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BUSINESS ANALYSIS MODEL USING CANVAS BUSINESS MODEL APPROACH TO KJPP YANUAR BEY AND PARTNERS

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Abstract: This study aims to determine the business model with Business Model Canvas on KJPP Yanuar Bey and Partners (Y&R) engaged in the Appraisal and Consultant. The objectives of this study are: (1) Identifying the business model at Y&R using BMC, (2) Creating a business model improvement on Y&R. The Business Model will be reviewed on every BMC element consisting of customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures with SWOT Analysis. The research method used is descriptive qualitative analysis. Data collection was carried out using interviews and observation techniques. This research is focused on creating a new business model with a BMC approach that looks at Y&R through the nine elements of BMC. The results of this study indicate that the business model that has been carried out by Y&R found weaknesses in the nine elements of BMC, therefore it is necessary to improve all elements.

Keywords: Business Model Canvas, Business Model, SWOT, Office of Public Appraisal Services.

INTRODUCTION

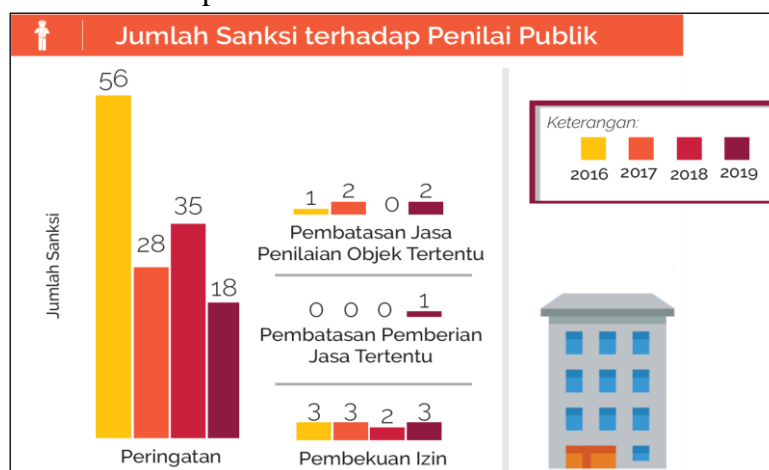
In the field of services, the Office of Public Appraisal Services (KJPP) may not be too familiar to ordinary people. The business entity has several important roles that can help with certain needs. KJPP is a place for public appraisers to provide appraisal services that have obtained permission from the Minister of Finance. The task of public appraisers has also been arranged in Regulation of the Minister of Finance of the Republic of Indonesia Number 101 / PMK.01 / 2014 concerning Public Appraisers. One of the jobs of public valuers is valuing assets and businesses based on calculations and market prices. Besides, they also provide opinions to estimates related to the economic value of an object of valuation by Indonesian

Appraisal Standards. The status of a public appraiser must be registered at the Ministry of Finance and the Indonesian Professional Appraiser Society (MAPPI).

The KJPP business entity form is an individual or a partnership. KJPP individual was established and operated by a public appraiser who was also a leader. The KJPP alliance is formed by at least two public evaluators, one of whom acts as a partner, and the other as a peer leader.

In 2019, the number of appraisers has increased from 689 in 2018 to 745 certified public appraisers. There are three types of certified Appraisers in the valuation, namely Business Appraisers, Simple Property Appraisers, and Personal Property Appraisers. The average growth of the appraisal profession in the last five years is around 5%. The distribution of the appraisal profession is centralized in Java, the distribution of public appraisers is as follows; Java (non-DKI) 669 people, DKI Jakarta 560 people, Sumatra Island 239 people, Sulawesi 84 people, Kalimantan 78 people, Bali and 67 NTT people, Maluku and Papua totaling 10 people. Increasing the number of appraisers in the Public Appraisal Service Office (KJPP) and KJPP Branch, it is also seen that appraisers affected by witnesses are decreasing. In 2016, it was the year where most appraisers received warning sanctions, one appraiser was sanctioned by limiting the services of Certain Object Valuation, and 3 appraisers were subjected to a license suspension.

In 2017, appraisers affected by warning witnesses decreased to 28 appraisers from the previous 56 appraisers. Restrictions on the valuation of certain object services are as much as 2 assessors and 3 license holds. In 2018 appraisers will be subject to 35 sanctioned warning sanctions and 2 public appraisers will be suspended. Then in 2019, appraisers affected by sanctions will decrease to 18 public appraisers, and there are 2 appraisers of certain object valuation services, 1 appraiser subject to certain service provision restrictions, and 3 appraisers subject to license suspension.



Source: Infographic Periodic PPPK Report. Quarter IV of 2019

Picture 1. Number of Public Appraiser Sanctions 2019

One of the KJPPs in Indonesia is the Office of Public Appraisal Services Yanuar Bey & Partners (Y&R) which is a partnership and engaged in the Appraisal and Consultant services. Y&R was previously named Appraisal Service Business Yanuar Bey & Partners was established based on the notarial deed of Nuzul Okdawiati, SH, No. 01, August 22, 2005, and

has obtained a Business Appraisal Office Business License from the Minister of Finance of the Republic of Indonesia No. Kep-497 / KM.1 / 2009, May 12, 2009.

Y&R must have the right strategy to deal with changes and conditions in a dynamic business environment. Knowing the business model is the first step in evaluating competitiveness qualitatively to be used as a foundation for developing a strategy. The easiest business model to understand is the Business Model Canvas (BMC).

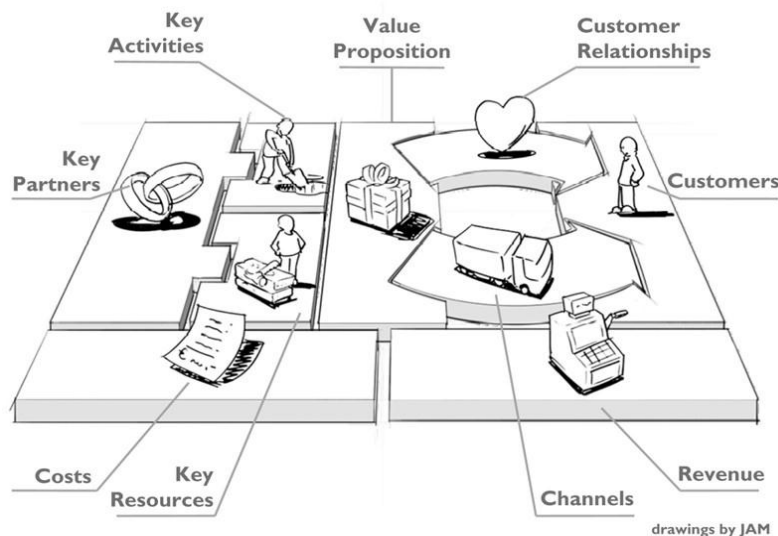
The research objectives are:

1. Identifying the business model that has been carried out by KJPP Yanuar Bey and Partners using BMC, and;
2. Creating an improved business model for KJPP Yanuar Bey and Partners

LITERATURE REVIEW

A. Business Model Canvas

According to Osterwalder and Pigneur (2010), BMC is describing, visualizing, evaluating, and changing business models. This concept can be a language for sharing ideas that allow you to easily describe and manipulate business models to create new alternative strategies. BMC has nine blocks consisting of value propositions, customer segments, customer relationships, channels, revenue streams, key activities, key resources, key partners, cost structures.



Source: Osterwalder&Pigneur (2010)

Picture 2. Business Model Canvas

B. Business Model

Johnson et al (2008), "The business model effectively fulfills a strong value proposition using key resources and key processes". Chesbrough (2007), "the business model performs two important functions: value creation and value acquisition which defines a series of activities that will produce new products or services such that there is net value created. Second, the business model captures the value of some of these activities for companies that develop and operate them. " Teece (2010) formulated the business model as follows, "The essence of the business model is in defining how companies provide value to customers,

persuading customers to pay value, and turning those payments into profits. Thus reflecting management hypotheses about what customers want, how they want it, and how the company can manage to meet those needs, get paid for it, and make a profit. "Based on the above definition, the definition of experts is different but there is still a pattern pointing in the same direction. This pattern leads to keywords:

- Value - Creating, Conveying, and expressing
- Resources, Processes, and Activities
- Advantages

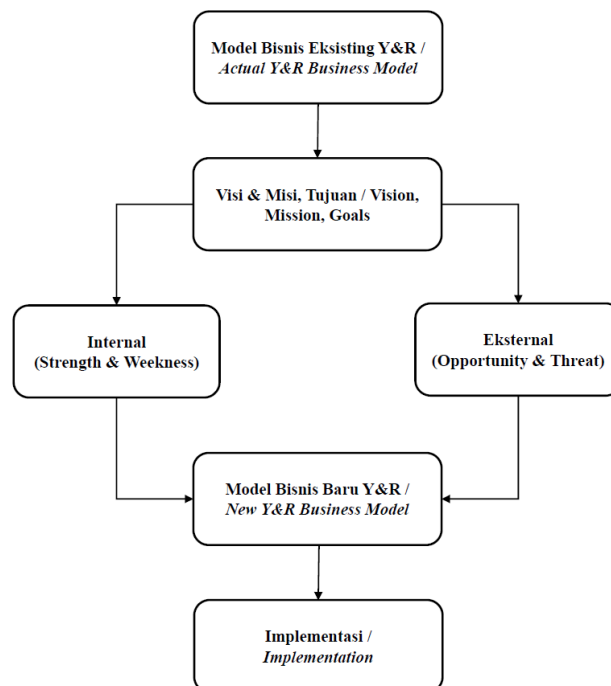
So, the business model is about creating, delivering, and capturing value by using certain resources, processes, and activities to generate profits.

C. Public Appraisal Services Office

According to the Minister of Finance of the Republic of Indonesia (2014), the Office of Public Appraisal Services, hereinafter abbreviated as KJPP, is a business entity that has obtained a business license from the Minister as a place for Public Appraisers to provide their services. Broadly speaking, KJPP is a place for public appraisers to provide services and has obtained official permission from the Minister of Finance. One of the jobs of public valuers is valuing assets and businesses based on Market Value. Public Appraisers can also provide opinions up to estimates related to the economic value of the valuation object by applicable Indonesian Appraisal Standards.

RESEARCH METHODS

The thinking framework in this study can be described as follows:



Picture 3. Conceptual framework










In this study, researchers used a descriptive qualitative research type. Qualitative research is research that deals with ideas, perceptions, opinions, beliefs of people to be studied.

Descriptive research is looking for an appropriate and sufficient description of all activities, objects, processes, and people. Descriptive research is also a valid collection of facts and data to provide an overview of the object under study (Sulistyo-Basuki, 2006). Data collection was carried out by direct observation and semi-structured interviews with the company, namely middle management and top management Y&R. After collecting data, a descriptive data analysis was performed. The results of data analysis are used to determine BMC improvements on Y&R.

FINDINGS AND DISCUSSION

The business model approach is one way to measure the success or failure of an organization. The business model approach must be innovative so that organizations can survive amid the rapid changes in the business environment. One of the business model approach tools that can be used is BMC. BMC was developed by Osterwalder and Pigneur (2012) where BMC makes it possible to describe and manipulate business models easily and simply to then create alternative strategies in the form of new business models that are more competitive. The business model will help understand, explain, and predict what activities should be carried out to generate profits for the company or organization. The first stage of this research is to analyze the business model that has been run by Y&R and then mapped to BMC as follows:

Table 1 . Existing Business Model Canvas KJPP Yanuar Bey and Partners

 Key Partners <ul style="list-style-type: none"> Public company Closed company BUMN 	 Key Activities <ul style="list-style-type: none"> Business Valuation Equity Valuation Fairness Opinion Feasibility study  Key Resources <ul style="list-style-type: none"> Experts Hardware Operational vehicle Financial Assessor Association (MAPPI) 	 Value Propositions <ul style="list-style-type: none"> Providing the best services and solutions in the field of appraisal and consulting Provide the best service Consistency in efforts to encourage staff development to achieve superior levels of competence 	 Customer Relationships <ul style="list-style-type: none"> Job Portfolio  Channels <ul style="list-style-type: none"> Registered at the Ministry of Finance Partner to a Public Company 	 Customer Segments <ul style="list-style-type: none"> The interests of mergers and acquisitions Importance of sale and purchase The Importance of Financial Statements
 Cost Structure <ul style="list-style-type: none"> Salary expense Official travel expenses Data Collection Fee Cost of fieldwork equipment Printing and ATK fees Electricity, Water and Communication Costs Cost of Education and Training 		 Revenue Streams <ul style="list-style-type: none"> Business Valuation Service Fee Equity Assessment Service Fee Fairness Opinion Service Fee 		

The identification of the business model shows how Y&R was established in 2009. Starting from the value offered (value proposition) in the form of appraisal and consultant services for mergers & acquisitions, buying and selling, and financial report (customer segment) interests. The customer relationship is only limited to conveying the portfolio of work that has been done. Key activities are carried out in the form of business assessments, equity assessments, fairness opinions, and feasibility studies needed by publicly listed companies, private companies, and SOEs (key partners). Even experts are very limited with appraisal equipment only in the form of laptops, operational vehicles, finance, and are registered with the Appraisal Association, namely MAPPI (key resources). Y&R has

channels in the form of partnerships to publicly listed companies, registered with the Ministry of Finance and OJK, as shown in Table 1. These activities require a cost (cost structure) and will generate revenue (revenue stream). According to Rappa (2000) business model is a method used by companies to make money in their business environment, which makes a company can survive. According to Wheelen and Hunger (2010) also revealed a similar thing, namely the business model is a method used by companies to make money where the company operates.

SWOT Analysis of Y&R Business Model Elements

After identifying the BMC elements that Y&R has done so far, the next step is to conduct a SWOT analysis on each element of the business model canvas. According to Rangkuti (2011), SWOT is a way to systematically identify various factors to formulate a company's strategy. This analysis refers to thinking about how to maximize strengths and opportunities while simultaneously minimizing weaknesses and threats.










The SWOT analysis provides four perspectives for assessing the elements of a business model, while BMC provides the focus needed for a structured discussion. The combination of BMC and SWOT allows focused assessment and evaluation of the organization's business model and building blocks. Analysis like this provides a good basis for further discussion, decision making, and finally innovation around the business model (Osterwalder & Pigneur, 2012). The results of the SWOT analysis show that BMC, which has been conducted by Y&R, has weaknesses in all elements.

Improvement of Business Model Canvas (BMC) Y&R

The next step is to design improvements to the Y&R business model in the future. At this stage, the authors conducted an interview with the company namely middle management and top management Y&R by considering the vision of Y&R, namely "Become a Trusted Appraisal Services provider", as well as the results of the SWOT analysis.

Improvements made for each BMC element can be seen in the following table.

Table 2 . Improvement Business Model Canvas KJPP Yanuar Bey dan Rekan

 Key Partners <ul style="list-style-type: none"> Public company Closed company BUMN Banking Non-bank financial institutions Start-Up Company 	 Key Activities <ul style="list-style-type: none"> Business Valuation Equity Valuation Fairness Opinion Feasibility study Business Assistance Intangible Asset Valuation 	 Value Propositions <ul style="list-style-type: none"> Providing the best services and solutions in the field of appraisal and consulting Provide the best service Consistency in efforts to encourage staff development to achieve superior levels of competence Prioritizing the principles of service (Friendly, Appropriate, Careful, Accurate, Efficient, Effectiveness, Trustworthy, Reliable, Professional, High Commitment, High Confidentiality) 	 Customer Relationships <ul style="list-style-type: none"> Job Portfolio Provide input and opinions to clients Education and training 	 Customer Segments <ul style="list-style-type: none"> The interests of mergers and acquisitions Importance of sale and purchase The Importance of Financial Statements The Importance of Guarantee Interests of the Appraiser's Opinion on an object
 Key Resources <ul style="list-style-type: none"> Experts Hardware and Software Tools (Bloomberg) Operational vehicle Financial Assessor Association (MAPPI) Database 			 Channels <ul style="list-style-type: none"> Registered at the Ministry of Finance Partner to a Public Company Registered at OJK Banking Partners 	
 Cost Structure <ul style="list-style-type: none"> Salary expense Official travel expenses Data Collection Fee Cost of fieldwork equipment Printing and ATK fees Electricity, Water and Communication Costs Cost of Education and Training Commitment fees and marketing fees Cost of treatment Project Incentive Costs 			 Revenue Streams <ul style="list-style-type: none"> Business Valuation Service Fee Equity Assessment Service Fee Fairness Opinion Service Fee Fee for Feasibility Study Service Business Assistance Services Fee Intangible Asset Valuation Service Fee 	

1. Value Proposition

In providing the benefits offered by Y&R to the market segments served, Y&R can prioritize the principles of service (friendly, precise, accurate, efficient, effective, trustworthy, reliable, professional, highly committed, high confidentiality (Confidential)).

2. Customer Segments

Y&R can specify to serve one or more segments. In addition to the existing segments, Y&R can do for the benefit of collateral, the interests of the appraiser's opinion on an object

3. Customer Relationship

Y&R in bonding with its customers is not only limited to offering through a portfolio of work that has been done but can provide input and opinions to clients, provide education and training assessors to those in need.

4. Key Activities

The main activity of Y&R to be able to create a value proposition can be done by providing business assistance and providing intangible asset valuation services, where these services are currently needed.

5. Key Partnership

Resources needed by Y&R to realize the value proposition for business sustainability in the future can be done through collaboration with Banks, Non-Bank Financial Institutions, and Start-Up Companies.

6. Key Resources

Improving the quality of resources, especially humans, is necessary so that education and internal and external training can be followed to improve quality. Besides, a compilation of assessment results needs to be done to get a database of the assessment results. Many KJPPs do not have resources in the form of Bloomberg software, so this needs to add value to Y&R.

7. Channel

KJPP registered with OJK so that it can conduct assessments for companies listed on the capital market, as well as the Non-Bank financial industry (IKNB) and Banking Partners can create various types of new jobs.

8. Cost Structure

Y&R must minimize existing costs both fixed costs and variable costs. However, a fixed cost structure that is greater than the variable cost is a threat to Y&R because when clients are few, Y&R will face a large fixed cost liability.

9. Revenue Streams

Y&R can develop revenue streams for future business models by adding or combining several services including feasibility study services, business advisory services, and intangible asset valuation services.

CONCLUSION AND SUGGESTION

Conclusion

Business models can help understand and predict what activities are carried out to generate profits for Y&R. The business model is also a representation of how Y&R makes money. BMC has 9 important elements in helping to identify the business model that has

been run by Y&R, and helping to identify elements that need improvement to help the business continuity in the future. The results obtained that Y&R needs to make improvements to all BMC elements.

The results of this study are recommendations for improving business models that have implications for Y&R as follows:

1. Value Proposition
In providing the benefits offered by Y&R to the market segments served, Y&R can prioritize the principles of service (friendly, precise, accurate, accurate, efficient, effective, trustworthy, reliable, professional, highly committed, high confidentiality (Confidential).
2. Customer Segments
Y&R can specify to serve one or more segments. In addition to the existing segments, Y&R can do for the benefit of collateral, the interests of the appraiser's opinion on an object
3. Customer Relationship
Y&R in bonding with its customers is not only limited to offering through a portfolio of work that has been done but can provide input and opinions to clients, provide education and training assessors to those in need.
4. Key Activities
The main activity of Y&R to be able to create a value proposition can be done by providing business assistance and providing intangible asset valuation services, where these services are currently needed.
5. Key Partnership
Resources needed by Y&R to realize the value proposition for business sustainability in the future can be done through collaboration with Banks, Non-Bank Financial Institutions, and Start-Up Companies.
6. Key Resources
Improving the quality of resources, especially humans, is necessary so that education and internal and external training can be followed to improve quality. Besides, a compilation of assessment results needs to be done to get a database of the assessment results. Many KJPPs do not have resources in the form of Bloomberg software, so this needs to add value to Y&R.
7. Channel
KJPP registered with OJK so that it can conduct assessments for companies listed on the capital market, as well as the Non-Bank financial industry and Banking Partners can create various types of new jobs.
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Y&R must minimize existing costs both fixed costs and variable costs. However, a fixed cost structure that is greater than the variable cost is a threat to Y&R because when clients are few, Y&R will face a large fixed cost liability.
9. Revenue Streams
Y&R can develop revenue streams for future business models by adding or combining several services including feasibility study, business advisory, and intangible asset valuation.

Suggestion

1. Value Propositions
This element can be developed by improving the implementation of the brand that is owned when dealing with clients by prioritizing service principles such as improving internal systems and information technology-based services.
2. Customer Segments
Y&R customer segments can also target the market to various types of products and services needed by opening new services in the field of appraisers and consultants.
3. Customer Relationship
Y&R can develop by doing Customer Relationship Management (CRM) and increasing the number of employees to provide better service than competitors.
4. Key Activities
Y&R can maintain the quality of services provided by managing time so that the time available to carry out activities effectively and efficiently. Y&R must also be more intense in participating in anwizing related to the services of appraisers and consultants
5. Key Partnership
Key partnerships can be developed by partnering with other professional institutions to work with.
6. Key Resources
Y&R must add quality human resources and add new divisions namely Advisory. Y&R can also regenerate electronic equipment and software as an assessment tool such as Bloomberg.
7. Channels
Y&R can develop channels by expanding personal relationships, using the services of design marketing staff to get new jobs.
8. Cost Structure
Y&R can reduce costs (cost-driven) by using cheaper equipment to get results that are more or less the same and have outsourced divisions such as IT, Training, Production & Printing.
9. Revenue Streams
Y&R can expand revenue income by doing new types of work in the world of assessors and consultants.

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