

FINANCIAL PLANNING SAVINGS ON BANK CENTRAL ASIA AND THE PRUDENTIAL LIFE ASSURANCE

(Study of Clients Make Investment Decisions)

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ABSTRACT

This case study discusses to hit finance planning to all customers as a mean to help in fulfil investment aim as according to their demand. Investment aim bones other than need emergency fund, insurance, education fund, tax and fund pension, with optimize fund channel and asset that there are. In the effort to achieve aim finance planning recommends appropriate products that is: finance planning in Asia Central's Bank savings and Prudential Life Assurance.

This study result is answered from problem formulation that faced (1) How client can optimize the asset allocation? (2) How can client can optimize surplus the fund/ disposable incomenya to fulfill client aim? (3) How can client can invest the fund correctly into finance products as according to client needed?

Keyword: finance planning, bank, insurance, investment decision.

INTRODUCTION

Along with the passing of a good man 's life cycle ranging from infants, toddlers, children, adolescents, adults, the elderly to elderly, the various views and financial needs are also always vary according to circumstances. For example, when a person is in his 30s , chances were greatly enjoying his youth , worked diligently and aggressively, but chasing the consumptive lifestyle that is grappling with a credit card bill. Ahead of pensioners in their 50s, one usually is trying hard to make sure that it has enough money to be able to continue his life after not working. (www.sinarharapan.co.id)

According to Aidil Akbar 2004 in Somputan (2008) says that, " based on experience, nearly 80 % -90 % of people in big cities such as Jakarta, Surabaya, and others who have a salary of 5 million to 50 million experiencing negative cash flow before becoming a financial planning client "

In addition to spending problems that have been mentioned above , there are many other problems in society which are problems in providing funds for the children to get an education in accordance with the desired, problems in providing funds to purchase a vehicle / home , problems in the provision of funds when faced with an emergency situation, the problems in the provision of funds for the needs of the old days, until the problem to divide the inheritance.

Everyone, no matter people who have more money and the needy, should answer these problems

now, in the near future mapun in the future. Obviously financial planning is a necessity for everyone. (Www.sinarharapan.co.id)

Due to a financial planner then hoped for good financial management and optimal asset allocation so that the investment objectives that are owned by clients both short term, medium and long term can be achieved optimally. Banking prospects amid the global crisis of the opinion Harinowo (2009), precisely in the last few months were also affects the level of profits these banks. Public Bank of Malaysia, for example, which now has assets of approximately US \$ 55 billion, compared with Bank Central Asia (BCA) in Indonesia, which "only" has assets of approximately US \$ 24 billion, has the advantage of the first quarter of 2009 are not much different from the The Indonesian private bank. For the allocation of necessary funds in the form of savings, this is because the emergency fund requires high liquidity, funds advised many customers have savings account at Bank Central Asia (BCA). Transaction banking, the Bank offers a broad range of services to meet the specific needs of our customers. As a financial intermediary institution, the Bank has worked hard to strengthen the credit side to prepare a variety of packages that appeal to potential customers. We have a number of advantages that are key to our success in providing services that are useful, efficient and easy. These advantages are: (1) a very professional management team which always follows the policies and regulations of national and international banks; (2) Human resources are well-trained and service-oriented to the customer; (3) The series of innovative products and services and meet the actual needs; (4) Utilization of the latest technology appropriately; (5) continuous efforts in maintaining the level of the highest banking security; (6) The vast network of branches and sub-branches throughout Indonesia; (7) the delivery channel options (delivery channels) wide to achieve maximum customer comfort level, and (8) As of December 31, 2008 has around 5,997 ATM cash or non-cash and Cash Deposit ATM provided in various strategic locations throughout Indonesia (www.klickbca.com).

PT . Prudential Life Assurance is part of Prudential PLC was founded in 1995, a leading financial services group from England who manages a fund of more than US \$ 510 billion and serves more than 21 million customers around the world (data of June 30, 2007). Based on combining Prudential's global experience in life insurance with local business know-how, Prudential Indonesia is committed to develop its business in Indonesia. Since the launch of insurance products associated with investments (unit-linked) in 1999, Prudential Indonesia is a market leader for these products in Indonesia. In addition, Prudential Indonesia also offers a variety of products designed to meet the diverse needs of its customers in Indonesia.

With the global crisis, the financial problems becomes a very crucial point for the lives of many people, especially with regard to how that owned unag can meet all the needs for the order to each person or each family, where the name of the necessities of life are likely to be increasing because of the period of time. The needs of any kind and nature vary both for the short, medium and long term.

Based on the background of the above problems, it can be formulated issues to be discussed are:

(1) How does the client can optimize its asset allocation? (2) How does the client can optimize excess funds / disposable incomenya to meet the client's goals? (3) How does the client can invest appropriately into financial products in accordance with the type of client?

LITERATURE REVIEW

Planning.

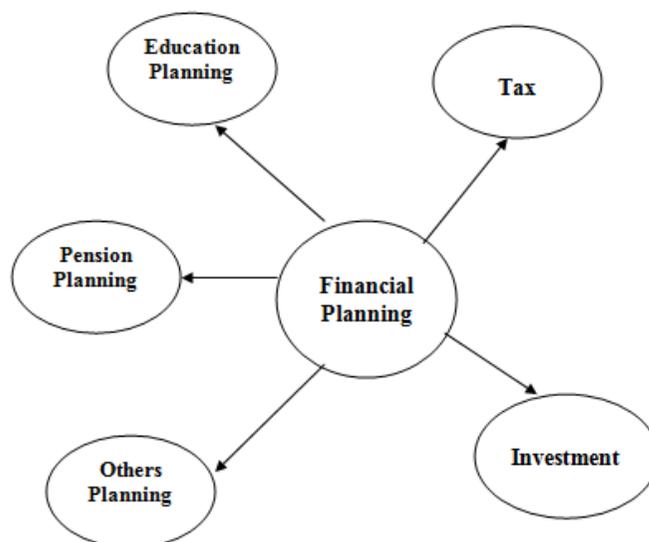
The opinion of Soekarso (2007) in a new paradigm of management, planning is a strategic managerial function because of planning to build a vision and Mass, formulating process, and set a series of projections rational organizational activities in a rational and realistic to achieve the objectives in the future: focusing Planning the future is always overshadowed by uncertainty and planning issues, including: forecasting, programming, and budgeting.

Finance or finance study how individuals, businesses, and organizations raise, allocate, and use monetary resources over time, and also calculate the risk in running their project (www.Wikipedia.com)

Financial Planning

According to Cercified Finalcial Planner Board of Standards, USA "Financial Planning is the process of meeting your life goals through the proper management of your finances. Life goals can include buying a home, saving for your child's education or planning for retirement. "Meanwhile, according to Sompotan (2008), Financial Planning Standards Board (FPSB)," Financial Planning is the process of helping clients to take a multi-discipline, integrated approach to creating strategic to achieve reviews their financial and life goals". So keywords in financial planning is the process and purpose of life or finances. Financial planning, aims to help achieve client objectives by managing its assets. Here are some definitions of financial planning of several personal finance books: financial planning is the the-process of managing your money to achieve personal economic satisfaction (Kapoor et al., 2004), whereas in the opinion of Hartopo (2004) Financial planning is measures for control over matters relating to the needs of the use of money, the goal is to live free from financial problems , not life controlled by money.

A Comprehensive financial planning should provide long-term strategy as well as calculations that can be used for investment purposes. In the financial planning there are some things that are planned such as: education planning, retirement planning, investment, tax and others planning



(Source: IARFC, Basic FP Financial Planning Process, 2003)

Banking Prospects

Bank is an institution that acts as a financial intermediary between those who have the funds to those who need funds, as well as a functioning institution facilitate traffic flow of payments in the opinion (Hwihanus and Maharani, 2004). There are several types of banks, namely (1) the views from function-Commercial Bank and

Bank of BPR, (2) ownership - Bank government, private and cooperatives, Foreign Banks and mixture, (3) status-Bank Foreign Exchange and non-Exchange, (4) in terms of price-Conventional and Sharia (Pebankan Act No. 10 in 1998). According to Harinowo (2009) that Indonesian banks more cautious so as to avoid a storm of global crisis and now has a better performance compared to banks in other countries. Where the Indonesian banks undergo a process of consolidation in recent years, mainly driven by the sale of banks after the crisis as well as the birth of the Indonesian Architect Banking.

Investment Decision

Investment is an act to spend the time now, is expected to obtain cash inflows in the future according to Awat and Mulyadi 1989 (Murtini, 2009). Investments require production opportunity to convert one unit of consumption is delayed for more than one unit generated future consumption.

Investment decisions can not be observed directly by the Investment Opportunity Set (IOS), while in the opinion of Gaver and Gaver (1995) that IOS depending on the set manajemen expenditure in the future, which at this time is an investment option that is expected to generate a larger return. According to Mao opinion of 1970 (Suprianto, 2009) states that the realistic investor will invest not only in one type of investment, but will diversify the investments in the hope of minimizing the risk to a certain return. Investors need a strategy and momentum tapat when selecting investments in order to generate high returns (Silvia, 2007). Momentum shows the tendency of investments that have a good performance, then the future has continued to be good.

Investment decisions can be distinguished widened two parts: (1) maximize of portfolio ratio between the expected value and standard deviation compared with the risk free upon other assets, (2) decide allocate funds between less risky assets and securities portfolio at risk (Suprianto, 2009)

Income Tax

In Act No. 17 of 2000 on Income Tax, Income Tax is the tax imposed on the subject of taxes on income received or accrued in the tax year. Income means any additional economic capability received or obtained by taxpayer both from Indonesia and outside Indonesia, which can be used for consumption or to increase the wealth of taxpayer. The income tax is a type of subjective tax liability attached to the subject pajannya bersangkutan tax, meaning the tax obligation can not be delegated to other tax subjects.

Insurance

Insurance is the protection against possible financial loss (Kapoor at al.,2004). In general , there are four types of insurance that exist in Indonesia , namely :

1. Life Insurance protects against financial losses from the resulting death (Garman et al., 1985) .

2. Home and Property Insurance is the coverage for your place or residence and its associated financial risk, such as damage to property and personnel injuries to others (Kapoor et al., 2004)
3. Automobile Insurance is meant to protect you against risks there: bodily harm and property damage to others from negligent operation of the vehicle, personal injury to you, and damage or loss of your car due to fire, collision (Winger and Frasca, 1986).
4. Health Insurance protects against the resulting financial losses from illness, injury and disability (Kapoor et al., 1986).

Planning Education Fund

According IARFC Against Time Value of Money - Planning and Planning Education Others (2006). Education fund is a fund that has been allocated separately, for memenuhikebutuhan education for our children in the future.

Education is an investment for the future of our children. The more the cost of education is getting expensive, so sehendaknya every family began to prepare the education fund from now on.

The importance of providing early education funding is influenced by several things, namely:

1. The high or the high cost of education today.
2. Always rising cost of education from year to year.

Pension Fund

According IARFC, Planning Retirement Fund / Retirement Plan (2006). The pension fund is a fund that has been allocated to be invested in order to meet the needs of clients ketika retire. Planning pension fund is also equally important to plan other financial goals.

According to Koh and Fong (2003), the main purpose of planning is to ensure the pension fund or ensure that you have sufficient financial funds or to make ends meet during retirement.

RESEARCH METHODS

Population and Sample

Population is the total number of units of analysis would allegedly characteristics (Singarimbun and Effendi, 1989). The population in this study is the customers khususnya customers Bank Central Asia (BCA) as well as customers of PT. Prudential Life Assurance customers as well as the age average of 35 years.

A sampling technique that is used convenience sampling researchers took samples were 112 customers who have become customers and more than 3 years. Data were selected and who meet the criteria and after checking it turns out only 86 customers are eligible for further processing.

The amount of eligible samples to be processed 86 people. According to (Arikunto, 1998). The amount is quite representative in the sense that all the traits or characteristics that exist in the population can be represented. With these considerations, the sampling method used in this research is the method of "purposive simple", a way of uptake is not based on strata or random, but based on their destinations, while consideration because of limited time, effort, and expense.

DISCUSSION RESULTS

Test Validity

Validity is an essential element for measuring tool because it shows the extent to which the concept of precision and accuracy in performing a measuring instrument measuring function.

Pedekatan validity testing performed by internal consistency with objectives can be obtained validity. The test is conducted by means of item scores correlate with the total score of the variable product moment correlation. Only valid items at a significant level 0.05 which is used for research, testing the validity performed with SPSS version 15.0 (Singgih, 2007)

Test Reliability

Reliability contained of a measuring instrument shows the extent to which a measuring tool that is used to provide a consistent measurement results, if remeasurement done (Malhotra, 1999). To measure the degree of instrument reliability was conducted by the internal consistency coefficient alpha is known as Cronbach 's Alpha was calculated for estimating the reliability of each scale (variable or indicator of observation) . Reliability testing performed using SPSS version 15.0 (Singgih, 2007).

CONCLUSIONS AND SUGGESTION.

Conclusions

1. The average age of the clients is 35 years, (a) the minimum age is 30 years and maximum age is 42 years, (b) the average premiums paid IDR 303.4884, the minimum premium is IDR 300,000 and IDR 500,000 for the highest premiums, and (c) average premium payment made each, and a maximum of 12 months.
2. Savings education for Marfin current age of 1 year , then at the age of 7 years based on the balance of the savings of IDR. 19.493 million, then to age 13 years so savings based on balance of IDR 53.511 million, and the amount of the balance on 18 years of IDR 97.005 million , and some of the benefits gained warranty .
3. The pension fund for Mr. David is now 35 years of age, then at the age of Mr. David 45 years old have a balance of IDR 47.068 million, then at the age of 55 years to balance the amount of IDR 144 899 000, and the amount of the balance at age 65 IDR 506.202 million and there are some benefits gained warranty.

Suggestion

1. In order to expand the network of cooperation with private banks or other government
2. In order for the company Prudential Life Assurance to consider the need for customers who want to go to the doctor they want.
3. It needs to be more proactive agents for communication to the customer khususnya for customers who have joined at least 3 years , to provide an explanation in order to top up

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