

Design and Implementation of a Risk Management System at PT. Franchise Center Indonesia

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INFORMASI ARTIKEL	ABSTRAK
<p>Kata Kunci: Risk Management Franchise Business Opportunity Keberlangsungan UMKM</p>	<p>Manajemen resiko diperlukan untuk mengidentifikasi kemungkinan resiko yang ada saat usaha berjalan dan melindungi dari dalam melakukan mitigasi atau pelacakan sumber-sumber yang berpotensi mengancam tercapainya tujuan perusahaan. Fungsi lainnya untuk mengetahui, menganalisis, serta mengendalikan kegiatan perusahaan yang dilakukan manajemen agar memperoleh efektivitas dan efisiensi yang lebih tinggi. Dalam pengabdian ini PT. Franchise Centre Indonesia sebagai perusahaan jasa yang akan menjadi pusat informasi franchise dan Business Opportunity (BO), menginginkan para pelaku bisnis atau UMKM yang sudah memiliki produk berkualitas dan sistem yang baik serta terbukti menguntungkan dengan dikenal lebih luas oleh target pasar yang ingin membeli bisnis. Metode yang dilakukan dalam kegiatan ini adalah mengumpulkan data, mengamati, menganalisa serta mengevaluasi hasil dari kegiatan ini untuk dapat memprediksi kemungkinan dan dampak risiko yang terjadi selama usaha berlangsung sehingga bisa dijadikan pedoman dalam menentukan langkah selanjutnya untuk mengevaluasi hambatan dan ancaman yang dikelompokkan sesuai skalanya. Kegiatan pengabdian dan penelitian ini penting untuk mempertahankan keberlangsungan usahanya karena akan membantu perusahaan tetap stabil dan bahkan lebih baik dalam kerjanya. Keberadaan manajemen resiko menuntut perusahaan menetapkan prosedur dalam menghadapi ancaman, meminimalkan dampaknya, dan mengatasinya sehingga perusahaan dapat membuat keputusan yang lebih baik tentang bagaimana mengembangkan ke depan.</p>
<p>Keywords: Risk Management Franchise Business Opportunity Sustainability UMKM</p>	<p>Risk management is needed to identify possible risks that exist when the business is running and protect from mitigating or tracking sources that have the potential to threaten the achievement of company goals. Other functions are to identify, analyze, and control company activities carried out by management in order to obtain higher effectiveness and efficiency. In this service PT. Franchise Center Indonesia as a service company that will become a franchise and Business Opportunity (BO) information center, wants business people or MSMEs who already have quality products and good systems that are proven to be profitable and are known more widely by the target market who wants to buy a business. The method used in this activity is to collect data, observe, analyze and evaluate the results of this activity to be able to predict the possibility and impact of risks that occur during the business so that it can be used as a guide in determining the next steps to evaluate obstacles and threats grouped according to scale. This dedication and research activity is important to maintain the continuity of its business because it will help the company remain stable and even better in its performance. The existence of risk management requires companies to establish procedures for dealing with threats, minimizing their impact, and overcoming them so that companies can make better decisions about how to develop in the future.</p> <p style="text-align: right;">This is an open access article under the CC-BY-SA license.</p> 

I. INTRODUCTION

Risk Management in the company aims to protect against risks in order to mitigate or track sources that have the potential to threaten the achievement of company goals. Meanwhile, the risk targets carried out by PT FCI are aligned with the company's mission, namely providing complete and user-friendly information for franchisors and franchisees as well as owners and buyers of Business opportunities (BO), updating data regularly for the accuracy of all data on the franchise and Business Opportunity websites (BO), providing the best service to all parties and stakeholders, as well as conducting regular and ongoing evaluations to create a sustainable business.

The success of a company in running its business is of course supported by good risk management (Fauzi, 2016) (Fauzi, 2016). (Cahyaningtyas & Sasanti, 2019) Chayaningtias & Sasanti, (2019) argue that companies must have predictions about possible risks that will occur, as a result of competition. Change, increasing capacity and product innovation must be forced to win competitive competition so that the products produced are not easily imitated and are able to increase company value (Sari et al., 2022) (Sari et al. (2022). Companies that want to improve company performance require companies to have resources that can increase added value.

The short-term goals of risk management in this company are to protect the company from significant risks that can hinder the achievement of company goals, provide a risk management framework that is consistent with existing risks in business processes and functions within the company, and encourage every employee of the company to act prudently and carefully in dealing with company risks in an effort to maximize corporate value and build capability and understanding of risk and the importance of risk management. While the short-term goals for encouraging management to act proactively in order to reduce the risk of loss and make risk management a source of competitive advantage and superior company performance, Support the achievement of performance targets and quality objectives for PT FCI as a whole and other work units according to their respective levels of responsibility. All significant risks that can affect the achievement of performance targets can be managed properly. The creation of a risk management organizational structure that is systematic and integrated into the company's business processes and The creation of human resources with insight and a culture of risk with a planned and sustainable development pattern.

In the medium term, the objectives of risk management include: Improving company performance through the provision of risk level information as outlined in a risk map that is useful for management in developing strategies and improving the risk management process on an ongoing and sustainable basis. Medium-term goals are: achievement of the maturity level of risk management implementation (risk maturity level); efficient and effective risk management costs while still providing a sense of security. In the long term, the goals and objectives of risk management are continuous improvement, continuous collaboration, and improvement at every stage.

Risk Management Principles are the basis of risk management practice or philosophy. Based on ISO 31000:2018, there are principles that must be met so that the risk management carried out can run effectively. The risk management principles applied by PT FCI are: integrated (integrated), structured and Comprehensive (Structured and comprehensive), customized, inclusive (inclusive), dynamic (dynamic), availability of Information and Data (Best Available information), human and Cultural factors, and continuous improvement.

Integrated means that the activities carried out by PT FCI related to risk management are integrated and are developed using an integrated management system to achieve the goals of the company. Structured and Comprehensive (Structure and Comprehensive) shows that PT FCI can carry out risk management with a structured approach to provide the best service. PT FCI's customized risk management process can be adapted to the relevant internal and external contexts to achieve the goals of the company. Inclusive, that is, all stakeholders are responsible for carrying out risk management with awareness, SOP, and knowledge so that no risks arise. Dynamic means that risks that arise and are faced can change or disappear as operations progress, and PT FCI can respond to changes appropriately.

The ability to manage this risk also depends on how big the level of risk, both in the economic and non-economic fields, is in the environment concerned. The smaller the environmental risk, the smaller the threat that needs to be managed so that entrepreneurs will be more interested in investing capital, developing their business (Besley & Ghatak, 2010). Integrated risk management is a process where various risks are identified, measured, and controlled in all parts of the organization or company. Through integrated risk management, every strategic decision taken is always based on valid and reliable information (Eaton, 2015).

The purpose of research in analyzing risk management at the establishment of a company is to increase understanding and knowledge on how to identify, evaluate, manage and mitigate risk in various contexts and provide better insights, or methods that can help companies manage risk effectively. Besides that, it also aims to provide views and strategies for companies in creating change and overcoming existing problems in maintaining business continuity.

II. PROBLEM

Many companies have closed due to their short operational time due to failure in competition with other companies. For this reason, before opening a business, it must have reliable risk management in order to be able to overcome problems that may occur. Companies that do not implement risk management will have impacts, including difficulty making decisions about protecting the company from loss or bankruptcy and not having a framework so that the company's performance becomes ineffective and efficient. It is difficult to monitor the effectiveness of the company's strategy and have no preparation for dealing with possible risks that arise. These are the consequences of companies that do not have mature risk management.

III. METHODS

This research was conducted through descriptive research. The purpose of this research is to describe what is related to the problem and the unit studied between the phenomena being tested. In this research technique, data is collected using a questionnaire as an instrument to answer a set of questions or make written statements to respondents. A literature study is used to find out What risks service companies face. A literature study was carried out by searching literature through journals, previous research, the internet, and books about related theories and the problems studied.

The instrument used is a questionnaire in the form of a checklist. The preparation of the instrument can start with its translation into variables, indicators, and components. The whole question is arranged and placed on the sheet questionnaire instrument. This study uses two types of data: primary data and secondary data. Primary data obtained from distributing questionnaires about the assessment or perception of risk management at a service company Besides that, it can also be obtained from literature such as books, electronic media, the internet, and sources that support research.

IV. RESULT

Risk Management Process

The risk management process begins with communication and consultation among stakeholders. Furthermore, the determination of the scope, context, and criteria followed by risk assessment and treatment produces the output of the risk management process. The output of this process is followed up by monitoring, reviewing, and recording and reporting.

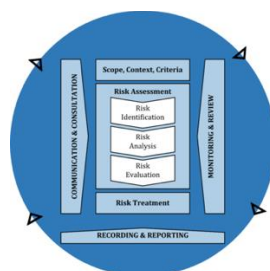


Figure 1. Process of Risk Management

Scope, Context and Criteria

The risk management process must be applied at different organizational levels. PT FCI divides the scope of implementation of the risk management process into two categories: internal and External. The internal scope consists of marketing risk, operational risk, human resource risk, and financial risk. While the external scope is divided into user risk, business partner risk, government risk, and other risks,

Risk Assessment

In determining the risk assessment, PT FCI will identify risks and determine the impact of each risk that occurs. After that, do a risk analysis by giving a value in terms of impact and frequency of occurrence of the risk. Then carry out a risk evaluation and group it into several levels.

Risk Analysis

After knowing the impact of each risk that occurs, the next step is to carry out a risk analysis. Risk analysis is carried out by providing a value for each risk that occurs. Each risk will be assessed in terms of the impact caused and the frequency of occurrence of the risk.

Table 1. Value and Impact Value

Mark	Frequency of occurrence		The resulting impact	
	Information	Frequency	Mark	Information
1	<i>Rare</i>	< 2x per year	1	<i>Insignificant</i>
2	<i>Unlikely</i>	2-5x per year	2	<i>Minor</i>
3	<i>Possible</i>	6-12x per year	3	<i>Moderate</i>
4	<i>Likely</i>	1-7x per year	4	<i>Major</i>
5	<i>Certain</i>	7-12x per year	5	<i>Catastrophic</i>

Risk Evaluation

After analyzing the possibility and impact of risks, the next step is to evaluate the risks and classify them into several levels.

Table 2. Risk Evaluation Parameters

Possibility					Impact				Risk Levels	
Rare	Rare	Rare	Unlikely	Unlikely	Insignificant	Minor	Moderate	Insignificant	Minor	Low
Possible					Insignificant					
Rare	Rare	Unlikely	Unlikely	Unlikely	Major	Catastrophic	Moderate	Major	Catastrophic	Secondary
Possible	Possible	Possible	Possible	Possible	Minor	Moderate	Major	Catastrophic	Insignificant	
Likely	Likely	Likely	Certain	Certain	Minor	Moderate	Insignificant	Minor		
Possible	Likely	Likely	Certain	Certain	Catastrophic	Major	Catastrophic	Moderate	Major	Height
Certain					Catastrophic					

Communication and Consulting

In ISO 31000, 2018 regarding risk management, communication and consultation includes activities namely; (1) Bring together different areas of expertise in the risk management process, (2) Ensure different views are taken into account when defining risk criteria and evaluating risks, (3) provide sufficient information to facilitate risk monitoring and decision making, (4) Build a sense of inclusiveness and ownership among those affected by the risk.

PT FCI's risk management team will establish communication and consultation every semester, so that PT FCI's risk management activities are expected to be realized with sufficient support and to make risk management activities targeted.

Monitoring & Study

In ISO 31000, 2018 concerning risk management, monitoring and assessment includes activities namely; (1) improve the quality and effectiveness of process design, implementation and results, (2) monitor the risk management process and its results, with clear responsibilities, (3) plan, collect and analyze information, record results, and provide feedback; and (4) incorporate results in performance management, measurement and reporting activities.

PT FCI's risk management team will carry out monitoring and assessment in the form of continuous and consistent observations and discrepancies against changes in the business environment that cause business risks. This will be carried out by the CEO as MR (management representative) in PT FCI's risk management activities.

Recording & Reporting

Every semester PT FCI's risk management team will document and report all the results of risk management discussions so that all risk management activities are reported clearly and can become information for decision making and improving the process of risk management activities internally at PT FCI. This will be carried out by the CEO as MR (management representative) in PT FCI's risk management activities.

Risk Management Cost Projection

In carrying out risk management activities, of course PT FCI's management requires funds to carry out risk mitigation activities that have been determined in table 6 Risk Handling above. The estimated cost of risk management activities for the next five years is shown in table 9.9 below.

Table 3. Cost of Risk Management

No.	Fee Type	Year-1	Year-2	Year-3	Year-4	Year-5
1	APPEAR, CCTV, DVR, Monitor CCTV, Alarm, Smoke Detector	10.000.000				
2	Genset	15.000.000				
3	Equipment maintenance	1.000.000	1.000.000	1.000.000	1.000.000	1.000.000
4	Counseling & disaster simulation	5.000.000	5.000.000	5.000.000	5.000.000	5.000.000
5	ISO 31.000,2018					22.500.000
6	Cyber Insurance		22.500.000	22.500.000	22.500.000	22.500.000
	Total	31.000.000	28.500.000	28.500.000	28.500.000	51.000.000

V. CONCLUSION

The application of risk management can improve the control of events that occur in the business so as to create a safe working environment for the business. Overall, creating risk management for businesses can increase profits and business sustainability. In addition, integrating risk management into business operations can make businesses better prepared for future threats.

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