears 01 to 30 days - (Collective 1)	Substandard		
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention	By Dept. Collector Group (Collective)	25
4	Arrears 61 to 90 days - (Collective 2)	Doubtful		
5	Collective 3	Loss	By BPR/Asset Recovery	5
6	Collective 4	Loss		
7	Collective 5	Loss		
			Total	**55**

Based on the table above, the collectability of current (Current) – Collective 1 is current category and Arrears 01 to 30 days - (Collective 1) category is substandard, collection is handled individually by the Sales Account Officer (AO) as many as 25 people. Arrears 31 to 60 days - (Collective 2) in the category of special attention and Arrears 61 to 90 days - (Collective 2) in the category of doubtful collections are handled by the Dept. Collector Group (Collective) as many as 25 people. Collective of 3 categories of loss, Collective of 4 categories of loss, and Collective of 5 categories of collection are handled by BPR/Asset Recovery as many as 5 people.

4. Handling Collection of Bad Credit Collectability of BPR Arto Moro Semarang Based on Number of Account (NOA)

Table 4
Distribution of the Handling of Bad Credit Collectability Collections
at BPR Arto Moro Semarang by Number of Account (NOA)

No	Collectability	Category	Billing Handled	NOA Amount	Percentage (%)
1	Current –Collective 1	Current	Individual by Sales Account Officer (AO)	711	77,7
2	Arrears 01 to 30 days - (Collective 1)	Substandard			
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention	By Dept. Collector Group (Collective)	167	18,25
4	Arrears 61 to 90 days - (Collective 2)	Doubtful	By BPR/Asset Recovery		
5	Collective 3	Loss			
6	Collective 4	Loss			
7	Collective 5	Loss		37	4,04
			Total	**915**	**100**

Based on the table above, the Number of Account (NOA) collectability current (Current) – Collective 1 is current category and Arrears 01 to 30 days - (Collective 1) is

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substandard category as many as 711 people (77.70%). Arrears 31 to 60 days - (Collective 2) category under special attention and arrears 61 to 90 days - (Collective 2) doubtful category as many as 167 people (18.25%). Collective 3 categories of traffic jams,

Collective 4 categories of traffic jams, and Collective 5 categories of traffic jams as many as 37 people (4.04%).

5. Handling Collection of Bad Loans from Arto Moro BPR Semarang by Nominal

Table 5
Distribution of the Handling of Bad Credit Collectability of
Arto Moro BPR Semarang Based on Nominal

No	Collectability	Category	Billing Handled	Nominal	Percentage (%)
1	Current –Collective 1	Current	Individual by Sales Account Officer (AO)		
2	Arrears 01 to 30 days - (Collective 1)	Substandard		Rp. 264.791.901.708	78,86
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention	By Dept. Collector Group (Collective)	Rp. 61.209.417.151	18,23
4	Arrears 61 to 90 days - (Collective 2)	Doubtful	By BPR/Asset Recovery		
5	Collective 3	Loss			
6	Collective 4	Loss			
7	Collective 5	Loss		Rp. 9.773.997.458	2,91
			Total	**Rp. 335.775.316.317**	**100**

Based on the table above, the nominal collectability of current (Current) – Collective 1 is in the current category and Arrears 01 to 30 days - (Collective 1) for the substandard category is Rp. 264,791,901,708 (78.86%) Arrears 31 to 60 days - (Collective 2) category under special attention and arrears 61 to 90 days - (Collective 2) doubtful category of Rp. 61,209,417,151 (18.23%). Collective 3

categories of traffic jams, Collective 4 categories of traffic jams, and Collective 5 categories of traffic jams amounting to Rp. 9,773,997,458 (2.91%).

B. Effectiveness of Handling Collection of Bad Credit Collectability of BPR Arto Moro Semarang

Table 6
Distribution of the Effectiveness of Handling Bad Credit Collectability of
BPR Arto Moro Semarang

No	Collectability	Category	Billing Handled	Effectivity			
				Yes	Not	Amount	%
1	Current – Collective 1	Current	Individual by Sales Account Officer (AO)				
2	Arrears 01 to 30 days - (Collective 1)	Substandard		√	-	25	45,45
3	Arrears 31 to 60 days - (Collective 2)	Under Special Mention		-	√	30	54,55

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No	Collectability	Category	Billing Handled	Effectivity			
				Yes	Not	Amount	%
4	Arrears 61 to 90 days - (Collective 2)	Doubtful	By Dept. Collector Group (Collective)				
5	Collective 3	Loss	By BPR/Asset Recovery				
6	Collective 4	Loss					
7	Collective 5	Loss					
					Total	**55**	**100,00**

Based on the table above, the collectability of current (Current) - Collective 1 is current category and Arrears 01 to 30 days - (Collective 1) is substandard category, collection is handled individually by sales (AO) as many as 25 people (45.45%) category effective. Arrears 31 to 60 days - (Collective 2) category under special attention and Arrears 61 to 90 days - (Collective 2) category of doubtful collection handled by the Dept. Collector Group (Collective), Collective 3 categories of loss, Collective 4 categories loss, and Collective 5 categories of non-performing billing were handled by BPR/Asset Recovery as many as 30 people (54.55%) in the ineffective category.

C. Effectiveness of Handling Bad Credit Collectability of Arto Moro BPR Semarang Based on Nominal

Table 7
Distribution of the Effectiveness of Handling Bad Credit Collectability of
Arto Moro BPR Semarang Based on Nominal

No	Collectability	Category	Billing Handled	Nominal	Percentage (%)
1	Current (Lancar) – Kolektif 1	Lancar	Individual by Sales Account Officer (AO)	Rp. 264.791.901.708	78,86
2	Current – Collective 1	Current			
3	Arrears 01 to 30 days - (Collective 1)	Substandard	By Dept. Collector Group (Collective)		
4	Arrears 31 to 60 days - (Collective 2)	Under Special Mention			
5	Arrears 61 to 90 days - (Collective 2)	Doubtful			
6	Collective 3	Loss	By BPR/Asset Recovery	Rp. 70.983.414.609	21,14
7	Collective 4	Loss			
	Total			**Rp. 335.775.316.317**	**100,00**

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Based on the table above, the nominal collectability of current (Current) – Collective 1 is current category and Arrears 01 to 30 days - (Collective 1) category is substandard, collection is handled individually by sales (AO) of Rp. 264,791,901,708 (78.86%) effective category. Arrears 31 to 60 days - (Collective 2) category under special attention and Arrears 61 to 90 days - (Collective 2) category of doubtful collection handled by the Dept. Collector Group (Collective), Collective 3 categories of loss, Collective 4 categories loss, and Collective 5 categories of non-performing billing are handled by BPR/Recovery Assets amounting to Rp. 70,983,414,609 (21.14%) ineffective category.

DISCUSSION

Based on the results of the effectiveness research based on the collection handling of bad credit collectability of BPR Arto Moro Semarang, the results of the collectability of current (Current) - Collective 1 are current category and Arrears 01 to 30 days - (Collective 1) substandard category, billing is handled individually by sales (AO)) as many as 25 people (45.45%) effective category. Arrears 31 to 60 days - (Collective 2) category under special attention and Arrears 61 to 90 days - (Collective 2) category of doubtful collection handled by the Dept. Collector Group (Collective), Collective 3 categories of loss, Collective 4 categories loss, and Collective 5 categories of non-performing billing were handled by BPR/Asset Recovery as many as 30 people (54.55%) in the ineffective category.

Nominal collectability current (Current) – Collective 1 current category and Arrears 01 to 30 days - (Collective 1) substandard category billing is handled individually by sales (AO) amounting to Rp. 264,791,901,708 (78.86%) effective category. Arrears 31 to 60 days - (Collective 2) category under special attention and Arrears 61 to 90 days - (Collective 2) category of doubtful collection handled by the Dept.

Collector Group (Collective), Collective 3 categories of loss, Collective 4 categories loss, and Collective 5 categories of non-performing billing are handled by BPR/Recovery Assets amounting to Rp. 70,983,414,609 (21.14%) ineffective category.

An increase in the distribution of credit funds, both business and consumption loans by rural banks during the current COVID-19 pandemic, carries a fairly high risk. This is because the Covid-19 pandemic has an impact on the world of work where many workers are affected by Covid-19. The implication of formal workers or informal workers not working is the loss of income and profits, so that it has an impact on the business sector or MSMEs run by entrepreneurs. This will encourage the inability of the debtor or borrower to return the borrowed funds.

External factors such as disasters on a national scale can affect the NPL ratio, which shows banking performance. The COVID-19 pandemic is an external factor. The COVID-19 pandemic is a disease caused by the SARS CoV-2 virus and has symptoms similar to the common cold, which can progress to severe illness and pneumonia (Pneumonia), causing difficulty breathing. more severe ones such as Middle East Respiratory Syndrome (MERS-CoV) and Severe Acute Respiratory Syndrome (SARS-CoV). This virus spreads quickly and has spread to several countries, including Indonesia.

Tiwu's research results show that the COVID-19 pandemic has a significant influence and positive relationship on the NPL of Rural Banks in Indonesia. (Tiwu, 2020) The COVID-19 pandemic is an extraordinary event that has caused the economy throughout the world, including Indonesia, to experience a sharp decline. As a result, entrepreneurs, labor and other economic sectors lose income and profits, this creates the inability of borrowers consisting of entrepreneurs to return funds to BPRs in Indonesia. Putri, Nuraina, and Yusdita's research results show that the main factor causing bad loans is due

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to the failure of the customer's business, then the current covid-19 pandemic is causing an economic decline and a decrease in income for every business actor (E. A. A. Putri, Nuraina, & Yusdita, 2020) . This causes the customer's funds or business results to be only sufficient to meet the operational needs of his business and no funds are used to pay installments.

Factors that cause bad credit at PT. BPR Arto Moro Semarang, namely, first, internal factors include 1) Credit provided is not fully used for business 2) Debtor is less able to manage his business, 3) Debtor is unable to compete. Second, external factors, namely economic conditions at a certain period of time often change, this can affect the debtor's business and income which consequently has an impact on the debtor's ability to pay off his debt. (Fandil & Andraini, 2021)

Based on the results of the study that the effectiveness of handling bad credit collection individually by sales (AO) with effective results compared to handling bad credit collection by the Dept. Collector (Collective) and BPR / Asset Recovery Group with ineffective results. The number of non-performing loans that occur can be caused by various parties, but the initial prevention from the BPR is to conduct a careful credit analysis. Here the role of the Account Officer is very important because credit analysis activities and all lending decisions are the authority of an Account Officer. (Rusdianti, Wardoyo, & Setyarini, 2018) The Account Officer system attracts bankers, because the advantage of the system lies in its greatest role in connecting the bank with its customers.

Financial institutions operating in the savings and loan sector and as intermediary institutions will certainly face risks from each of their business activities. Financial institutions also need good management skills in order to optimize revenues and profits and minimize risk. Banks must implement efforts to reduce the potential for non-performing financing. Prevention can be started before the customer takes financing by applying the precautionary principle in each of these financing distribution activities. In financing management, starting from the initial process of applying for financing, monitoring to the occurrence of non-performing financing, the role of the account officer is very necessary. If there is a non-performing financing, the first thing to be asked is the account officer, why there is a financing problem and what are the factors. In the event of non-performing financing, the account officer will collect the customer, rescheduling, reconditioning, and restructuring. Account officers are required to have skills and expertise and have broad insight into financing in order to be able to analyze each customer who wants to borrow (Dalimunthe & Inayah, 2022).

The 5C principle (Character, Capacity, Capital, Condition and Collateral) has not been able to fully prevent non-performing financing due to the lack of care by the Account officer (AO) in analyzing financing. Weak knowledge of account officers about credit analysis in analyzing credit, not applying the principle of prudence in analyzing debtor credit applications, lack of accuracy, and professionalism in working can create non-performing loans in the future (Mahayoni & Mayasari, 2021). The Account Officer (AO) must pay more attention to the development of the condition of financing customers, both from the personal environment and the business environment by monitoring or providing guidance so that they can be more assertive towards problematic customers (Astrawan, Laksmi Dewi, & Suryani, 2021). Direct collection efforts are usually carried out by the Account Officer or Remidial Officer of the bank concerned by directly visiting the debtor or sending summons and summons to the debtor to appear with bank officials to complete his credit at the bank (Baradi & Fathoni, 2021).

CONCLUSION

Based on the results of research on the Effectiveness of Individuals, Groups, and Organizations on Handling Bad Credit

Fandil[1], Zumrotun Nafiah[2], Yovita M. Hartarini[3]

During the Covid-19 Pandemic (Study at BPR Arto Moro Semarang) it was found that the effectiveness of handling bad credit collections individually by sales (AO) with effective results compared to handling collections bad loans by Dept. Collector (Collective) and BPR/Asset Recovery Group with ineffective results. Nominal collectability current (Current) – Collective 1 current category and Arrears 01 to 30 days - (Collective 1) substandard category billing is handled individually by sales (AO) amounting to Rp. 264,791,901,708 (78.86%) effective category. Arrears 31 to 60 days - (Collective 2) category under special attention and Arrears 61 to 90 days - (Collective 2) category of doubtful collection handled by the Dept. Collector Group (Collective), Collective 3 categories of loss, Collective 4 categories loss, and Collective 5 categories of non-performing billing are handled by BPR/Recovery Assets amounting to Rp. 70,983,414,609 (21.14%) ineffective category.

1. It is hoped that BPR Arto Moro Semarang City will increase Human Resources (HR) for the Dept Collective (Collective) and BPR / Asset Recovery Group in order to improve performance in handling bad credit collection at BPR Arto Moro Semarang City during the post-covid-19 pandemic. 19.

2. The Account Officer (AO) pays more attention to the development of the condition of financing customers, both from the personal environment and the business environment by monitoring or coaching BPR Arto Moro Semarang City so that they can be more assertive towards customers with problems.

3. All BPR Arto Moro devices in Semarang City are more careful when carrying out a series of procedures for customers related to the precautionary principle in dealing with bad loans.

4. BPR Arto Moro Semarang City can take full advantage of the Government's Credit Restructuring Program during the COVID-19 pandemic to reduce the nominal amount and bad credit customers.

SUGGESTIONS

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