

Public Relation Strategy in Handling Bank Lampung “Bankrupt” Reporting Issues

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Abstract— A large company is usually easy to get positive and negative issues. This cannot be avoided by the company but can still be prevented by having careful planning so that when negative issues circulate, the company already has a soul that is ready to solve them. This is to prevent a crisis in the company. No one wants a company to have a bad reputation/image in the eyes of the public. The company/organization must have public relations that can help build a good reputation again. Issues that usually arise can also be news that is not true for the company. Therefore, the task of PR here is to be able to solve the problems that are being experienced by the company. One of them is to restore a good image in the eyes of the public. The methodology used is the descriptive qualitative analysis by using a case study research strategy and collecting data from several sources. From the results of research, Bank of Lampung dismissed the issue of "bankrupt" that was experienced. The stages carried out by PR Bank of Lampung have three areas, namely dealing with issues, responding to the press, and managing issues. Public Relations of Bank of Lampung held a press conference to explain the untruth of the issue. And the PR of the Bank of Lampung also explained that the financial reputation of the Bank of Lampung was stable.

Keywords— Strategy, Public Relations, Issues.

I. INTRODUCTION

The Lampung Regional Development Bank (BPD), commonly known as the Bank Lampung, was established to help and encourage economic growth and regional development in all fields, especially for the Lampung area. Judging from this, Bank Lampung is not spared in both positive and negative news. When viewed from the vision of Bank Lampung, namely to become a competitive commercial BPD with a focus on developing MSMEs in contributing to regional development. This is certainly expected to provide good service for consumers without exception. In 2020 Bank Lampung received negative news coverage of the company with the news "Bankrupt". This makes customers worry about their money. This news affects the good name of the Lampung bank. This is not expected by the bank's management, which will make the company's reputation decline and it is feared that it will make public perception not good. Because this concerns the image, reputation, and good name of the company, as in the case of the Lampung bank above. Because this allows not all negative information/issues circulating are always accurate and based on facts. This is a very detrimental condition because a potential image change will occur which has a potential impact on changes in customer attitudes and behavior in trusting the Lampung bank which has a negative image due to issues that

have been circulating which are sometimes not necessarily true or false.

This negative issue will make the company's reputation decline. One of the activities in public relations or public relations is creating reciprocal two-way communication by disseminating public opinion to the organization. To align the company with the environment, public relations must be carried out, namely setting operational missions, setting policies, setting organizational goals, developing strategies, establishing work procedures, and determining operational programs. From the case above, it is the task of public relations to improve the reputation and image of the company that has received negative issues. Negative issues for companies today are not easy to be able to restore a good image if PR is not quick to deal with it. It is also PR that does not work alone to resolve negative issues of the company which has a special team to be able to improve the company's image. (Kriyantono 2012, 158), can describe two aspects of the types of issues. First, the impact aspect. There are two types of issues, namely defensive and offensive issues. Defensive issues are issues that tend to pose a threat to the organization, and therefore the organization must defend itself so as not to suffer reputational losses. While offensive issues are issues that can be used to improve the company's reputation.

II. LITERATURE REVIEW

A. Public Relation

The definition of "public" is a group of people who pay attention to the same thing, have the same interests and interests. The public is a small group of people with a small number can also be a large group. Likewise with the meaning of "relation" which comes from the English "relationship". The use of relations in public relations implies a reciprocal relationship. Public relations is one of the important things in a company/organization to be able to improve good communication to external and internal organizations. Public Relations is the practice of public relations (PR) which is carried out in a planned and continuous (continuous) manner to create and maintain goodwill (goodwill), as well as mutual understanding attitudes that are reciprocal (Mutual Understanding) between an organization or company and the whole audience. (Frank Jeffkins, 1996:8). Public Relations is a distinctive management function and supports the development, maintenance of common lines between an organization and its publics, concerning the activities of communication, understanding, acceptance, and cooperation; involve management in problems, assist management in

responding to public opinion; support management in keeping up with and effectively utilizing change; act as an early warning system in anticipating trends to use research and sound and ethical communication techniques as primary tools." (Rosady Ruslan, 2003: 16). The function of public relations itself is issue management. Public relations functions to examine the consequences that occur in society related to or even caused by company policies, and crisis communication occurs related to company policies. There are four principles related to this issue, namely:

1. Principle of Good Relations This principle is generally implemented before a crisis occurs. With good relations, crisis communication can be avoided and even if there is communication in a crisis it will be easier to find a way out.
2. Accountability Principle If crisis communication has occurred, the company still has to compensate for the losses suffered by the community even though it is not the company's fault. This is related to the accountability principle that the company remains responsible for what happens to certain communities, about certain matters, to maintain the good name and credibility of the company.
3. Disclosure Principle Based on this principle, companies through public relations must be open to the public. Companies must explain what happened as it is, without being covered up, to respect the public's right to the truth.
4. Asymmetric principle (balanced communication) The company sees the public interest as important as the company's interest. Therefore, it is necessary to hold a balanced open dialogue in which the interests of the company and the public interest are seen as equally important, no one is better than the other.

a. Functions and Objectives of Public Relations

The main function of public relations is to grow and develop good relations between institutions or organizations and their publics, internally and externally to instill understanding, foster motivation, and participation in efforts to create public opinion that benefits the institution or organization. Based on their duties, there are 2 kinds of public relations functions, namely :

1. Constructive function, public relations is the front line behind which is a series of activities to achieve organizational or company goals. Taken by building an image.
2. Corrective function, it can be said that PR is a "firefighter" if the company experiences problems or a crisis with the public, then PR must play a role in overcoming the resolution of the problem. By providing false information, straightening opinions, correcting false news.

Therefore, one of the functions of public relations is to maintain, develop, maintain the reciprocal communication needed in dealing with, overcoming problems that arise, or minimizing the emergence of problems.

b. Public Relations Process

According to Cutlip & Center (in Kasali and Abdurahman), the PR process completely refers to a managerial approach. This process consists of fact finding, planning, communication, and evaluation (Abdurachman, 2001:31). Kasali adapted it into

gathering facts, problem definition, planning and programs, action and communication, and evaluation.

1. Fact-finding is finding and collecting facts/data before taking action.
2. Planning is based on facts making plans about what to do in dealing with these problems.
3. Communicating is a plan that is well prepared and then communicated or operational activities are carried out.
4. Evaluation is evaluating an activity, whether the objectives have been achieved or not. Evaluation can be done continuously. The results of this evaluation form the basis for the next PR activity.

c. The Role of Public Relations

According to Ruslan (2005) citing Dozier and Broom (1995) in the journal (Hamsinah) journal Establishing Corporate Image for Corporate Image and Reputation that the role of public relations is divided into four categories in an organization, namely:

1. Experts (Expert prescriber) As a public relations practitioner who is experienced and highly skilled, he can find solutions in solving public relations problems.
2. Communication facilitator, In this case, public relations practitioners act as communicators or mediators to assist management in hearing what the public wants and expects.
3. Process problem-solving facilitator (Problem-solving process facilitator) This role is part of the management team to assist organizational leaders both as advisors so that they take execution actions (decisions) in overcoming problems or crises that are being faced nationally and professionally.
4. Communication techniques (Communication technician) Public relations activities are an essential part of the technique of communicating activities with the characteristics of two-way traffic communication between the institution or organization it represents and the public or vice versa.

d. Public In Public Relations

The public in PR is often also called stakeholders, namely all parties inside and outside the company who have a role in achieving the company's success. The public must be recognized and applied because:

1. To identify the target audience for the program
2. To create a scale of priorities in light of limited budget and other resources
3. To select the appropriate media and communication techniques. There are two kinds of the public in public relations, namely internal and external public. The internal public is the public within the company, such as employees, managers, shareholders. While the external public is the public outside the company such as customers, governments, partner companies, banks, suppliers of raw materials, etc.

B. Management Issues

a. Management issues

Issues and crises are different. Harrison (2008:550) in (Kriyantono, 2012) provides a definition that issues are various

developments, usually in the public arena, if they continue, can significantly affect the operations or long-term interests of the organization. It can be said that issues are the starting point for conflict if it is not managed properly. While Prayudi defines issues that arise when there is a mismatch between public expectations and organizational practices which if ignored can have a detrimental impact on the organization. Issues can include problems, changes, events, situations, policies, or values.

1. Types of issues

In essence, an issue can be a problem, change, event, situation, policy, or value. Crabble and Vibert categorize four types of issues. The following is an understanding of each type of issue.

- a) The issue of fact is an issue that does not need to be contested.
- b) Definition of category issues, these issues can have more than one definition and are better for discussion in the boardroom, in media discussions, and sometimes in court.
- c) Value issues, including whether an issue is good or bad, ethical or unethical, right or wrong.
- d) Policy issues, including disputes over the actions to be taken in certain situations.

2. Issue Management Process Model

The issue management process model is principally a tool for identifying, analyzing, prioritizing, determining responses, and evaluating the results of changes in the external and internal environment on organizational activities. There are five 12 steps of the issue management model developed by Chase, Jones, and Crane, namely:

a. Issue identification

Issues can arise because of a trend, change, or event. In particular, the management can think of strategies to anticipate issues so that issues do not develop. Therefore, the identification process aims to help capture and select some potential issues to be addressed.

b. Issue analysis

In this second step, the first thing to do is determine the source of the issue. According to Cutlip et al. (2000), in the process of situation analysis, a practitioner can clearly and specifically define and correct problem statements.

c. Issue change strategy options

At this step, several alternative strategies are needed that can become a policy organization for the issues that arise. According to Bucholz (in Grunig and Hunt, 1984:296) identifies four possible responses to public policy issues, namely:

1. Reactive – resist change
2. Accommodating – adapting to change
3. Proactive – influencing change
4. Interactive – adapt to change

d. Issue action programming

The choice of how to respond to the issue has been made, management must implement policies to support the chosen strategy. This stage becomes the

standard for viewing and evaluating the performance of issue management. The importance of this stage is to observe how the issue management team applies the organization's issue management policy with the organization's business strategy planner.

e. Evaluation of results (result evaluation)

Evaluation is also required for the management team before the issue management process is declared complete. This evaluation becomes an important part of the issue management process because this process will result in conclusions about the success of the issue action program carried out.

III. RESEARCH METHODS

The method used by researchers in this study is a qualitative research method, to describe reality as a dynamic thing, namely as a product of social construction. According to Kriyantono (2006:56) qualitative research aims to explain the phenomenon as deeply as possible through data collection as much as possible. The researcher obtained data from several relevant sources such as the Financial Services Authority (OJK) which opened a voice regarding the issue of the Lampung bank "Bangkrut".

IV. DISCUSSION

Before the communication crisis, the first thing that interfered with the decline in the reputation/image of the company was the existence of bad circulating issues. Like the case that occurred by Bank Lampung, which dragged the name of the bank into a state of bankruptcy. This is what will make customers worry about the dishonesty of the bank. Reports/issues can be positive or negative for the company. It is this negative issue that makes companies worry about what will happen to their company. If there are issues that are not good for the company, the company or public relations within it immediately take action to ward off consumer concerns. The current news is also not always true if it is not followed up by consumers properly. Issues are events that are out of control. At a certain level affect the direction of strategy (individual, organization, or company), so it is necessary to take action as soon as possible. Issues may originate from individuals or interest groups which then become public debates because issues have political content and can lead to legal decisions. The result can be detrimental or hinder activity. At a certain stage, issue management develops into crisis management. A crisis is a situation that is a turning point that can make something better or worse. From a business perspective, a crisis will lead to these things, namely:

1. The intensity of the problem will increase
2. The problem will be brought to the public spotlight either through the mass media or by word of mouth.
3. Problems will interfere with the smoothness
4. Problems can harm the good name of the organization or company.
5. Problems can damage the work system and shake the organization or company as a whole.
6. The problems faced in addition to making organizations or companies panic, also often make people panic.

7. Problems will make the government intervene

a. *Handling Issues*

A negative issue that afflicts any company must have a more mature plan before a crisis occurs in the company, especially in the mass media will be in the spotlight when the company is experiencing bad issues. Bank Lampung handled the issue of "bankrupt" with a calm attitude because the authorities explained to the media by providing evidence that Bank Lampung was not "bankrupt". The right decisions and actions on the issues experienced by Bank Lampung are:

1. Complete information
2. Good decision-making techniques
3. Supportive mental attitude Crisis management training or decision making techniques

Public relations has a team to restore the company's reputation/image so that the issue does not spread, what PR and the team must do are:

1. Take the time and prepare statements before dealing with the media.
2. This shows that the organization or company is always trying to cooperate with the media and provide new and accurate information as soon as possible.
3. Checking and correcting false statements that may be made by other organizations or companies.
4. Monitor media coverage and politely state that inaccurate news is being covered by the media.
5. Emphasize the positive aspects you have.

b. *Responding to the Press*

Bank Lampung has explained the issue of bankruptcy at the bank. To be able to restore the image of bank Lampung, the PR utilizes social media/internet so that the wider community knows the explanation. This is also in today's modern era, social media/internet is very influential for the community in knowing the news. There are three basic conceptual steps that Bank Lampung can take to help the PR team before facing the press on bad news/issues, namely:

1. As part of management, the spokesperson for the organization or company is a public relations person. Public Relations is the only designated spokesperson. Therefore, the Lampung bank gave an explanation to the media regarding the issues being faced.
2. Before answering or responding to the media, determine accurately and quickly the facts covering the crisis.
3. Take the initiative to contact the media in conveying news. From the results of the data obtained that the head of the OJK gave the opinion that there was no bankruptcy at Bank Lampung.

c. *Issue Management*

Indonesian PR experts define issue management as "a management function that evaluates public attitudes, both internally and externally, identifies matters or problems that are worth worrying about and makes efforts towards improvement". There are three main approaches commonly used in analyzing issue management, namely:

- a. *Systems approach* The systems approach to issues management is rooted in systems theory and business management principles. As William G. Scott (1961) said

that "the most meaningful way to study organizations is as a system".

- b. *Uncertainty reduction strategy approach* (strategic reduction of uncertainty approach) The strategic approach implicitly emphasizes the cognitive orientation of organizational action and individual decision behavior. The main concern is how individual and group interpretations of an issue relate to action at the organizational level.
- c. *Rhetorical approach* Crable and Vibbert (1986) identify three problems in the Chase, Jones, and Crane approach. First, the issue management process model approach assumes that organizations have the same authority as the government when it comes to the creation of public policies. Second, Chase, Jones, and Crane view the issue as an unresolved problem and are ready for a decision. Crable and Vibbert (1986). Third, Chase and Jones recommend three response strategies to reactive, adaptive, and dynamic issues.
- d. *An integrated approach* (engagement approach) that overcomes isolation, encourages communication, and stimulates reform. Integrated (engagement) is a comprehensive term for the management of future issues because it brings together and extends the systems approach, strategic and rhetorical. The integrated approach can serve as a defining framework and guide to future issue management.

V. CONCLUSION

From the explanation above, PR Bank Lampung has explained the issues that have arisen regarding the "bankrupt" Lampung bank. Therefore, the bank of Lampung confirms that there is no truth in the issue of bankruptcy in Lampung, it must be done with an accurate explanation to gain trust back by customers/consumers. The Financial Services Authority (OJK) also opened its voice regarding the circulating news. OJK denies the issue that Bank Lampung will go bankrupt because if it is seen that the bank's financial level is quite good. The Lampung bank also asked the media to help build public trust and not be in a hurry to take their funds at Bank Lampung.

When viewed from the PR function, PR is the front line in a situation of negative circulating issues so that a crisis does not occur in the company. In addition, PR can be said to be a company firefighter who can solve problems or news that is not true. To participate in determining what is good and bad for the organization and society, because public relations has a function to build good relations with the public, public relations are required to research the community environment related to what issues are currently ongoing and manage them so that they do not hurt the company/organization. Many public relations practitioners believe that crisis communication is something specific and different from the standard function of public relations under normal circumstances. Most public relations practitioners believe that issue management is just a plan that will only be executed when a crisis occurs. Public relations functions to examine the consequences that occur in society related to or even caused by company policies, and crisis communication occurs related to company policies.

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