Analysis of bank "X" business plan: Assessment of process appropriateness and evaluation of manager motivation

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ABSTRACT

The bank business plan is a short and medium term bank strategic planning tool that must be prepared by the bank annually. The bank business plan functions not only as a company strategic planning tool for internal purposes, but also as a compliance report to relevant government agencies. With these two different functions, managers have the task of ensuring that the information in the bank business plan meets government compliance and does not reduce the company's superiority in the banking industry. Therefore, this research aims to evaluate the accuracy and suitability of the process in preparing the bank business plan and analyze the motivation for disclosing information in the bank business plan. This research is a pioneering study that evaluates the process of preparing a bank business plan from the perspective of the bank business plan as a strategic planning tool and relates it with an analysis of motivation to disclose information using the perspective of the bank business plan as a regulatory compliance tool. This research uses a case study method with Bank "X" as the unit of analysis. The results of this research indicate that the business plan preparation process at Bank "X" has met 80% of the appropriateness criteria for the strategic plan process. Meanwhile, the motivation to disclose information in Bank "X"'s business plan tends to indicate a signal of intent. This research also reveals several things that can improve the process of preparing a bank business plan and its benefits for Bank "X".

ABSTRAK

Rencana Bisnis Bank adalah alat perencanaan strategis Bank jangka pendek dan menengah yang harus disiapkan oleh bank setiap tahun. Rencana Bisnis Bank berfungsi tidak hanya untuk keperluan internal sebagai suatu alat perencanaan strategis perusahaan, namun juga sebagai suatu pelaporan kepatuhan pada instansi pemerintah terkait. Dengan dua tujuan yang cukup berbeda ini manager berkepentingan menjaga agar informasi yang ada pada Rencana Bisnis Bank ini dapat memenuhi fungsi kepatuhan pada pemerintah, namun tidak akan membuat keunggulan perusahaan di industri perbankan merosot. Oleh karenanya penelitian ini bertujuan untuk mengevaluasi ketepatan dan kesesuaian proses dalam mempersiapkan Rencana Bisnis Bank serta menganalisis motivasi pengungkapan informasi dalam Rencana Bisnis Bank. Penelitian ini adalah studi perintis yang mengevaluasi proses penyusunan Rencana Bisnis Bank dari sudut pandang Rencana Bisnis Bank sebagai alat perencanaan strategis dan menghubungkannya dengan analisis motivasi untuk mengungkapkan informasi yang menggunakan perspektif Rencana Bisnis Bank sebagai alat kepatuhan terhadap peraturan. Studi ini menggunakan metode studi kasus dengan Bank "X" sebagai unit analisis. Hasil penelitian ini menunjukkan bahwa proses penyusunan Rencana Bisnis di Bank "X" telah memenuhi 80% kriteria kesesuaian untuk proses rencana strategis. Sementara itu, motivasi untuk mengungkapkan informasi dalam Rencana Bisnis Bank "X" cenderung menjadi sinyal niat. Penelitian ini juga mengungkapkan beberapa hal yang dapat meningkatkan proses penyusunan Rencana Bisnis Bank dan manfaatnya bagi Bank "X".

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1. INTRODUCTION

Banking has an essential role in the country's economy. A healthy banking system will encourage the creation of a healthy economic system (Beck et al., 2013; He et al., 2021; Karaman et al., 2020; Seelye et al., 2021). To maintain the resilience of a healthy banking system, banks need to improve good governance, one of which is preparing strategic targets and a set of corporate values. The strategic objectives and corporate values are further elaborated in the bank business plan.

The bank business plan is a unique strategic planning document that reflects the banking industry's uniqueness compared to other industries. One of its unique features is that the bank business plan has two roles. First, the bank business plan functions as a short and medium term bank strategic planning tool. This is a reference and requirement in various bank strategic activities. Second, the bank business plan functions as a tool for compliance with regulations that banks must prepare annually.

Various empirical evidence shows that good strategic planning can help organizations better prepare themselves to adapt to environmental changes (Kollah, 2012; Mongkol, 2021; Ridwan & Marti, 2012; Šehić-Kršlak & Kršlak, 2017), specifically in the banking industry which is highly vulnerable to market changes. Strategic planning helps reduce surprises and consequences for the bank if a predicted event comes true (Šehić-Kršlak & Kršlak, 2017). Therefore, as a strategic planning tool, the bank business plan must be prepared through an appropriate process (Kabeyi, 2019; Kollah, 2012; Ridwan, 2015). Referring to various empirical evidence regarding the importance of strategic planning for banks, the appropriateness of the process of preparing bank strategic plans is a crucial topic. Unfortunately, so far most studies have only focused on strategic issues and not on the appropriateness of the process (Ridwan, 2015; Ridwan & Marti, 2012).

From another perspective, the bank business plan is a regulatory compliance tool that must be prepared by the bank annually. Based on Financial Services Authority Regulation Number 5/POJK.03/2016, bank business plan prepared by banks is a supervisory tool for regulators. It will become one of the assessment components of the bank's soundness level.

Realizing the large consequences of disclosing information in a bank's business plan, banks will tend to be careful in determining the information to be disclosed and how to disclose that information because the information the organization discloses to other parties is a signal to influence the desired results (López-Santamaría et al., 2021; Connelly et al., 2011; Yıldırım-Karaman, 2017). Therefore, in determining the information to be disclosed and how the information is disclosed, organizations are driven by specific motivations (Connelly et al., 2011; Liu et al., 2022; López-Santamaría et al., 2021).

According to López-Santamaría et al. (2021), based on motivation, the signals given by an organization can be grouped into signals of intent, signals of camouflage, and signals of necessity. The results of research conducted by López-Santamaría et al. (2021) show that the signal of necessity is closely related to disclosing information to fulfill certain conditions. In addition to the signal of necessity, there are signals of intent and signals of camouflage which, in theory, can also describe the bank's motivation in disclosing information in the bank business plan. Signals of intent refer to giving signals related to future organizational actions (López-Santamaría et al., 2021), while camouflage signals refer to giving signals to cover up essential information.

By referring to the three types of bank business plan signals, it is certain that the disclosure of information in the bank's business plan as a strategic plan contains motivational signal of necessity. The bank's business plan is a source of information for regulators to predict the bank's condition in the future. For this reason, the signal of intent is probably the most appropriate signal to produce adequate information. The bank's business plan will be one component of assessing the bank's health and determining the regulatory supervision system for the bank. Driven by certain motivations, banks will filter the information disclosed in the bank's business plan which is reported to the regulator. This filtering process allows banks to cover up actual information through camouflage signals. Thus, camouflage signals in a bank's business plan can create information asymmetry between the bank and the Financial Services Authority as the bank supervisor.

Understanding managers' motivations in disclosing information in bank business plans is important. In addition to helping governments improve systems and regulations, it can also develop organizational theories for manager motivation and corporate strategic plans. Unfortunately, most research on manager motivation still does not link it to bank business plans (López-Santamaría et al., 2021). Therefore, more findings are needed in this area.

The aim of this research is based on the problems that exist in banking industry practices related to the preparation and disclosure of information in bank business plans, where as a strategic planning tool an adequate preparation process is needed to be able to produce a quality bank business plan. In another perspective, where the bank's business plan serves as a regulatory compliance tool, banks are encouraged to have certain motivations to be careful in determining the information to be disclosed in the bank's business plan report and affect the quality of disclosure of the information disclosed. Furthermore, this study attempts to describe the results of the evaluation of the process of compiling and analyzing the motivation for information disclosure in the bank's business plan using signaling theory. Therefore this research is a pioneering study that evaluates the appropriateness of the process of preparing the bank's business plan from the point of view of the bank's business plan as a strategic planning tool and relates it to an analysis of motivation to disclose information using the bank's business plan point of view as a regulatory compliance tool.

In order to get a better description of the process of preparing and disclosing information on the bank's business plan, this research will use a case study at Bank "X". Bank "X" is one of the largest private banks in Indonesia. As part of the banking industry, Bank "X" has the obligation to prepare and report the bank's business plan annually. In 2019, Bank "X" was officially listed in the category of BUKU (Commercial Bank based on Business Activities) IV with a strong retail and commercial customer base and digital banking capabilities that are in line with the demands of the times. In accordance with the changes to POJK No. 12/POJK.03/2021 concerning Commercial Banks, Bank "X" is included in the KBMI (Bank Group based on Core Capital) 3. With the size of assets, capital, liabilities, network area, and transaction complexity, Bank "X" is also included in the category of Systemic Bank. Thus, the condition of Bank "X" is significant enough to affect other financial services sectors, either in part or in whole. Bank "X" business plan is also certainly one of the significant considerations for regulators in determining the policy direction for the banking industry.

This research uses the evaluation criteria by Ridwan (2015) to evaluate the appropriateness of preparing the bank's business plan (Figure 1). In contrast to the research conducted by Ridwan (2015) that tried to evaluate the strategic planning process of the six largest banks in Indonesia and relate it to the performance of these banks, this research examines the process of preparing a business plan for a bank, namely Bank "X," through a trend during the 2017-2021 planning period and relate it with the manager's motivation during those period.

This study uses signaling theory from López-Santamaría et al. (2021) and Connelly et al. (2011) to analyze the motivation for disclosure of information in the Bank "X" Business Plan. Previous research conducted by López-Santamaría et al. (2021) analyzed the motivation for signals of intent and signals of camouflage in addition to signals of necessity in sustainability reports. In comparison, research conducted by Connelly et al. (2011) analyzed the signaling theory from various perspectives and discussion areas. However, so far there has been no research that states whether there is a signal of intent or signal of camouflage motivation in the bank's business plan, which is also a form of information disclosure to external parties. For this reason, this research also adds discussion for more in-depth analysis to collect more evidence regarding motivation.

2. THEORITICAL FRAMEWORK AND HYPOTHESIS

Strategic Planning

Strategic planning is part of the organization's strategic management. Kabeyi (2019) defines strategic management as the art and science of formulating, implementing, and evaluating strategic decisions that enable the achievement of organizational goals. Meanwhile, Kaplan & Norton (2008) view strategic management as a process. The current situation is analyzed, and appropriate strategies are developed, evaluated, and adapted to the needs.

As a process, according to Kellett et al. (2020), strategic management consists of at least five stages: 1) developing an organizational vision, 2) setting strategic goals, 3) developing strategies, 4) implementing strategies, 5) monitoring progress, evaluating performance and initiating corrective adjustments. The planning process strongly influences the success of all stages of strategic management (Kabeyi, 2019; Kollah, 2012; Mongkol, 2021). As the primary process in implementing strategic management, strategic planning is the key to the overall success of the organization's performance.

According to Kellett et al. (2020), organizations can map where the company is going by setting strategic goals and targets with strategic planning. Furthermore, the business model is broken down into competitive steps, and the approach used to achieve the strategic targets set. In the end, good strategic planning can improve organizational performance. The results of research conducted by Kollah (2012); Ridwan (2015); Ridwan & Marti (2012) strengthen this by emphasizing the influence of strategic planning on company performance, especially in the banking sector.

It is important to note that strategic planning cannot ensure success. However, the quality of the processes, innovation, and creativity in developing plans can increase the chances of success (Kabeyi, 2019). Similarly, according to Kollah (2012), strategic planning is a valuable tool in managing a company if the strategic plan can be successfully used throughout the organization. Furthermore, research conducted by Kabeyi (2019) summarizes several studies that reveal the importance of well-crafted strategic planning. Research conducted by Kabeyi (2019) concludes that good planning ensures the relevance and responsiveness of an organization in the business environment.

Furthermore, the organization's strategic planning process results are outlined in a strategic plan. According to Kellett et al. (2020), the strategic plan provides an overview of where the organization is headed, the business model being carried out, the competitive strategy applied, and the targeted performance that the organization must achieve. The strategic planning process must be adequate to produce an excellent strategic plan. Research conducted by Ridwan (2015) formulated elements in strategic planning that could be criteria for evaluating the adequacy and appropriateness of a strategic planning process and formulated 14 criteria that further reduced to 56 criteria components.

Ridwan (2015) reveals that the rational planning approach contributes positively to improving and leading the organization in the six banks that are sampled to become high-performing banks. The excellent planning system helps managers improve the quality of strategic decision-making. This research also strengthens the statement that strategic planning is an integral part of the strategic management process, such as integrating, coordinating, and controlling strategic objectives, business plans, and budgets.

Bank Business Plan

Based on the Financial Services Authority Regulation No. 5/POJK.03/2016, Bank Business Plan is a written document that describes the bank's strategic plan in the short and medium-term. As a strategic document, the Bank's Business Plan must be accompanied by a plan to improve performance and a strategy to realize the plan according to the target and time set. The bank must continue to fulfill prudential provisions and implement risk management in its preparation.

The bank's business plan includes preparing strategic plans in both qualitative and quantitative forms. The preparation of quantitative components is obtained through financial projections, which must be prepared in line with qualitative planning. The bank will then use the financial projections as a financial target or the bank's budget. Munirat (2012) conducted research related to bank budgets and concluded a relationship between budget and control mechanisms and budget preparation and budget implementation in the banking industry. In addition, Munirat (2012) also states that weak implementation and forecasting in a bank can cause budget failure.

The results of research conducted by Yuneline & Anggono (2012) show that each strategy chosen by the bank has an effect on the bank's projected performance. In addition, based on this research, decision-making on the bank's financial strategy is primarily determined by the bank's external environment dynamics. It is also related to dividend theory and signaling theory. As for the qualitative component, the bank must be able to describe the quantitative components it composes and other important information in the form of a strategic explanation.

According to Šehić-Kršlak & Kršlak (2017), the bank needs to identify crisis events and their probability in preparing plans. Crisis events and their probability will serve as a reference for the bank to determine strategic steps, which will then be reduced to operational steps. Thus, a comprehensive plan is needed to formulate steps to overcome the incident (Šehić-Kršlak & Kršlak, 2017). It is in line with the results of research conducted by Kollah (2012) that a comprehensively formulated business plan can facilitate efficiency in the banking sector. Comprehensive information can provide a better roadmap to achieving the bank's strategic objectives.

Theory of Motivation and Signaling

Information that an organization discloses to other parties is a signal to influence the desired outcome. According to Karaman et al. (2020), signaling theory describes a condition in which an organization sends signals to reduce information asymmetry between its stakeholders. These signals can be in the form of the organization's image, intentions, behavior, and performance (López-Santamaría et al., 2021).

Basic signaling theory is used to explain the behavior of two parties who have access to different information, with three main aspects: signaler, signal, and receiver. One party is the signaler, who has more comprehensive access to information to determine what information will be provided and how the information is given as a signal. In contrast, the other party is the signal receiver with limited access to information, so that the party must determine how to interpret the signal (Connelly et al., 2011).

In signaling theory, after obtaining information internally, the signaling organization will decide whether to communicate it to external parties as signal recipients. Every company has the opportunity to give or not give a proper signal to outsiders (Connelly et al., 2011). Organizations tend to send positive signals to external parties and avoid sending negative information to help organizations achieve the desired results (López-Santamaría et al., 2021).

Previous studies have demonstrated the role of signaling theory in finance, corporate governance, marketing, and human resource management. Based on research conducted by Basdeo et al. (2006), signaling theory has a significant role in strategic management. Various studies related to signaling theory show the broad relevance of this theory to various fields. It allows the development of a broader approach for further research so that a better description of the signals given by an organization can be obtained.

In determining the information to be disclosed and how the information is disclosed, companies are driven by specific motivations. According to Aquah et al. (2021), motivation arises due to psychological factors such as a sense of security, a sense of belonging and love, self-esteem and self-actualization (Maslow, 1954), the need for affiliation, power, and achievement (McClelland, 1955), and the need for existence, attachment, and growth (Alderfer, 1969). In the context of disclosure of information by organizations, according to Liu et al. (2022), different motivations will produce different quality and depth of information disclosure.

According to López-Santamaría et al. (2021), based on organizational motivation, signals given by an organization can be grouped into signals of intent, camouflage, and necessity.

Signals of Intent

The results of research conducted by López-Santamaría et al. (2021) show that signal of intent is the most dominant in sustainability reports, especially regarding environmental, economic, and social conditions. The results of research conducted by Chang & Lin (2011) show that companies tend to signal intent for the company's sustainability and future actions as desired by both internal and external interest groups. The signal of intent is related to future actions, so it can also be used to study management actions in planning the use of company resources (López-Santamaría et al., 2021).

Signals of Camouflage

Signals of camouflage given by organizations are intended to hide possible organizational obligations and try to divert attention from potential vulnerabilities that can arise from corporate actions (López-Santamaría et al., 2021). Based on research conducted by Corbett (2018), the signals of camouflage, in which an organization hides information, cause the organization to eliminate certain information and not acknowledge the actual condition of the organization. Meanwhile, based on research conducted by Hsu et al. (2015), by giving signals regarding their achievements, organizations hope to reduce pressure from regulations and demonstrate the potential for organizational sustainability in the future.

Signals of Necessity

A signal of necessity refers to complying with regulations that control the organization's actions (López-Santamaría et al., 2021). Organizations need to communicate organizational requirements with regulatory bodies so that organizations will signal their compliance with certain specifications (Connelly, et al., 2011). The necessity signal is generally used by closely regulated organizations (López-Santamaría et al., 2021).

3. RESEARCH METHOD

This research tries to evaluate the process and analyze the motivation for disclosing information. To better understand and get a more detailed picture, this study uses qualitative method with instrumental-descriptive case study approach. This study uses qualitative method with primary and secondary data. Primary data is obtained through the process of interviews and discussions with resource persons. In order to evaluate the process of preparing and analyzing the motivation for the disclosure of Bank "X" Business Plan, interviews and discussions in this study are conducted with resource persons who are at the supervisory and manager levels of Bank "X" related to the preparation of the bank's business plan. At that level, understanding related to the business plan at Bank "X" is expected to be able to provide sufficient information needed in this research. The two resource persons act askey informants. The use of these two types of informants is considered sufficient to provide the information needed in this study. Secondary data is obtained through document analysis. Following Ridwan (2015), the 14 criteria will be used with 56 elements in details. The main documentation used in this research is the Bank "X" Business Plan Report for the 2017/2019 – 2021/2023 reporting period. Meanwhile, other documents are in the form of proceduresfor preparing a business plan at Bank "X", documents produced during the process of preparing a business plan at Bank "X", a letter of guidance from the Financial Services Authority regarding the business plan of Bank "X", as well as regulatory documents related to bank business plan. The documents and information are expected to be able to become supporting data from the results of interviews and discussions conducted with the management of Bank "X" and the regulator.

4. DATA ANALYSIS AND DISCUSSION

Table 1 shows the result of bank business plan process that has been achieved by Bank "X". This result indicates that the appropriateness of the business plan preparation process at Bank "X" is not sufficient enough, only 80% of the evaluation criteria are met. The results of previous research conducted by Ridwan (2015) show that all high-performing banks used in the research have fulfilled all evaluation components to encourage the preparation of strategic plans that can improve bank performance. Compared to that result, this study indicates that few processes can be mended to improve the appropriateness of the business plan preparation process at Bank "X." Significant improvements are mainly related to clear and measurable goals, commitment to take action, and communication, where the percentage of criteria fulfillment is still below 60%.

The non-fulfillment of clear and measurable objectives in the practice of preparing bank business plans at Bank "X" reinforces the statement of Kaplan and Norton (1996) in Ridwan (2015), where strategic plans are often not translated into measures that can be understood and used by managers and staff in their daily work. According to David (2011), all parties in the organization must understand the organization's strategic plan. Thus, the strategic goals set must be clear and measurable. It is also expressed in the research conducted by Kabeyi (2019), where strategic plans facilitate consistency and stability in operations through setting goals and targets that are as realistic as possible. In such conditions where the objective is not clear and measurable, managers and staff may find it difficult because there is no monitoring tool for achieving business targets and strategic goals. In the end, the implementation of the strategy is not optimal, and the achievement of goals is not measurable. For this reason, the results of this study indicate the significant need for management attention to ensure that goal-setting is carried out to produce clear and measurable goals.

Furthermore, regarding the commitment to take action, Kabeyi (2019) states that a strategy will be valuable and practical if it is implemented to achieve positive results for the organization. In his research, Kabeyi (2019) also reveals that the success of strategy implementation is strongly influenced by the complexity and high commitment to strategic goals. Ridwan (2015) states that it is essential that organizations commit to taking action. Without a commitment to action, the intended strategy remains a dream rather than a reality (John M, 1988). No matter how well the strategy is planned, it will be in vain without committing to taking action. The lack of fulfillment in this element indicates that significant improvements are needed. Referring to research from Ridwan (2015), improvements can be made by developing detailed operating plans and setting key performance indicators to motivate employees to commit to planning implementations, which has not been done by Bank "X" so far.

The last significant improvement is related to communication. According to Ridwan (2015), the organization should engage in detailed communication about the agreed strategy during the planning process. Bank "X" has not adequately fulfilled this element because management has not communicated policies regularly. Management has also not held meetings with analysts to get their views on specific issues. The results of research conducted by Baroto et al. (2014) show that one of the reasons for organizational strategy failure is that 95% of the workers in organizations do not understand their organizational strategy. To avoid such failure, all employees of the organization should understand the organization's strategic plan. This understanding can be achieved through communication between various parties in the organization, starting from the beginning of the preparation of the strategic plan to its implementation and evaluation. Thus, the flawed communication process at Bank "X" can hinder the continuity of planning as an integrative mechanism. For this reason, significant improvements are also needed regarding this element.

Other improvements also needed to be related to planning documents, environmental analysis, and linking goals to budgets where the criteria fulfillment is above 60% but has not been able to reach 100%. CEO involvement also shows achievements below 100%. The criterion that has not been met is the determination of the program strategy by the CEO. However, this is because the scope of the CEO is broader than in-depth. At the same time, the determination of program strategy is more in-depth. With this understanding, it will be more effective if the program strategy is directly submitted to each Director because it will be more in line with technical and field needs. Thus, in contrast to research conducted by Ridwan

Table 1
Evaluation Results of the Bank Business Plan Preparation Process

No	Criteria	Number of Components	Number of Components Fulfilled	% Criteria Fulfilled
1	CEO involvement	6	5	83%
2	Clear and measurable goals	3	1	33%
3	Commitment to take action	4	2	50%
4	Communication	4	2	50%
5	Environmental analysis	3	2	67%
6	Feedback and evaluation	3	3	100%
7	Planning flexibility	3	3	100%
8	Hierarchical planning	2	2	100%
9	Linking goals to budgets	4	3	75%
10	Involvement of managers	6	6	100%
11	Planning documents	5	3	60%
12	Pre-planning	2	2	100%
13	The process should be clear to all involved	4	4	100%
14	Strategy formulation	7	7	100%
	TOTAL	56	45	80%

Sources: Processed Data

(2015), the results in this study indicate that the criteria by which the CEO determines the program strategy are not suitable to be used as evaluation criteria.

According to Ridwan (2015), planning documents are essential to guide implementation and focus on critical decisions, actions, and responsible parties. Unfortunately, not all evaluation criteria are met by Bank "X," especially when planning documents are not always used in decision making, which shows the weakness of the strategic management of Bank "X." In accordance with the statement made by Ridwan (2015), this practice can cause decision-making to become unfocused on the strategy and goals to be achieved. Steiner (1979) also emphasizes that planning documents should always be referred to when making decisions. Likewise, preparing the strategic plan of Bank "X," which does not reach the operational level, can later cause problems at the implementation stage. For this reason, the results of this study can be considered by management to increase the use of strategic documents, especially in the decision-making process, and consider strategic planning at the operational level.

Regarding environmental analysis, the process at Bank "X" is sufficient where senior analysts have carried out the SWOT and PESTLE analysis. However, the environmental analysis is still done manually and has not used software. According to Ridwan (2015), software in environmental analysis can produce a more comprehensive and reliable analysis. Environmental analysis with a manual process can make the analysis results less qualified. In addition, the results of research conducted by Ridwan (2015) also show that the use of software in analyzing the environment allows high-performing banks to study macro-economic conditions and their impact on company development and analyze competitors by making predictions of industry developments and competitors. Based on this empirical evidence, software to analyze the environment is an improvement worthy of consideration by Bank "X."

The last improvement is related to the integration of goals and budgets. According to Kabeyi (2019), the budgeting process must be linked to the strategic process to ensure adequate financing of strategic activities. Apart from the three criteria related to integrating objectives and budgets, one component is not met in this case study of Bank "X." In preparing the business plan, Bank "X" has not linked the goals, plans, and budgets to assess the attractiveness of the strategy compared to the cost of achieving it. Strategic objectives, plans, and budgets have been linked. However, there has been no analysis of the benefits that can be obtained compared to the costs of achieving them. It can cause budget preparation, especially costs, to be less than optimal because it is not supported by rational analysis (Ridwan, 2015). As one of the weaknesses based on the evaluation results in this study, Bank "X" can improve the process of preparing the business plan by assessing the attractiveness of the strategy compared to the cost of achieving it to improve the quality of the resulting budget.

Table 2
Number of Signals based on Motivation and Reporting Dimensions

Reporting Dimension	Signals of Intent	Signals of Camouflage
Economic Dimension	3	8
Business Dimension	19	8
Governance Dimension	5	14
Organizational Dimension	28	7
TOTAL	58	32

Source: Author data processing using Nvivo 12 Plus® software

Table 2 shows a signal of intent and a camouflage motivation in the Bank "X" Business Plan for 2017/2019 to 2021/2023. The signal of intent appears more in disclosure components than the camouflage signal. The most widely used signal of intent criteria is related to actions to address challenges faced by the organization.

A signal of intent appears more in disclosure components than the camouflage signal. This shows the management of Bank "X" to better reveal the true intentions in the bank business plan rather than cover it up through a camouflage signal. This study supports previous studies conducted by Kabeyi (2019); Chang & Lin (2011); López-Santamaría et al. (2021) by showing that the bank business plan, which reveals the bank's plans for the future, is very closely related and can be linked to a signal of intent. Although

Table 3
Number of Signals based on Motivation and Economic Dimension Component

Economic Dimension Component	Criteria Code	Signals of intent	Signals of camouflage
Financial performance	I.2, C.1	3	1
Key financial indicators	C.1	0	5
Capital planning	C.3	0	2
Total		3	8

Source: Author data processing using Nvivo 12 Plus® software

Table 4
Number of Signals based on Motivation and Business Dimension Component

Business Dimension Component	Criteria Code	Signals of intent	Signals of camouflage
New product/activity development plan	I.1	2	0
Strategic steps to be taken	I.1	6	0
Business development strategy	I.1, I.2, C.2	11	2
Analysis of business competition	C.2	0	4
Management policy	C.1	0	1
Short and medium-term business activity targets	C.2	0	1
Total		19	8

Source: Author data processing using Nvivo 12 Plus® software

the number of intent signals remains more dominant, based on reporting dimension, signals of intent appear more in the business and organizational dimensions. Meanwhile, the signal of camouflage appears more in the economic and governance dimensions.

Data analysis is carried out by simplifying the process by grouping the components of information disclosure in Bank “X” business plan into four reporting dimensions: economy, business, governance, and organizational dimension.

First, the economic dimension represents the information disclosed by Bank “X” relating to conditions, financial plans, and financial policies. There are signals of intent and signals of camouflage in disclosing information on the economic dimension. The number of camouflage signals is dominant (Table 3).

Based on data obtained from content analysis and interviews, Bank “X” tends to show a camouflage signal on the economic dimension. With this motivation, the disclosure of economic dimension information in Bank “X” business plan tends to be structured to hide possible organizational obligations and provide signals related to its achievements to reduce pressure from regulations and show the potential for organizational sustainability. This is in line with the statement made by the informant, where the bank will avoid presenting information that is quite difficult to achieve in order to avoid further investigation from the regulator.

According to Heil & Robertson (1991) in Connelly et al. (2011), the organization’s decision to provide a signal can also be influenced by historical signals where the organization obtains a particular reputation from previous signals. In this case, Bank “X” has some historical experience with investigations on disclosing certain information on the economic dimension. So currently, Bank “X” has become more careful in disclosing information on the economic dimension to avoid this from happening again. Thus, disclosure of information on the economic dimension may not follow actual conditions and may cause information asymmetry between the bank and the Financial Services Authority as the bank’s supervisor.

Second, the business dimension represents the information disclosed by Bank “X” relating to conditions, prospects, estimates of the business environment, and policies and business development plans. Disclosure of information on the business dimension tends to indicate a signal of intent compared to a signal of camouflage (Table 4).

Based on data obtained from content analysis and interviews, Bank "X" tends to show an intent signal on the business dimension. With this motivation, the disclosure of business dimension information in Bank "X" business plan tends to be structured to show the bank's actions in responding to the challenges faced. Thus, the disclosure of information on the business dimension follows the asymmetry conditions between the bank and the Financial Services Authority as the supervisor who is also one of the bank's stakeholders.

The signal of intent that appears in the business dimensions is related to actions to answer the challenges faced by the organization, sustainability and future actions. The criteria related to actions to address the challenges faced by the organization in the business dimension can be seen in the disclosure of information related to the bank's business development strategy that seeks to reach millennial generation and strengthen product and service marketing synergies. Meanwhile, the sustainability and future actions criteria can be seen in disclosing information related to business development strategies that focus on digital transformation.

Third, the governance dimension represents the information disclosed by Bank "X" relating to the implementation of good corporate governance, including risk management and compliance. Disclosure of information on the governance dimension tends to indicate a signal of camouflage compared to a signal of intent (Table 5). With the signal of camouflage criterion, the most dominant is to provide a signal related to its achievements to reduce pressure from regulations and show the potential for organizational sustainability in the future.

Based on data obtained from content anal-ysis and interviews, Bank "X" tends to show a cam-ouflage signal on the governance dimension. The interview results show that the bank's main objective is to get a good score in the assessment of Good Corporate Governance practices by the regulator. Thus, the bank will endeavor to disclose information that can lead to achieving this objective. It is in line with the research conducted by López-Santamaría et al. (2021) that organizations tend to send positive signals to external parties and avoid sending negative information to help organizations achieve the desired results.

Based on the content analysis, the signal of camouflage criteria that appears in the governance dimension is related to information compiled to provide signals relating its achievements to pressure from regulations and show the potential for organizational sustainability in the future. This criterion is seen in disclosing information related to periodic policy evaluations, implementation of governance according to regulations, and socialization of the latest regulations.

The information an organization discloses to other parties is a signal to influence the desired outcome based on signaling theory. In the governance dimension in Bank "X" business plan, this condition causes the bank to tend not to disclose certain information, which will reduce the assessment of Good Corporate Governance practices. According to López-Santamaría et al. (2021), camouflage signals can be categorized into two types: signals where the organization hides information and signals where it tries to show its attributes and achievements. Both conditions allow the disclosure of information that is not sufficiently deep. It can lead to information asymmetry between the bank and the Financial Services Authority as the bank's supervisor.

Table 5
Number of Signals based on Motivation and Governance Dimension Component

Governance Dimension Component	Criteria Code	Signals of intent	Signals of camouflage
Risk management and compliance policies	I.1	2	0
Implementation of risk management	I.2	3	0
Implementation of good governance	C.3	0	14
Total		5	14

Source: Author data processing using Nvivo 12 Plus® software

Table 6
Number of Signals based on Motivation and Organizational Dimension Component

Organizational Dimension Component	Criteria Code	Signals of intent	Signals of camouflage
Human resource development plan	I.2, I.3, C.1	3	2
Office network development plan	I.3, C.1	5	3
Development plan of management information system	I.2	2	0
Organizational development plan	I.2, I.3	18	0
Foreign workers and outsourcing utilization plan	C.1	0	2
Total		28	7

Source: Author data processing using Nvivo 12 Plus® software

Fourth, the organizational dimension represents the information disclosed by Bank "X" related to the conditions and plans for managing resources, such as human resources, information technology, and office networks. Disclosure of information on the organizational dimension tends to indicate a signal of intent compared to a signal of camouflage (Table 6). The most dominant signal of camouflage criteria is related to organizational development.

Based on data obtained from content analysis and interviews, Bank "X" tends to show a signal of intent. With this motivation, the disclosure of organizational dimension information in Bank "X" business plan tends to be structured to show the bank's actions in responding to the challenges faced. Thus, disclosing information on the organizational dimension follows the conditions to reduce information asymmetry between the bank and the Financial Services Authority as the supervisor who is also one of the bank's stakeholders. This is in line with the research conducted by Karaman et al. (2020) that signaling theory describes a condition in which an organization sends signals to reduce information asymmetry between the organization and its stakeholders.

The signal of intent that appears in the organizational dimension is related to actions to answer the challenges faced by the organization and organizational development. Criteria related to actions to address challenges faced by organizations in the organizational dimension can seen in the disclosure of information about human resource development plans such as creating an adaptive workplace, information systems development plans such as strengthening management technology infrastructure, and organizational development plans. Meanwhile, the criteria related to organizational development can be seen in the disclosure of information about human resource development plan and the plan to develop and change the office network.

The signal of intent relates to future actions, so it can also be used to study management actions in corporate planning (López-Santamaría et al., 2021) According to Kabeyi (2019), the strategic plan describes the organization's intentions for the desired state in the future, the position to be taken in the industry, and what organizational culture it must have. The dominant use of signal of intent can improve the quality of information disclosed in the bank business plan. Thus, to further improve the quality of the information in the future, management should reduce the use of camouflage signals and further increase the use of signals of intent.

5. CONCLUSION, IMPLICATION, SUGGESTION AND LIMITATION

The process of preparing the business plan at Bank "X" meets 80% of the evaluation criteria from Ridwan (2015) used in this study, indicating that there is still a process that can be mended to improve the appropriateness of the process of preparing the business plan at Bank "X." This study also shows that the criteria component where CEO should involve in setting the program strategies is not suitable to be used as general evaluation criteria. It is because the determination of the program strategy will depend on the structure and operational characteristics of the bank, which of course, differ from one another. The signal of intent appears more in the disclosure components than the camouflage signal in the Bank "X" business plan. This indicates that there are efforts made by management to better reveal the true intentions in the bank's business plan, so as to improve the quality of the information disclosed.. However, the motivation for camouflage signals is still visible in several components of the information disclosed. To further improve the quality of the information in the future, management should reduce the use of camouflage signals and further increase the use of signals of intent.

This research uses secondary data and interviews to study the preparation of business plans in banks, which may not adequately describe the entire process. Further research can use observation to understand better the actual process of preparing a bank business plan to describe and evaluate the actual process comprehensively. Furthermore, this research only evaluates whether the strategic planning process criteria have been implemented in accordance with research conducted by Ridwan (2015), without assessing the effectiveness of the process. Further research can assess the effectiveness of the process to produce more in-depth conclusions. This research only uses signaling criteria based on research conducted by López-Santamaría et al. (2021) and Connelly et al. (2011) related to motivation analysis. So, there are still many elements of subjectivity in conducting content analysis. Future research is expected to develop and use more objective measurements and reduce subjectivity in assessing motivation to disclose information.

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