

Business Management of Indonesian Fintech Amid Covid-19

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Abstract This paper examines the readiness of P2P Fintech in pandemic era. This paper follows business continuity models from BCG, Bain & Company, and Deloitte. We combine three frameworks and identified three variables (respond/protect, recover, and Thrive/Retool) within dimension of Flatten & Fight (during covid-19) and Future (after covid-19). We gathered 30 persons, from manager and director level of P2P Fintech. We distributed a questionnaire and analysed the data using SPSS for frequencies and means difference analysis. Then we interview the three (3) directors of P2P Fintech Company to reconfirm. We conclude that P2P Fintech is ready to do business continuation.

Keywords: : Fintech, SME, covid-19 Pandemic, management, business continuity

1. Introduction

The purpose is to examine the readiness of P2P Fintech in addressing covid-19 pandemic and for the next normal situation. The study is limited for P2P Fintech in Indonesia, which mostly gives support to SME. There were some models promoted to address the company response in covid-19 situation as formulated by BCG, Bain & Company, and Deloitte which has just been launched and has not yet been used as a basis for the empirical determination. We synthesized the three frameworks and created a new approach to identified relevant indicators in three sequences of variables (respond/protect, recover and Thrive/Retool) in the dimension of Flatten & Fight (during covid-19) and Future or next normal (after covid-19). After that, we did empirical research based on our framework in order to know the readiness of P2P Fintech to manage their business continuity amid covid-19 pandemic.

In order to collect the data for the study, we gathered 30 persons, a combination of manager and director level of P2P Fintech Company as samples. For the first step, we distributed a questionnaire and conducted a quantitative method that used SPSS for frequencies and means difference analysis. The second step, we conducted an interview session with three (3) directors of P2P fintech company to reconfirm and go through the detail of each answer in the questionnaire. In the end, the result of the questionnaire and interview showed that most of the respondents are believe that the company is ready even though there some difficulties in several areas. In conclusion, P2P Fintech is ready to manage business continuity management to address the outbreak situation.

For Indonesia, Fintech lending may well be the next big thing as a combination of existing mobile phone usage and increment of appetite in term of financial services

Technology (Fintech) and Small and medium-sized enterprises (SMEs) play an important role as one of the drivers for economic growth and job creation in Indonesia. [1]. Availability financing for SMEs in Indonesia only reached USD 57 billion and based on the calculation there is a gap amounting USD 165 billion or equal with 19% from GDP to be filled by finance alternatives that become a big opportunity for Fintech company (IMF, World Economic Outlook, 2019). Total lending of Indonesia's Fintech growth significantly from IDR 3 trillion on Jan 2018 to IDR 95.39 trillion on Feb 2020. Yearly growth from 2018 to 2019 was reached 389.3% and on Feb 2020, total lending already reached 30.6% from total lending in 2019 [2].

Fintech in Indonesia has two main services regulated by Bank of Indonesia and The Financial Services Authority (OJK). Bank of Indonesia regulate Fintech service for payment product (payment support system and electronic money) while OJK regulates Fintech for financing access products (Fintech registration & license, P2P lending, and crowdfunding scheme). OJK creates umbrella regulation for fintech that Fintech must register to get a license from OJK with some requirement to be fulfilled. This regulation also has some dimensions: finance innovation, security & good corporate governance, and also protection for the customer and anti-money laundering & prohibition for terrorist financing rule [3]

The Covid-19 outbreak that started in China in December 2019 is now affecting almost all countries around the world, sending financial shockwaves around the world. As a projection of this outbreak, the economy global is projected to become negative 3% in 2020, much worse than during the 2008–09 financial crisis. Total deals and dollar amounts to the Fintech sector globally have been declined since December 2019, and according to the data analytics global Fintech is set to see the lowest quarterly deal count in years. In terms of funding amount, fintech companies only raise funding in around US\$6 billion in Q1'20, one of a low level that not seen since 2017 [4]

2. Literature Review

Financial technology or Fintech has some definition [5] create a definition that fintech is a new financial industry that applies and uses advance technology for financial activities improvement. In [6] create a definition that fintech is part of the financial services industry that have new business models, processes, application, or products that create complementary services and do the business process through the internet. In [7] create a definition for Fintech as innovative ideas that leverage financial service operation by using technology for any kind of situation to generate a new business models or could lead to a new business opportunities.

SME in Indonesia have own definition that the last definition was launched on [8] SME define as a micro enterprise that have several criteria:

1. Small Company or enterprise: have only IDR 50 million until IDR 500 million in net asset with yearly sales or revenue between IDR 300 million until IDR 2.5 billion

2. Medium Company or enterprise: have IDR 500 million until IDR 10 Billion for net asset with IDR 2.5 billion to IDR 50 billion in yearly sales or revenue

P2P is one of Fintech products that facilitates direct connection for finance access between borrowers with investors through the Fintech system/websites. The products that exist and common in Indonesia’s Fintech for P2P product for SME are: account receivable financing (similar with factoring) that SME has to submit clear dan verified invoice to get financing, purchase order or working order financing when SME need working capital for trading or project activity and investment financing when SME need tools or equipment to start and increase their production [9].

2.1 Business Continuity and Crisis Management amid Covid-19 Pandemic

The COVID-19 pandemic and the need for social distancing have put a spotlight on digital financial services [10]. However, Covid-19 pandemic create a big negative impact on the economy which makes business continuity and crisis management become more important. Based on ISO 22301, Business Continuity Management related to the process to respond on disruptive/threat/crisis condition to create business continuity [11]. The quality of an organization’s response to a crisis is typically associated with resilience and “depends on the capacity to enhance improvisation, coordination, flexibility, and endurance..... [12]. The result is the activities of the company in all area (operation, organization, production, finance, and sales) to create resilience on company business.

There has been a study of Covid-19 impact to micro-entrepreneurs in Malaysia that used business continuity approach during and after a crisis which the company not only have to respond during the outbreak, but have to prepare the strategy for the next normal [13]. Many studies on crisis management include at least three standard phases, i.e. pre-crisis, during crisis, and post-crisis [14], which are usually would be detailed into several phases. In the crisis situation, the company must continue to operate the business by embracing a new or innovative approach throughout the crisis management cycle – namely, responding, resuming, recovering, and restoring [15], suggest the importance of managing and planning processes during disaster and crisis. They define that tactic is to manage contingency in dealing with a crisis while planning would refer to the strategies in addressing the future.

The spread of Covid-19 has led the government to take drastic measures. One of the studies in Germany showed that policymakers would have a contribution in facing the challenges during the crisis [16].

Recently, there are also several frameworks that launched by BCG, Brian & Co, and Deloitte to dealing with the Covid-19 pandemic which has similarity in the approaching:

1. BCG Perspective for covid-19 suggest that business leader need to respond differently to this crisis across 3 phase (Flatten, Fight, Future) using 9 key activities

(planning approach, RR&T team, organization, and people for next normal, top-line security and customer trust, supply chain & manufacturing, cash, and liquidity, emerge stronger, accelerate digital transformation and society [17].

2. Bain & Company recommended protect, recover, and retool to respond on covid-19 situation [18]. They promote two principles to dealing with covid-19 pandemic i.e. act now & run the business, accelerate and plan for the future business that shows in the figure below:



Source: Bain & Company

Figure 1. Bain & Company Framework for Business during Covid-19

3. Deloitte LLP (United Kingdom) promotes Respond, Recover, and Thrive to ensuring business continuity for Fintech and SME during covid-19 pandemic situation to be able to survive and rise during this difficult situation [20-25].

The definition of respond, recover, and thrive for this content are:

- Respond: Prepare & manage continuity. In this phase, Fintech must give first priority to saving people from Covid-19. The other priority is communication and how to maintain the company’s liquidity in order to sufficient on short term obligation and to support regulation from the government related to the pandemic situations.
- Recover: Learn & emerge stronger. In this phase, Fintech must adapt with a new environment created by covid-19 situation. The business model must be changed, a financial plan must be developed, and the company must aware of changes in the market.
- Thrive: Prepare for the next normal. In the next normal, Fintech must reimagine Digital transformation might be leveraged to be more advance to accelerate around automation, cloud system, and virtual collaboration. HR strategy also should be defined and the company must aware of the future regulation.

After reviewed the frameworks above, we create a summary that showed in the figure below:

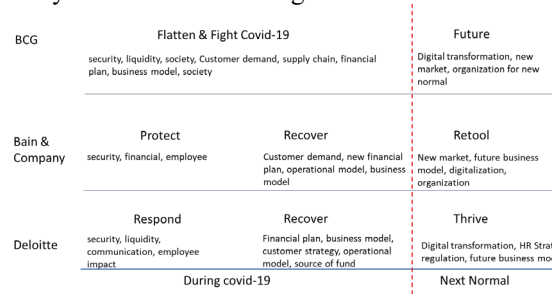


Figure 2. Comparison of BCG, Bain & Company and Deloitte Framework for Covid-19 Scenario

We synthesis based on the three (3) frameworks in order to define key indicators and variables that would match for P2P Fintech, which are:

1. There are similar key indicators from the three frameworks which are: security, customer demand (in Deloitte stated as customer strategy which has same intent to define the new customer demand), new financial plan, business model, digital transformation, Organization for next normal (BCG) / HR strategy for the future (Deloitte). These key indicators will be used for the study.

2. Liquidity in Deloitte and BCG have the same intention to focus on cash to meet near obligation, while Bain has wider perspective including revenue & cost and stated as a financial indicator. Since revenue and cost could relate with other key indicator as customer demand and operation model, this research will use liquidity as a key indicator.

3. The funding sources will more suitable to be used in Fintech as part of services industry compared with the supply chain, so we will use funding sources for the key indicators.

4. Society only mentioned by BCG. During covid-19, we believe society's activity is an important thing to help people and the government. It will also increase the reputation and popularity of the Fintech. We will use society as one of a key indicator.

5. Communication that only mentioned by Deloitte is important key indicators since covid-19 create wider distance to communicate between the company and their stakeholder. Communication will also be used as a key indicator.

6. Both of Bain and Deloitte mentioned employees to address sustainability and the impact, operation model to address new processes and future business models for evolution. These will be relevant key indicators to be used in the study.

7. New market mentioned by both BCG and Bain. We will use this indicator since covid-19 pandemic will create shift in the market.

8. Regulation only mentioned by Deloitte, which is an important thing for Fintech since as a newbie there is a big possibility for the government to adjust the regulation regarding Fintech industry.

As the result, we define 15 complementary - combination key indicators related to three sequences of variable (respond/protect, recover/accelerate and Thrive/Retool) in the dimension of Flatten & Fight (during covid-19) and Future or next normal (after covid-19). All key indicators of this research are shown in the table below:

Table 1. Key Indicator, Variable & Dimension of Research Framework

No	Key Indicator	Variable	Dimension
1	Liquidity	Respond/Protect: Continuity & Stability	During Covid-19 Outbreak (Flatten & Fight)
2	Safety		
3	Employee Benefit		
4	Communication		
5	Society		
6	Financial Plan	Recover: Learn & Accelerate	
7	Business Model		
8	Customer Strategy		
9	Operation Model		
10	Investor for Funding Source		
11	HR strategy for Future Organization	Thrive/Retool: Strategy for New Normal	Next Normal (Future)
12	Future Market		
13	Business Evolution		
14	Digital Transformation		
15	Regulation		

3. Research Methodology

3.1 Data collection and Analysis

The steps for data collection are:

1. The first step, we distributed the questionnaires to get opinions for each key indicator based on the research framework. The respondents for the questionnaire were taken from the managerial and director level as an expert in the Fintech industry which expected that they have better knowledge in Fintech's current situation as well as the direction for the future. There are fifteen (15) Likert-scale questions, with answer's option "1- strongly disagree", "2 - disagree", "3 - agree" and "4- strongly agree" to represent the readiness level of each key indicator.

2. The second step, after the questionnaire is being collected, we conducted and recorded semi-structured interviews with three (3) key informants via the video meeting platform zoom. The informants for this session were from the director level and the duration of the interview was 30 minutes/respondent/session. The

objective of the interview session is to confirm the questionnaire's answer and get more detailed information in terms of company strategies and activities to address covid-19 and what they have to prepare for the next normal. In this step, we also try to fetch the differences of the company situation, before and after Covid-19 outbreak.

The quantitative analysis conducted for each key indicator to represent 3 variables (Respond/Protect, Recover, Thrive/Retool) with calculating the mean for each key indicator that would represent the readiness level. In other hands, we also conducted another test to find the mean difference in the key indicators based on the respondent's criteria i.e. years' experience and position. For this case, we used the independent t-test for mean comparison testing.

In the interview analysis, we conducted a qualitative analysis by creating summaries from respondent answers based on a list of questions and assign those summaries in the research framework. In the interview session, we quote the statement as well, that became key word which related

to the key indicators, mapping all the answer to the research framework and analyzing in what was happened with their company after the outbreak and the changes in their strategies and activities to address the situation. Information in the interview session would enrich the result in the questionnaire.

3.2 Sampling and Population

Samples collected from Fintech's employee that held manager and director position which is expected to know more details in terms of Covid-19 impact on the company and how the company overcome the current situation to survive and grow. Based on OJK's data as of February 2020, 25 Fintech companies has licenses from 161 listed company. From that number, there are approximately 23-30 companies that focused on P2P lending and set the target to the SME market. The respondent would take from part of those companies and the election would conduct randomly, consisting of various sizes for diversity reason. In this case, we succeed to collected 30 questionnaires from the target of 30 respondents within a month period.

For the interview session, we took three (3) key informants, from the director level among the respondents and conducted after they submit the questionnaire. To get the different angles, we choose the different positions of informants with different sizes of companies as well. In this session, we would confirm their answers in the questionnaire and asking for more detailed explanation for the answer in each key indicator.

3.3 Survey Question

15 survey questions constructed based on each of the key indicator to represent research variable and dimension. The questionnaire type was closed-ended and used a Likert scale with a choice of the answers: strongly disagree, disagree, agree and strongly agree. The questions for the indicators will be grouped by respondent position and year's experience. The list of survey questions is shown in table 2 below:

Table 2. List of Survey Questions in the Questionnaire

No	List of Question	Key Indicator
1	Our Company can manage the liquidity during covid-19 pandemic	Liquidity
2	Our Company give priority to life safety during covid-19 pandemic	Safety
3	Our Company has been efficient in employee cost, there is not necessary to cut employee benefit or reduce the number of employees during covid-19 pandemic	Employee Benefit
4	Our Company has good communication with the stakeholder during covid-19 pandemic	Communication
5	Our Company is concern to society during covid-19 to help people and government	Society
6	Our Company has a good financial plan based on covid-19 impact to manage business continuity and sustainability	Financial Plan
7	Our Company is ready with a new business model for the customer to adapt with covid-19 pandemic situation	Business Model
8	Our Company has customer strategy and preposition to deal with covid-19 pandemic situation	Customer Strategy
9	Our Company is ready with a new operation model at WFH (work from home) condition to address covid-19 situation	Operation Model
10	Our Company has good to access their investor for lending activity	Investor for Funding Source
11	Our Company is ready to modify the current organization for the new ecosystem after covid-19 pandemic	HR strategy for the Future Organization
12	Our Company is ready with the new market that will be shifting after covid-19 Pandemic	Future Market
13	Our Company is ready for business evolution in the new ecosystem after covid-19 pandemic	Business Evolution
14	Our Company is ready in digital transformation to deal with the future after covid-19 pandemic	Digital Transformation
15	Our Company aware to predict future regulation which would impact to the business	Regulation

We also constructed the semi-structured questions for the interview session:

General Question:

1. What is the main product of your company and who is your main customer or market?

2. Please describe how long is your company running the business and how is the booking trend history?

3. How is your quality booking and how do you manage it well in your company?

Strategy & Activity During and After Covid-19:
Respond/Protect

1. What is the impact of covid-19 in general to your company?

2. What is your company activities to respond and protect the business during covid-19 in term of employee's safety, operation, business, employee regulation, liquidity and investor relation?

3. Do you have any society program during covid-19 pandemic? If yes, what is the program?

Recover: Learn and Accelerate

1. Do you create a new financial plan to recover from the pandemic situation?

2. Do you change new market target during this covid-19?

3. Do you change your business model to adapt to new customer behaviour during covid-19?

4. Is there any different treatment to the operation before and after covid-19?

5. Are there any changes in investor behaviour during covid-19? How you manage those changes?

Thrive/Retool for The Next Normal:

1. Do you have any perspective on what will changes in the future after covid-19 for the Fintech industry in term of market and regulation? What would be the impact of those changes on your business?

2. Do you have a plan for business evolution for the new normal era after covid-19?

3. What are your strategies and activities regarding digitalization and organization area to face new normal condition after covid-19?

4. Result

4.1 Questionnaire Result

We collected 30 respondents from 15 companies for the questionnaire which represented several groups: a group of position (12 managers and 18 directors) and a group of years' experience financial industry (13 respondents were under 5 years' experience, 10 respondents were between 6-10 years' experience and 7 respondents were above 10 years' experience), they're also representation from P2P Fintech Association as a respondent that also as a Director in the Fintech company. In average, all indicators have a score above 3 which mean the Fintech is ready to address Covid-19 outbreak situation and for the future as well, but in some key indicators (employee benefit, society, operation, investors access, future organization, and future regulation) there are still disagree and strongly disagree answers, even though the number is quite small (2.7% in respond variable and 1.3% in both of recover and thrive variable) which means in a small number of Fintech there is some issue to be solved to address Covid-19 outbreak situation.

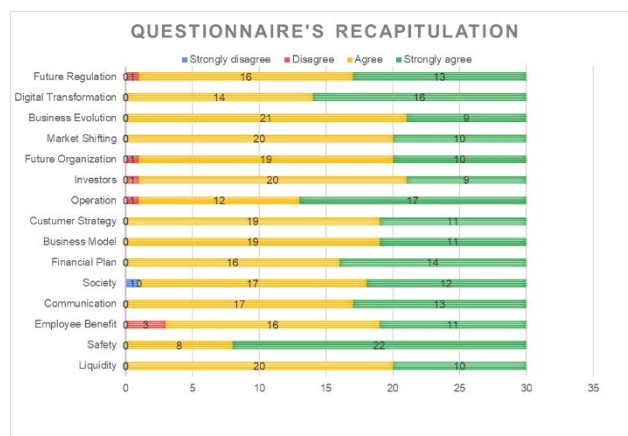


Figure 3. Questionnaire's Recapitulation

After we grouping the answers based on variables, the score for protect, recover, and thrive variable are 3.42, 3.40 and 3.37. For grouping based on the dimension, the scores are 3.41 for During Covid-19 and 3.37 for the next normal. Even the scores have not significant differences, but it showed that Fintech is more focused to address the current situation compared to the next normal.

We also compared the mean difference between the group of position and years of experience using independent t-test. For the group of position, there was no significant differences for all key indicators between managers and directors answer, since all the results of the t-test for sig (2-tailed) values were above 0.05. For a group of years of experience, the testing was conducted which between <5 years and 6-10 years of experience, 6-10 years and >10 years' experience, and the last testing was for <5 years and >10 years' experience. Group of <5 years and 6-10 years' experience had no significant difference since the result of the t-test for sig (2-tailed) for all key indicators was above 0.05. However, a significant difference was occurred in the comparison between 6-10 years and >10 years' experience, and < 5 years and >10 years' experience as well. The significant difference of 6-10 years and > 10 years' experience occurred in liquidity and market shifting, which group of 10 years' experience had more confidence compared to a group of 6-10 years' experience. The more significant difference in key indicators was occurred between < 5 years and >10 years' experience which group of >10 years was more confident than a group of < 5 years in Liquidity, Society, Access to Investors, and Digital Transformation. The details of the statistic result are shown in figures 4 and 5.

Indicator	Position	N	Mean	Std. Deviation	Std. Error Mean	Sig. (2-Tailed) T-test	Significant
Liquidity	Manager	12	3,25	0,452	0,131	0,447	No
	Director	18	3,39	0,502	0,118		
Safety	Manager	12	3,58	0,515	0,149	0,438	No
	Director	18	3,83	0,383	0,090		
Employee Benefit	Manager	12	3,17	0,718	0,207	0,138	No
	Director	18	3,33	0,594	0,140		
Communication	Manager	12	3,42	0,515	0,149	0,167	No
	Director	18	3,44	0,511	0,121		
Society	Manager	12	3,08	0,793	0,229	0,494	No
	Director	18	3,50	0,514	0,121		
Financial Plan	Manager	12	3,50	0,522	0,151	0,513	No
	Director	18	3,44	0,511	0,121		
Business Model	Manager	12	3,50	0,522	0,151	0,885	No
	Director	18	3,28	0,461	0,109		
Customer Strategy	Manager	12	3,25	0,452	0,131	0,886	No
	Director	18	3,44	0,511	0,121		
Operation	Manager	12	3,50	0,522	0,151	0,091	No
	Director	18	3,56	0,616	0,145		
Investor Access	Manager	12	3,25	0,452	0,131	0,775	No
	Director	18	3,28	0,575	0,135		
Future Organization	Manager	12	3,08	0,515	0,149	0,230	No
	Director	18	3,44	0,511	0,121		
Market Shifting	Manager	12	3,17	0,389	0,112	0,295	No
	Director	18	3,44	0,511	0,121		
Business Evolution	Manager	12	3,17	0,389	0,112	0,789	No
	Director	18	3,39	0,502	0,118		
Digital Transformation	Manager	12	3,33	0,492	0,142	0,889	No
	Director	18	3,67	0,485	0,114		
Future Regulation	Manager	12	3,50	0,522	0,151	0,069	No
	Director	18	3,33	0,594	0,140		

Fig 4. Indicator's Statistic Based on Position Criteria

Indicator	Year*	N	Mean	Std. Deviation	Std. Error Mean	<= 6 years and 6-10 years		6-10 years and >10 years		<= 6 years and > 10 years	
						T-test	Significant	T-test	Significant	T-test	Significant
Liquidity	<= 5 years	13	3,23	0,439	0,122						
	6-10 years	10	3,20	0,422	0,133						
	>10 years	7	3,71	0,488	0,164						
Safety	<= 5 years	13	3,69	0,480	0,133	0,663	No	0,061	No	0,112	No
	6-10 years	10	3,60	0,516	0,163						
	>10 years	7	4,00	0,535	0,202						
Employee Benefit	<= 5 years	13	3,08	0,641	0,178	0,428	No	0,390	No	0,990	No
	6-10 years	10	3,30	0,675	0,213						
	>10 years	7	3,57	0,535	0,202						
Communication	<= 5 years	13	3,38	0,506	0,140	0,944	No	0,517	No	0,450	No
	6-10 years	10	3,40	0,506	0,163						
	>10 years	7	3,57	0,535	0,202						
Society	<= 5 years	13	3,00	0,707	0,196	0,148	No	0,065	No	0,008	Yes
	6-10 years	10	3,40	0,516	0,163						
	>10 years	7	3,86	0,378	0,143						
Financial Plan	<= 5 years	13	3,38	0,506	0,140	0,600	No	0,788	No	0,450	No
	6-10 years	10	3,50	0,516	0,167						
	>10 years	7	3,57	0,535	0,202						
Business Model	<= 5 years	13	3,23	0,439	0,122	0,405	No	0,517	No	0,142	No
	6-10 years	10	3,40	0,422	0,133						
	>10 years	7	3,57	0,535	0,202						
Customer Strategy	<= 5 years	13	3,38	0,506	0,140	0,363	No	0,130	No	0,450	No
	6-10 years	10	3,20	0,422	0,133						
	>10 years	7	3,57	0,535	0,202						
Operation	<= 5 years	13	3,54	0,519	0,144	0,863	No	0,825	No	0,911	No
	6-10 years	10	3,50	0,527	0,167						
	>10 years	7	3,57	0,535	0,202						
Investor Access	<= 5 years	13	3,00	0,408	0,133	0,121	No	0,104	No	0,003	Yes
	6-10 years	10	3,30	0,483	0,153						
	>10 years	7	3,71	0,488	0,184						
Future Organization	<= 5 years	13	3,23	0,439	0,122	0,892	No	0,225	No	0,142	No
	6-10 years	10	3,20	0,532	0,200						
	>10 years	7	3,57	0,535	0,202						
Market Shifting	<= 5 years	13	3,31	0,460	0,133	0,251	No	0,006	Yes	0,089	No
	6-10 years	10	3,10	0,516	0,100						
	>10 years	7	3,71	0,488	0,184						
Business Evolution	<= 5 years	13	3,23	0,439	0,122	0,867	No	0,130	No	0,142	No
	6-10 years	10	3,20	0,422	0,133						
	>10 years	7	3,57	0,535	0,202						
Digital Transformation	<= 5 years	13	3,38	0,506	0,140	0,600	No	0,146	No	0,045	Yes
	6-10 years	10	3,50	0,527	0,167						
	>10 years	7	3,86	0,378	0,143						
Future Regulation	<= 5 years	13	3,23	0,439	0,122	0,274	No	0,788	No	0,225	No
	6-10 years	10	3,50	0,527	0,167						
	>10 years	7	3,57	0,535	0,202						

Figure 5. Indicator's Statistic Based on Year Experience Criteria

4.2 Summary of Interview Session

We conducted three (3) interview sessions with 3 director level (Risk Director/CRO, Marketing Director and President Director/CEO) in different fintech company which had different size as well to get insight from different angles and to know in there any difference at P2P Fintech company to address Covid-19 outbreak based on the size of company. The summary of the interviews is showed in the table below:

Table 5. Summary of Informants Answer in the Interviews

No	Key Indicator	Informants Answer	Variable	Dimension
1	Liquidity	Focus on the collection for the liquidity, manage investors' trust and shareholder		
2	Safety	Safety is the priority during the pandemic		
3	Employee Benefit	Some of Fintech created salary deduction program such as a deduction for middle up level salary, deletion for transportation allowance	Respond/ Protect: Continuity & Stability	During Covid-19 Outbreak (Flatten & Fight)
4	Communication	Maintain good communication and relationship with the stakeholder		
5	Society	Create CSR program: fund raising, social program for grave digger		
6	Financial Plan	New financial plan and budget for declining condition during covid-19	Recover: Learn & Accelerate	
7	Business Model	Create new business model, innovation for new product		
8	Customer Strategy	Maintain existing prime customer, a new customer from sectors that have the immunity of covid-19		
9	Operation Model	Implementation effective Work from home		
10	Investor for Funding Source	Manage Investors trust to get funding with maintaining the non-performing loan level		

11	HR strategy for Future Organization	New organization model for the future	Thrive/ Retool: Strategy for New Normal	Next Normal (Future)
12	Future Market	Enter a new market that would shift after the outbreak		
13	Business Evolution	Product evolution for a new market, create new division or subsidiary company		
14	Digital Transformation	Digital transformation is a must to support sales and operation of current and future business		
15	Regulation	relying on the information from the P2P Fintech association. There is an association that established to become bridge between P2P Fintech community with the government representatives		

5. Discussion

Based on the result in the questionnaire and interview, P2P Fintech has business continuity management and they are ready to respond, recover, and thrive to address covid-19 outbreak situation. We noted a strong clarity on all of the key indicators to address the pandemic situation. It's mean that the research framework that constructed from BCG, Bain & Company and Deloitte's framework is valid to be used, in term of addressing the readiness the Fintech's business continuity in facing Covid-19 outbreak. The summary of the analysis based on the variable in the framework: Respond – Recover – Thrive are:

How the company respond/protect during Covid-19 Outbreak?

Based on the average score of 3.42, and confirmed in the interview session, P2P Fintech is ready to respond covid-19 outbreak situation. During normal conditions before Covid-19 all fintech companies were quite aggressive in expanding in the market to support target their business growth, the data in figure 1, showed that the disbursement from Fintech was growth exponentially before the outbreak, whereas during the Covid-19, all of the informants were giving a similar statement that the main policy was changed to focus on people's safety and collection for maintaining the liquidity, while growth became less priority since the outbreak is shocked the economy, and it would quite hard to predict in how big the impact to the economy. Some of the Fintech creates the policy for salary deduction to survive due to revenue's fallen. Fintech also care to the society and they were created activities to help peoples. They were also very intent to communicate with their stakeholder to maintain the relationship.

How the company recovers during Covid-19 Outbreak?

Based on the average score of 3.40, and confirmed in the interview session, Fintech is ready to recover from the outbreak. Based on the interview, before the pandemic, the Fintech company focused on business penetration and development for growth and created profits for the business sustainability, while during the pandemic the strategies and activities of the Fintech company shifted to the development of new business models, create a new strategy for customer preposition, ensure operations can be run well

to be able to adapt to the new environment, the financial plan also need to be adjusted and the other vital part is to manage investors as a funding source for the business

How the company thrives in the new normal?

Based on the average score of 3.37, and confirmed in the interview session, Fintech quite ready for the new normal. The outbreak changes their mindset, they become more concerned in the new normal because the market would be shifting. Their business has to be evolved in term of changes in market and customer behaviour, the organization would be adjusted with new operations and processes, digital transformation becomes more important to be developed and they more aware to predict the regulation in the future through communication via P2P Fintech's association. Especially for the regulation, we found the similarity with other studies based on the literature review [26] that the regulator would have an important role to help the Fintech facing the challenges during and after Covid-19 pandemic.

6. Conclusion

The objective of this study is to examine the readiness of P2P Fintech to manage their business continuity amid covid-19 pandemic and for the next normal, how ready the Fintech to respond, recover and thrive in the outbreak situation. Based on the analysis of the questionnaires which is also enriched and strengthened by the interview session with some key person in the P2P Fintech, we could conclude that P2P fintech is ready to address covid-19 outbreak in terms of Respond, Recover and Thrive for the normal. This result reflects a good sign in term of the readiness of P2P fintech to applying business continuity management to overcomes covid-19 outbreak, which is something good since they already gave a big contribution to the economy through them for SMEs.

We found the difficulties in the P2P Fintech that occurred in some key indicators which are showed by negative answers both in the questionnaire and interview, such as employee benefit, operation, and investors access. The salary deduction, obstacles in a new operation process, and decrement of investor trust are something that common in this outbreak situation and the conditions were recognized by the informants in the interview session. But

in the end, they have their solution to manage the difficulties. Another concern for P2P Fintech is future regulation, which is hard to predict, but they have the P2P Fintech association as a bridge to gather information from the regulator. We also found that Fintech put the priority to address the outbreak condition rather than for the next normal since the average score for the Thrive variable are lower than Respond and Recover which very makes sense because the urgency regarding to Covid-19 outbreak is to strengthen business continuity for their survival, so they could move toward to the new normal condition.

In the end, P2P Fintech with its strength in access, speed, technology, and digitalization have advantages to grab the market in the middle of the outbreak. The informants in the interview session said that the financing request still huge, but the risk is increasing and some investors are preferring to choose another investment instrument, so the key is how they could manage the collection, choosing the right market, and get the investors trust. We sure that in 2020, P2P growth would be declining, but the social distance which is the new habit in the outbreak would drive business to become more digitize and efficient. This would become a good opportunity for P2P fintech to grab a new market that previously owned by the bank or multi finance company.

Another factor that might influence the continuity of P2P Fintech is how long the outbreak occurred in the country. We all know that the longer the pandemic occurs, the worse economy and people's safety of the country. In the interview session, we found that all the respondents were very concern about the outbreak period, there This factor would be very critical and it could become the idea for further research to get a conclusion in the correlation between how long the pandemic last with the immunity level of the P2P Fintech. Furthermore, we also suggest to conduct other research to compare the immunity between Fintech and other Industries during the outbreak.

There some limitations and weaknesses in this study. The number of respondents of questionnaires and interviews could be added to improve the data quality and there some other indicators that might not found yet, whereas it might correlate to influence the research variable. The limitations and weaknesses that occur in this study could become an improvement in the next research to complete and enrich the result of this study. Other challenge is there are limited journals as reference for this study since Covid-19 outbreak just happened in end of 2019. However, we hope this study would contribute to the literature relating to business continuity and showed the readiness to respond, recover, and thrive among P2P Fintech to address covid-19 outbreak.

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