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The Effectiveness of Customer Complaint Resolution Facilitation Program By Financial Service Authority

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Abstract: The aims of this research are describing and measuring the effectiveness facilitation program by Financial Supervision Authority (Otoritas Jasa Keuangan –OJK) to give protection to the banking customers. That facilitation program is OJK's effort to help consumer meet and solve his problem with banking through mediation, OJK as facilitator. This research is empirical research with descriptive research. Research location in Directorate of Consumer Service, Otoritas Jasa Keuangan Jakarta and some customers in Surakarta. Type and research resource are primary and secondary data. Data collecting technique through interview and library research.

Based on the result, the implementation of facilitation program, consists of three steps, there are pre-facilitation, facilitation, and post facilitation. Facilitation program is departed by consumers complaint to his banking and followed by filing his problem to OJK. There are some problems in the implementation of facilitation program, so that facility is not yet effective as the alternative dispute resolution to give customers protection. The main regulation number 1/POJK.07/2013 about Customer Protection in Financial Service Sector, still has some weakness, the main weakness is facilitation program is not much known and not entrenched yet.

Keywords: facilitation program, complaint, customer protection

INTRODUCTION

Banking occupies an important position in a country (Pujiyono, 2012), because it has strategic objective oriented economically not merely but also non-economically, for example, pertaining to the national stability including political and social stabilities (Hermansyah, 2013: 20). The bank's business is operated by providing service in payment traffic, raising fund from the society in the form of saving, distributing fund to the society (public) in the form of loan and other activity form (Herliana, 2010: 140). Banking

institution is the one highly dependent on the public's trust; therefore, without the public's trust, a bank cannot operate its business activity well (Hermansyah, 2013:144). The public's trust is the main key to a bank's development, so that it should develop its policy, operate its business, and undertake its duty and authority precisely, thoroughly and professionally in order to achieve the public's trust (Hermansyah, 2013: 19). Trust is satisfaction, dissatisfaction is the major reason why customers switch banks (Manrai and Manrai, 2007, p. 209), (McDonald & Rundle-Thiele, 2008). Most researchers agree that customer satisfaction refers to an attitude or evaluation formed by a customer comparing pre-purchase expectations of what they would receive from the product or service to their subjective perceptions of the performance they actually did receive (Oliver 1980a; cited Drake *et al.*, 1998), (McDonald & Rundle-Thiele, 2008).

There is a contractual relationship between customers and bank in which the customers use the bank's services, either product or service. Customer centricity has to incorporate the fulfilment of customer needs and expectations (Moormann, Rosemann, & Application, 2009). But, in providing service to its customers, the bank potentially makes error or default, thereby resulting in the customers' loss. The customers suffering from the loss due to the bank's service can complain to the corresponding bank. In relation to the customer complaint, Aburouh as cited in Mohammad Z Shammout (2014:203) argued that: According to the aforesaid, customer satisfaction cannot be achieved without the fundamental contribution of the customer contact-employees who provide the service. Thus, front-line employees should stay focused on customer's needs". Schofer and Ennew as well as Chebat and Slusarczyk as cited in Concepcion Varela (2010:91) stated:

"...customer's complaints arise from a perceived unfairness, i.e. from an imbalance in the customer-provider relationship, which causes customers to expect a recovery from the provider that compensates this imbalance. Afterwards, customers make judgments about the degree to which the recovery process was fair and these judgments then influence their satisfaction".

The dispute between customers and bank is affected by imbalance position of customer and bank. The weak position of customers is affected significantly by asymmetric information in banking system, no access given to the depositor customer to find out where their fund will be invested by the bank (Herliana, 2010:141). The bank's service can result in the financial loss to the customers. For example In Indonesia, the case of customers' Automatic Teller Machine (ATM) card swallowed by ATM machine results in tens millions rupiah loss to the customer (<http://poskotanews.com/2015/07/06/kartu-atm-tertelan-mesin-rp70-juta-raib-dari-rekening/>). When the customers encounter it, they should complain to the corresponding bank in order to get reimbursement.

The Financial Authority Service in Indonesia namely, *Otoritas Jasa Keuangan*, thereafter called OJK, has governed the attempt of protecting and ensuring the customers' interest against the loss due to bank's error and default, with the customer complaint resolution mechanism. The provision of Article 35 of Financial Service Authority's Regulation Number 1/POJK.07/2013 about the Consumer Protection in Financial Service Sector formulates that the Financial Service Business Performers obligatorily follow up and resolves the customer complaint immediately.

Customer protection is the objective to be achieved in providing the complaint resolution facility. In the Consumers Protection Law's perspective, both save and loan agreements, the bank customers are positioned to be the consumers that should be protected legally (Fatmawati, 2013: 48). Customers need

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law protection because its position is not balanced compared with the bank's position. The customers' poor understanding on the information related to product and service the bank offers can result in its weak position. We often see the too-weak or disadvantaged position of customers when there is a dispute between the bank and its customers, so that the customers are harmed (Hermansyah, 2013: 2000). Such the condition becomes one of OJK's reasons to establish a customer protection mechanism. The dispute between customers and bank results from the discrepancy of information between customers and bank, thereby resulting in the difference between the agreement or product promised and the product and service received. The bank as the one offering product and service does not give detailed explanation to the customers about its product and services. Customer-centric initiatives will result in higher satisfaction (Mcdonald & Rundle-Thiele, 2008).

The customer and bank problems end when the customers accept the resolution of complaint from the bank, however in the case of customers not accepting the resolution, a dispute will result. The new dispute results when the customer complaint process is not successful (Nun Harrieti, 2015:52). The banking dispute can be resolved through both litigation and non-litigation ways. Litigation way is the way of resolving dispute through public adjudication institution or court, while non-litigation one is the one out of the court (Pujiyono, 2012: 80). Dispute settlement out of the court is conducted through an alternative dispute settlement institution. In the case of dispute settlement not conducted through an alternative dispute settlement institution, the customer can apply for facilitation to OJK.

The data shows that there are 2031 complaints of banking customers to OJK during 2014-August 1, 2016. OJK received 72 complaints until August 1, 2016, 15 of which are settled through OJK's facilitation program in 2016. Most complaints are related to loan problem, indicating the non-performing loan phenomenon and the restructured one, thereby complaint results. Another problem is related to collateral and payment using card (http://bisniskeuangan.kompas.com/read/2016/08/11/124705726/sebagian.besar.pengaduan.nasabah.ke.ojk.terkait.kredit?utm_source=RD&utm_medium=inart&utm_campaign=kehiprd).

Frankly, many customers have not understood yet the mechanism in banking. Initially, the customers sign the agreement haphazardly, either through usual loan or credit card. The awareness of the importance of understanding on banking newly arises when some problem results. They will be panic and most of them prefer to leave it as the way it. Despite some facilitation by OJK to settle the banking problems, the consumers and the financial service business performers often still maintain their own attitude.

Customer protection is the objective to be achieved by providing the complaint resolution facility. In Consumer Protection Law's perspective, either saving or loan agreement, the bank customers are positioned to be the consumers that should be protected legally (Fatmawati, 2013:48). Customers need law protection because its position is not balanced compared with the bank's position. The customers' poor understanding on the information related to product and service the bank offers can result in its weak position. We often see the too-weak or disadvantaged position of customers when there is a dispute between the bank and its customers, so that the customers are harmed (Hermansyah, 2013: 2000). Considering the background elaborated above, it is interesting to study the effectiveness of customer complaint resolution facilitation by OJK in protecting the customers in Indonesia.

RESEARCH METHOD

This study was an empirical law research. Empirical or sociological law research is the one obtaining the data from primary data or the data obtained directly from the society (Mukti Fajar, 2010: 154). This research was descriptive in nature. Descriptive research is the one intended to provide data as thoroughly as possible about human beings, condition, or other phenomenon (Soerjono Soekanto, 2010:10). This research will be conducted using a qualitative approach. The qualitative approach focuses its activity on the present problem, so that it is empirical in nature with a variety of problems occurring in the present as its target of research (H.B. Sutopo, 2006:36-37). The qualitative research used observation, interview or document study (Lexy J. Moleong, 2007:4-9). In this research, the author interviewed the OJK employees in customer complaint resolution division, bank employees, and customers as the informants thereby having knowledge and experience with the problem studied. This research would be conducted from January 2016 to January 2017. The author would obtain data and information through interviewing the staffs of OJK, the staff of Bank, and customers. The informants constituting the OJK staffs were Nurita as the chief of Consumer Service Development and Analysis Division, Sarwin Kiko as the chief of Verification and Complaint Resolution Sub Division. Interview was conducted in Consumer Service Directorate, Financial Service Authority of Jakarta. The informants coming from the staffs of bank were the employees of Fatmawati Branch Office of Bank Muamalat, South Jakarta, and the employees of Wonogiri Branch Office of Bank BRI (Bank Rakyat Indonesia), Central of Java, Indonesia. The informants coming from customers were the customers of Bank Mandiri and Bank BRI.

DISCUSSION

Facilitation Program

OJK applies customer protection with five principles: transparency; just treatment; reliability; consumer data/information confidentiality and security; and the simple, quick, and low-cost resolution of consumer complaint and dispute. Facilitation program is a part of OJK's attempt of creating the feeling of secure among the customers and banking when their relationship is problematic. OJK gives the customers protection, and its give the banking the facility to solve their problem with the customers appropriately and quickly, in order to maintain the public's trust. Banks need to know at what point customers cease to be satisfied with the core service or product (Joseph, McClure, & Joseph, 1999). That is important to make loyal customers, loyalty of customers is directly affected by satisfaction and trust., which themselves are determined by product and and service quality (Floh & Treiblmaier, 2006). OJK provides the program facilitation in the condition that there has been resolution process between the two parties, customers and banking, to settle their case but the consensus is not reached. The dispute resolution mechanism in banking service sector is done in two stages: *internal dispute resolution* and *external dispute resolution*. Complaint resolution in internal dispute resolution is conducted by the banking based on the principle of discussion to reach consensus, while that in external dispute resolution stage is conducted through adjudication or non-adjudication institution (Nun Harrieti, 2015:55).

As the result of the presence of harmful or potentially harmful product or service to the consumers, the consumers will complain with the corresponding bank. Formal process of recording and resolving a customer complaint (Galitsky, Gonzalez, & Chesnevar, 2009). A complaint starts with a customer's

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belief that something went wrong with some product or service. The customer then contacts the bank representatives with a request to replace (or fix, return, compensate, etc.) the product or clarify/explain the problem associated with this product/services (Galitsky et al., 2009). The customers' complaint with bank can be done in two ways: spoken or written. The spoken complaint is conducted as follows:

- (a) The customers complain with the bank in spoken manner by means of calling the bank by phone or visiting the corresponding bank office directly;
- (b) The bank registers the customers' complaints. Therefore, the data of customers' complaint has been recorded by the bank;
- (c) Having conducted registration, the bank gives receipt or registration number to indicate that the bank has receive the customers' complaint, so that the bank will process those complaints;
- (d) The bank will give solution to the customers' complaint for 2 workdays. The solution is the result of process taken by the bank to resolve the customers' complaint;
- (e) When it takes 2 workdays to resolve the customer complain, the bank will recommend the customers to complaint in written manner.

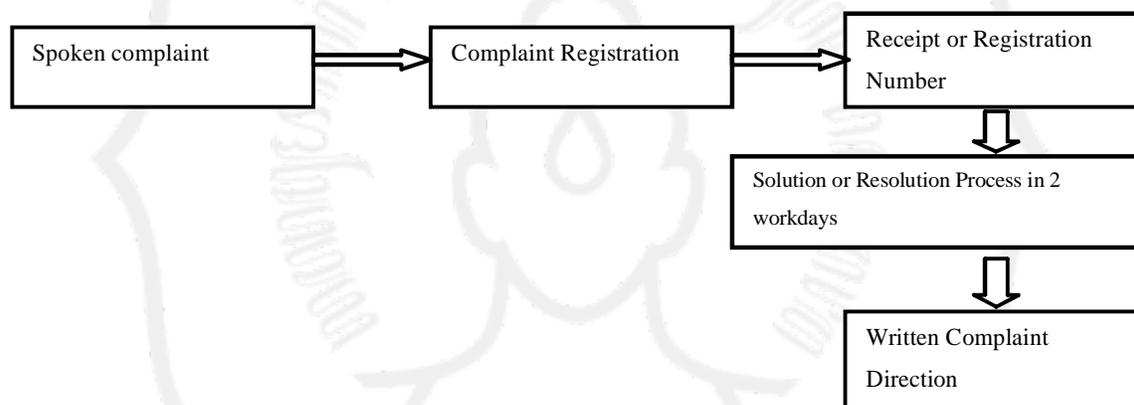


Figure: The Flow of Spoken Complaint Delivery and Resolution

Written complaint is made by the customers by means of complaining to the bank in written manner through the bank's website, sending e-mail or visiting the corresponding bank office directly; the bank registers and gives receipt or registration number, and then the bank will process the complaint. The complaint resolution process is conducted in the bank for up to 20 workdays; when the bank cannot resolve the customer complaint within 20 workdays, it will inform the customers that their complaint will be resolved in the next 20 workdays.

The complaint resolution by the bank can be apology or reimbursement offering. Managing a complaint is not a simple task. Nowadays, firms seek all means to reach improving their services quality (Hakiri, 2012). The procedure of apologizing is made based on the consensus between customers and bank; meanwhile when there is no consensus, the apologizing statement will be made in writing. After the bank offer the attempt of resolving the customer complaint, the customer deserves to accept or to decline the apology. When the customer does not accept the bank's resolution, the customer can take another attempt,

one of which is to apply for facilitation of complaint resolution to the OJK. The dispute between customers and bank occurs when the bank's internal complaint resolution is not accepted by the customers. The customer complaint irresolvable to the bank can be delivered to OJK, by means of requesting the OJK to facilitate the complaint. OJK has a complaint service mechanism serving to resolve the customer complaint.

Facilitation program has 3 (tree) stages: Pre-facilitation, Facilitation and Post Facilitation.

(a) Pre-facilitation Stage.

This stage consists of: Consumer Complaint, Administration Verification and Advanced Verification

1) Consumer complaint

The customers considering that the complaint resolution taken by the bank cannot resolve their problem will take other attempts to resolve it, one of which is to complaint it to OJK to get help through facilitation program. The customers who will apply for the complaint resolution facilitation should submit the following documents:

- a) Complaint resolution application form;
- b) Identity card
- c) Complaint chronology/description;
- d) Supporting evidence (e.g.: loan agreement document);
- e) Evidence of complaint resolution by Financial Service Business/bank;
- f) The statement signed on the adequate stamp stating that the dispute submitted is not in the process or has been decided by arbitration or adjudication or other mediation institution and has never been facilitated by OJK;
- g) Special power of attorney in the term of applying for dispute resolution represented by or authorized to others

2) Administration Verification: Verification was conducted by examining the document delivered. When the requirement has been completed, it will go to the next stage, but otherwise when the requirement has not been completed, OJK will call the customers to have them complete it.

3) Advanced Verification

In this stage, OJK examined the type of cases submitted. From the result of analysis, it can be found that the problem between customers and bank can be putative violation, dispute, or even problems out of OJK's authority. The difference of dispute from violation can be seen based on the substance of complaint. The dispute occurs because there is financial loss due to the bank officers' error or default in undertaking their duty. The violation occurring is non-financial loss due to the bank's error or default institutionally, violating the legislation in banking sector. OJK takes some attempts of resolving the dispute between customers and bank by clarifying first, either in written or in spoken manner, to the parties in dispute. The clarification is made to find out the chronology of dispute based on information from each of parties, to find out the customers' and the bank's

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expectation, and to identify the potential consensus and/or misunderstanding as the end result of dispute resolution facilitation. In this stage, the parties obligatorily give information about their dispute. Considering entire information obtained, the main dispute resulting in the disagreement between customers and bank can be found.

The clarification is made by OJK to understand better the dispute based on the information given by the customers and the bank. In this stage, OJK also educates the customers and the bank in order to resolve the dispute, so that the facilitation is not required to confront with the parties. The bank asked to give clarification is the corresponding central office of bank. When after getting education, the bank is willing to take over dispute in order to be resolved internally by the bank, and customers accept it, the dispute will be resolved internally with the dispute resolution mechanism in the bank. In the case of customers accepting the bank's dispute resolution and stating that their dispute has ended, the customer will withdraw their complaint in OJK.

(b) Facilitation Stage

The facilitation is taken when the clarification attempt cannot resolve the dispute successfully. The facilitation of dispute resolution by OJK will be conducted when the following preconditions, as governed in the Article 41 of POJK No. 1/POJK.07/2013, namely :

- 1) The dispute value or financial loss the customer suffers from is as much as IDR 500,000,000.00 (five hundreds rupiah);
- 2) The request is submitted in writing along with the relevant supporting document;
- 3) Bank has attempted to resolve the complaint, but the customers cannot receive or have exceeded the time limit as specified in POJK about Consumer Protection in Financial Service Sector;
- 4) It is not a dispute that is in the process or has never been decided by arbitrage or adjudication institution or other mediation institution;
- 5) The complaint submitted is civil in nature;
- 6) It has never been facilitated by OJK;
- 7) The application for complaint resolution is made not exceeding 60 workdays since the date when the complaint resolution document is delivered by Bank to the customers.

The facilitation of complaint resolution is conducted by means of mediation, the one conducted by involving the third party to achieve the resolution consensus. OJK designates a facilitator as the third party that will undertake the complaint resolution function. The facilitator is an employee in Consumer Service Directorate of OJK environment, but the facilitator can be the one outside the OJK. The facilitator should meet the following conditions:

- 1) Having certificate as a mediator;
- 2) Having knowledge in banking, financial, and law sector;
- 3) Not having financial interest or other interest over disputer resolution; and
- 4) No kinship relationship between the customers and the bank up to the second degree

The complaint resolution facilitation of OJK is implemented in three stages: facilitation agreement, facilitation process, and agreement document

1) Facilitation agreement

Before entering the main stage of facilitation, the facilitator holds a secret meeting with each of parties separately. In this stage, the facilitator approaches the parties in order to identify their own wishes and information that can be developed in the next stage. Thereafter, the parties are confronted with by OJK to sign the facilitation agreement mentioning that the parties (customer and bank) agree to prefer the complaint resolution facilitated by OJK, and the parties agree to comply with and be subjected to the facilitation regulation specified by OJK. Before signing the facilitation agreement, the facilitator explains the facilitation process, the facilitator's role, the right and obligation of the parties, and determines time and place where the facilitation process will be held. By signing the facilitation agreement, customer and bank is considered as having agreed the following conditions:

- a) to resolve the dispute by means of being facilitated by OJK;
- b) to comply with and be subjected to the following rules of facilitation:
 - (1) to convey and to disclose any important information related to the main dispute;
 - (2) not to diffuse any information related to facilitation process to the parties out of customers and bank or their representatives and the facilitator;
 - (3) that the agreement resulting from the facilitation process is the voluntary agreement and is not a facilitator's recommendation and/or decision;
 - (4) not making any lawsuit to the facilitator, OJK employees and OJK as the executor of dispute resolution function;
 - (5) that the facilitator is neutral, impartial and attempts to help the parties to yield consensus;
 - (6) that the facilitator will not give legal advice or give legal counsel service to either customer or bank;
 - (7) when the facilitation process finds deadlock, the facilitator can take the following measures: presenting other party as the resource or as the expert to support the smoothness of facilitation; delaying the facilitation process for a while by considering the specified time limit; or stopping the facilitation process.
 - (8) When the follow-up attempt of resolving the dispute through arbitration or adjudication process, OJK will not be involved as the witness in implementing the intended arbitration or adjudication;
 - (9) Not asking the facilitator and/or OJK to give some or all facilitation document administrated related to the facilitation process.

2) Facilitation Process

The complaint resolution facilitation is conducted by means of mediation. Dispute resolution through mediation puts the parties onto equal position with win-win solution. The facilitation process is conducted for maximally 30 workdays since the customer and the bank sign the facilitation agreement.

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Such the period can be extended up to the next 30 workdays based on the consensus of customer and bank. The facilitation as the attempt of resolving dispute is inseparable from the constraints that can affect its process sustainability. During the facilitation process, there are some constraints:

- a) deadlock so that consensus is not reached
- b) the parties are not cooperative, thereby harming the facilitation process;
- c) the parties break the facilitation agreement

The attempt of dealing with deadlock in facilitation process is taken by presenting the resource or expert. When the parties agree to take such the attempt, the facilitator will coordinate with the Banking Overseeing Directorate of OJK as the work unit overseeing the banking sector to send its representative as the resource to help the facilitation process. The resource serves to help the facilitator deal with the deadlock occurring in the facilitation process. As the executor of complaint resolution function, the facilitator will warn the parties about the constraints occurring during the facilitation process, but the facilitator keeps submitting entirely to the parties the action taking related to the facilitation sustainability, whether they will continue the facilitation process, delay the facilitation for a while or cease the facilitation process.

In relation to the continuation of facilitation process, when the parties agree to continue the facilitation, the parties will undertake facilitation with good will, while when the parties agree to cease the facilitation, the facilitation will end with the official report (*berita acara*) signed by the parties. In the case of parties agreeing to delay the facilitation process for a while, the delay period should be taken into account recalling that the facilitation process has time limit. The facilitation can end due to the followings:

- a) A consensus is reached: when the facilitation results in a consensus, the facilitation is stated as ending. It is because the objective of facilitation has been achieved, the consensus about the resolution between customer and bank.
- b) The end of facilitation period: when the period (term) has been used up, 30 workdays after the signing of facilitation agreement and can be extended up to the next 30 workdays.
- c) A deadlock results, thereby not yielding the consensus about the resolution of dispute and the parties agree to cease the facilitation, the facilitation will end.
- d) The customer resigns from the facilitation process. The customer is the one applying for the resolution of complaint, so that when the customer resigns from the facilitation process, the facilitation process will end.
- e) One party does not comply with the facilitation agreement: In the case of one party not complying with the facilitation agreement, the facilitator will warn the party and submit the decision entirely to the parties whether to delay or to cease the facilitation. When the parties agree to end the facilitation, it will end.

3) Consensus Document/Official Report

When the facilitation process ends with consensus, the parties will enter into and sign the consensus document, containing the followings:

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- a) Agreement to resolve the problems with good will through the complaint resolution facilitation process without any compulsion from any parties;
- b) The basics of agreement consisting of the parties' right and obligation;
- c) Statement that both parties will report and convey supporting document over the implementation of consensus document to OJK, cq. Consumer Service Directorate consistent with the agreed time;
- d) Statement that the problem between parties has ended and the parties agree not to take any lawsuit over this problem. This consensus document is final and binding to both parties.

Considering the result of interview conducted by the author, it can be found that the anatomy of consensus document has been consistent with the elements of agreement. The consensus document is the evidence of a successful facilitation, but when the facilitation does not reach consensus successfully, it will be included into official report. The official report contains the following statements:

- a) The agreement to resolve the problem between the parties with good will through the complaint resolution facilitation process without compulsion from any party;
- b) Statement that after having passed through the complaint resolution facilitation process, both parties agree to resolve the complaint submitted out of the complaint resolution mechanism facilitated by OJK.

(c) Post-facilitation Stage

1) The implementation of Consensus Document

The parties should implement the consensus document in the agreed period. The period is determined related to the severity of dispute between customer and bank. The higher the severity of banking dispute, the longer is the implementation period of consensus document. In relation to the implementation of consensus document, OJK will impose administrative sanction to the bank when it does not implement the consensus document. The administrative sanction governed in Article 53 POJK No. 1/POJK.07/2013. The administrative sanction includes:

- a) Written warning;
- b) Fine is the obligation of paying a certain amount of money;
- c) Business activity limitation;
- d) Business activity suspension; and
- e) Business activity license withdrawal.

2) Monitoring

OJK conducts overseeing by asking routine report to the parties about the implementation of agreement document up to the agreed time. When one party reports that it has implement its obligation in consensus document, OJK will ask other party for clarification to ensure the truth of report. When one of parties does not implement the consensus document or gives incorrect report, OJK will impose sanction.

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3. The Effectiveness of Customer Complaint Resolution Facilitation by OJK in Protecting the Customer

Customer complaint processing has become an important issue in the context of knowledge management technologies for large companies and organizations nowadays (Galitsky, Gonzalez, & Chesnevar, 2009). The data of customer complaint number received by OJK and the data of dispute resolved successfully using the customer complaint resolution facilitation by OJK is measure of OJK's success in undertaking the function of customer complaint resolution. Complaint resolution facilitation is an alternative dispute resolution given by OJK to the customers. The facilitation aims to resolve the banking dispute by protecting the customers because the customer is on the weak position, when compared with the bank. The effectiveness of customer complaint resolution facilitation by OJK can be found using the measure of effectiveness suggested by Duncan as cite in Richard M. Steers (1985: 53) with 3 indicators: objective achievement, adaptation, and integration:

- (a) **Objective achievement:** Based on Duncan theory, the objective achievement is entire attempt that should be viewed as a process. The effectiveness of customer complaint resolution facilitation by OJK can be viewed based on every process or stages in implementing the facilitation in achieving its objective. The objectives of facilitation program are to give win-win solution over the dispute complaint resolution by customer to the bank and to give protection for customer. Win-win solution is included into consensus document. Considering the result of interview with OJK's Consumer Service Directorate, OJK has received customer complaint since 2014 and OJK has successfully resolved 10 banking dispute during 2014-2015 yielding consensus document implemented with good will by customer and bank. This figure is very small when compared with the very large number of customer complaints.

Meanwhile, in relation to the objective of protecting the customers, the author want to study the number of banking disputes in OJK using customer complaint resolution facilitation, by assessing the number of disputes not resolved successfully using the customer complaint resolution facilitation, but OJK as the subject of research was not willing to disclose the data to the author. Regarding the result of customer complaint resolution facilitation, the author obtained the data of only dispute number successfully resolved through the customer complaint resolution facility, 10 disputes during 2014-2015. Viewed from the total number of customer complaints in OJK, there are more than 2000 customer complaints during 2014-2015, but considering the result of interview with OJK's Consumer Service Directorate Staff, not all of complaints reach the complaint resolution facilitation stage with mediation.

Many customer complaints does not reach mediation stage; it is because the customers withdraw their complaint or facilitation process is inhibited, so that the customer complaint cannot be continued. The inhibited process can result in the unachieved objective of complaint resolution facilitation; therefore, the inhibition (constraints) leading to the unfulfilled complaint resolution facilitation should be identified.

1) Pre-Facilitation Stage

Considering the result of interview conducted by the author with the staff of Jakarta OJK's Consumer Service Directorate, it can be found that there are some constraints resulting from the customers in pre-facilitation stage. In complaining stage, the customers complaining fulfill the complaint requirement difficultly in providing complete document. The document can be used in the stage as the material to analyze the problems between customer and bank. To deal with such the constraints,

in administrative verification stage, OJK attempts to give the customers the time to complete their complaint requirement.

The intermediate verification stage is inseparable from the constraints resulting from customer and bank. The customers often are contacted difficultly because they do not include their contact or replace their phone number, and includes the unclear address. Meanwhile, the bank experiences internal constraint in responding to the OJK's request related to additional information. The problem occurring between customer and bank is often the one encountered by the branch office of bank located far away from the central office. Meanwhile, OJK ask the bank's central office for additional information, so that the central office should contact the branch office to ask for information needed by OJK. It is the internal constraints affecting the length of time the OJK takes to get necessary additional information.

2) Facilitation Stage

Facilitation is conducted by means of mediation. Before confronting the customer and the bank for mediation process, the facilitator confronts the parties to determine when and where the mediation will be held. Customer and bank often result in constraints in this stage, the parties determines the facilitation time difficultly because of their own preoccupation. The facilitation should be held as frequently as possible in order to find solution to the dispute and to reach consensus; in addition the time of facilitation process is limited. When the parties meet rarely, the consensus will be achieved difficultly. The success of facilitation is also affected by the interaction and communication between parties; therefore customer and bank should be confronted frequently.

After the parties having reached the consensus about time and place, the mediation process can be conducted. Its implementation is inseparable from constraints as well. In relation to the dispute submitted, the customers understand poorly the dispute. As a result, the mediation process lasts for a long time because the customers should be educated about the dispute first. When the customers have understood their dispute, the dispute resolution can run better.

The constraints resulting from the bank is that the bank often delegates its unauthorized staff to make decision completely. The bank's delegation should confirm first to his/her superior when he should decide on a matter related to complaint resolution. In addition, the one delegated by the bank sometimes understands poorly the dispute and the provision of complaint resolution facilitation. Such the condition result in the difficulty of reaching consensus because the bank offers the solution to the dispute difficultly; as a result, the facilitation process takes a long time.

3) Post-facilitation stage

Considering the interview conducted by the author with the Jakarta OJK's Consumer Service Directorate, regarding the consensus between the parties as included into the consensus document, the parties will implement what has been agreed in the consensus document with good will. It is because the consensus document is binding to the parties. So far, there has been no party not implementing the consensus document with good will. In relation to monitoring, the parties implementing the consensus document with good will must have good will in delivering the report on the implementation of consensus document to OJK corresponding to the agreed period.

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The facilitation stage of customer complaint resolution by OJK encounters some constraints in its implementation, but OJK can deal with those constraints, so that the consensus of banking dispute resolution can be achieved. It can be seen from the 10 banking disputed resolved successfully by OJK by reaching the consensus document and implemented with good will during 2014-2015.

- (b) **Integration:** Integration is the measurement of an organization's ability level to socialize, to develop consensus and communication with various types of organizations. Integration, based on Duncan theory about the assessment of customer complaint resolution effectiveness by OJK, can be seen from OJK's action in socializing the mechanism of customer complaint resolution to the public. In the presence of socialization, the public is expected to find out the presence of customer complaint resolution facilitation, so that when the public encounters the banking dispute, it will be chosen as the attempt of resolving their dispute. The more the number of society members using customer complaint resolution facility, the more popular is the facility.

The socialization made by OJK can be measured with the society's knowledge level on the customer complaint resolution facilitation. Considering the result of interview conducted by the author with the staff of bank, it can be found that the staff of bank does not recognize the presence of customer complaint resolution facility conducted by OJK. The staff of bank stated that the problem between customer and bank will be certainly resolved by the bank, when the bank's branch office cannot resolve it. In the bank officer's knowledge, when the dispute occurs between customer and bank, the bank will attempt as maximally as possible to resolve the dispute because the bank will maintain its reputation to prevent the dispute from being known publicly.

The author also conducts an internet study on the website of some banks. The Bank Mandiri's website still includes the banking mediation conducted by Bank of Indonesia to resolve the bank dispute, Bank Mandiri does not mention the customer complaint resolution facilitation by OJK as the alternative dispute resolution (<http://www.bankmandiri.co.id/mediasi.aspx>), website of Bank Syariah Mandiri also includes the Bank of Indonesia's banking mediation as the attempt of resolving the banking dispute (<http://www.syariahmandiri.co.id/category/gcg/mediasi-perbankan/mediasi-perbankan-bism>). Meanwhile, Bank BNI, through its website, informs that banking dispute can be resolved through Bank of Indonesia's mediation facility, OJK facilitation, or Alternative Dispute Resolution Institution (http://www.bni.co.id/Portals/0/Pengumuman/061115_Pengumuman_Alur%20Penanganan%20Komplain.pdf).

The author interviews the customers and finds that they do not know the presence of customer complaint resolution facility provided by OJK to resolve the banking dispute. The customers only know that when they encounter a problem with the bank, the problem will be resolved by the corresponding bank. Therefore, the author assesses that the socialization of customer complaint resolution facilitation conducted by OJK is still inadequate. OJK has received more than 2,000 complaints during 2014-2015. Majority complaints come from the customers in Java Island, while few customers out of Java Island apply for the complaint resolution facilitation to OJK. Therefore, it can be found that the complaint resolution facilitation has not been popular within the society. It is because the public has not realized the existence of complaint resolution facilitation in OJK.

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The public's ignorance of constraint resolution facilitation provided by OJK occurs because there is an inadequate socialization. In addition, the small number of customer complaints coming from out of Java Island is due to the complaint resolution facility provided by Jakarta OJK only. These become the constraint in the implementation of complaint resolution facilitation, thereby affecting its effectiveness. OJK provides the complaint resolution facilitation, but OJK has not attempted as maximally as to lead the public to use such the facility.

The inadequate socialization the OJK makes to the public, either customers or employees of bank, making the complaint resolution facility less popular. For that reason, OJK should give socialization containing information and education about the complaint resolution facility in OJK. Socialization can be conducted directly or indirectly. OJK can socialize directly to the public and the bank through open socialization by holding seminar in some institutions, for example, education institution. Meanwhile, indirect socialization can be conducted by informing through printed or electronic media. So far, OJK has not published yet the complaint resolution facility through website, in the term of information about both its procedure and the data of dispute resolved successfully.

(c) Adaptation

Adaptation is the organization's ability of adapting to its environment. Considering Duncan's theory, adaptation can be measured by improving the ability and infrastructure. The improvement of ability is related to the OJK's attempt of dealing with the problems with the implementation of complaint resolution facilitation, in which this improvement is supported with the availability of infrastructure supporting the implementation of complaint resolution facilitation. In providing the complaint resolution facilitation, OJK is not free of constraints related to the location of customer complaint resolution facilitation implementation. The customer complaint resolution facilitation has been conducted not in all areas of Indonesia because OJK in local areas has limited human resource.

Majority customer complaints submitted to OJK come from Java Island, while only customers located out of Java Island submit complaint. It indicates that complaint resolution facility has not reached all of Indonesian people yet. Since providing the complaint resolution facility in 2014, OJK has received 2,174 customer complaints, but in the next year, this figure decrease to 416 only. It suggests that the society's interest in complaint resolution facilitation given by OJK decreases.

The decrease of customer complaint number can be due to complaint resolution facilitation is implemented by Central OJK only, the one located in Jakarta, meanwhile the OJK located out of Jakarta has not been authorized to provide customer complaint resolution facility. It harms the customers because every stage of complaint resolution facilitation has limited time. The time limit becomes the constraints for the customers in the area located far away from Jakarta. In addition, the long distance the customers should travel in local area will be the matter of consideration for the customers to submit their complaint to OJK. Distance and time can lead the customers to complain about their problems reluctantly to OJK because they should spend much money to get complaint resolution facility.

Complaint resolution facilitation is provided by Central OJK only because of limited resources the local OJK has to undertake the complaint resolution function, as the facilitator. When every OJK in local area has adequate number of facilitator to give complaint resolution facilitation, the customers

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do not need to apply for complaint resolution facilitation to Jakarta OJK, but the customers can apply for it to the local OJK. The problems not resolved by OJK related to the implementation of customer complaint resolution facilitation shows that the objective of customer complaint resolution facilitation to achieve the customer protection has not been met. It is because the customer complaint resolution facilitation the OJK provides has not reached all of customers throughout Indonesia, so that not all of customers can acquire this facility.

CONCLUSION

The Facility settlement of customer complaints as an alternative dispute resolution by the OJK comprises of; pre facilitation, the implementation facilitation and post facilitation. The implementation of that facilitation program has not effective yet, that measured from goal/ objective achievement, integration and adaptation. The objective achievement, namely the achievement of the deed of agreement has been fulfilled, but there are many obstacles in the stage of completion of the complaints facility. Integration is realized by socialization can not be reached by OJK, consequently complaints resolution facility has not been entrenched in the society because people are not aware of any such kind of facility program as an alternative dispute settlement. OJK has not meet the needs of customers for the settlement of the complaints facility, because of the lack of human resources to carry out the function of resolving a grievance, so that facilities complaints resolution can only be carried out in the OJK Jakarta. As a result, customers are located far from Jakarta get trouble to acquire the facility.

RECOMENDATIONS

OJK should make the rules and the strengthening of human resources and infrastructure that can reach all customers, be it regarding the maximum amount limit of the dispute could be resolved by the facility program and wider area, the existence of facilitation program should not only be in the center of the state capital (Jakarta), but also must reaching into the deeper country even Papua. OJK needs to establish rules which are more fully set up the facility complaint settlement, which includes the following matters:

1. Regulate the procedures, the terms facilitator, the exercise period deed of agreement, so that the public can understand the complaints settlement facilities clearly;
2. Regulate strict sanctions for those who do not carry out the deed of agreement in good faith, especially bank. The existence of strict sanctions intended to give protection to the customer.

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