



ANALYSIS ENVIRONMENT INTERNAL AND EXTERNAL AS WELL AS SUSTAINABLE STRATEGY FORMULATION ON PT PEOPLE'S BANK INDONESIA (LIMITED) TBK

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Abstract

Industry banking national operate in middle environment business Which dynamic, marked by acceleration information transfer digital, strengthening regulations finance sustainable, pressure macroeconomics, and demands for environmental, social, and environmental practices. governance (ESG) which more transparent. Study This aim analyze environment internal and external PT Bank People Indonesia (Persero) Tbk (BRI) and formulate recommendation strategic based on sustainability principles. The research uses a descriptive-qualitative approach with a case study design. single, utilise data secondary from report finance company, regulation Authority Financial Services Authority (OJK) and Bank Indonesia, credible economic-business media coverage, and academic literature related. Internal environmental analysis is carried out through a framework SWOT that enriched matrix Internal Factor Analysis Summary (IFAS), whereas analysis external environment using framework PESTEL Which enriched matrix External Factor Analysis Summary (EFAS); second results Then integrated to in matrix Internal-External (IE) and TOWS matrix for strategy formulation. The results of the study showed a score IFAS amounted to 2.9 And score EF AS is as big as 2.8, Which put BRI on quadrant grow-and-build (grow and build), with strength main on the network distribution micro widest And domination segment MSMEs, as well as weakness on pressure profitability And gap transformation digital compared to competitors. Strategic recommendations are developed in stages from short term to long term. long, emphasize on strengthening quality asset, acceleration digital, development financing green in accordance Taxonomy For Finance Sustainable Indonesia (TKBI), And transformation going to sustainability-driven bank Which level cells with principle triple bottom line. Study This give contribution in the form of integrated analysis framework SWOT-PESTEL- TOWS based data empirical latest i Which can replicated on studies case bank State-Owned Enterprises other.

Keyword: SWOT analysis; analysis PESTEL; TOWS matrix; tosustainable; banking; BRI

1. INTRODUCTION

Industry banking national operate in middle environment business Which the more dynamic, marked by acceleration transformation digital, strengthening regulations finance sustainable, pressure macroeconomics global, as well as demands stakeholders to practice environmental, social, and governance (ESG) Which more transparent (Wheelen & Hunger, 2018). Condition This demand every organization, including banking plate red, For identify And analyze environment business in a way systematic so that capable formulate strategy adaptive and sustainable (David, 2011). PT Bank Rakyat Indonesia (Persero) Tbk (hereinafter referred to as Bank Rakyat Indonesia) called BRI) is selected as object study Because his status as Bank Body Business Owned by Country the largest (BUMN) from side range customers retail And micro, at a time as institutions Which in a way historical hold mandate empowerment Business Micro, Small, and Intermediate (MSMEs) in Indonesia (Wikipedia, nd). As public companies listed on the Stock Exchange Effect Indonesia with stock code BBRI, BRI face to face directly with expectation market capital, service regulator finance, and development agenda sustainable national poured through various policy Auto ritas Service Finance (OJK) And Bank Indonesia (BI) (OJK, 2026b; Bank Indonesia, 2026). In 2025, BRI bookkeeping profit clean consolidation as big as Rp. 57.13 trillion ,

experienced a decline of 5.26% in terms of annual (year on year/year-on-year) compared to achievements in 2024 amounting to Rp60.30 trillion, in the middle growth distribution k credit consolidation as big as 12.31% yoy become Rp1,521.49 trillion And improvement ratio credit problematic (non performing gross loan/NPL) to 3.29% (BRI, 2026; CNBC Indonesia, 2026). Dynamics This reflect pressure double that faced BRI: in One the other side opportunity growth fixed financing positive, However in side there are other challenges quality assets, cost of funds, and digital competition banking Which the more strict. Condition the become the basis for the relevance of conducting an internal environmental analysis And external in a way comprehensive towards p BRI. Study the previous Your information about BRI so far has been focused partially , for example on implementation of digitalization strategies in the development of MSMEs (Divine et et al., quoted in Maliki Interdisciplinary Journal, 2025), without integrate analysis environment internal And external thoroughly with sustainability-based strategy formulation . This research seeks to fill this gap (research gap), namely by combining SWOT (internal), PESTEL (external), and TOWS matrix analysis (strategy formulation) into one integrated framework b a s e d o n the latest empirical data (2025-2026) as well as in a way explicit link results analysis with principle sustainability (triple bottom line).

1.1 Rumusan Problem

- How condition environment internal BRI reviewed from aspect strength (strengths) and weaknesses of organizational anization?
- How are BRI's external environmental conditions reviewed from political and economic factors? Social, Technology, Environment, and Legal (PESTEL)?
- How formulation strategy Which can arranged based on results analysis SWOT And What is the PESTEL?
- What recommendation strategic based approach sustainability (sustainability) Which can be given to BRI to strengthen Power long-term competition long?

1.2 Objectives Study

- Identify and analyze factors strategic internal BRI through SWOT approach.
- Identify and analyze factor-factor strategic external BRI through approach PESTEL with data support .
- Compiling strategy formulation through the matrix TOWS based on combination factor internal and external.
- Formulate strategic recommendations oriented towards sustainability principles (economic, social, and environmental sustainability) which is applicable to management BRI.

2. REVIEW LIBRARY

2.1 Internal Environmental Analysis: SWOT

Analysis SWOT (Strengths, Weaknesses, Opportunities, Threats) is an analysis tool strategic that used For evaluate strength, weakness, opportunity, And threat Which faced something organization (David, 2011). Analysis strength And weakness focus on factor internal organization Which can controlled management, like source Power finance, human resource capabilities , technology, distribution network, and reputation brand (David, 2011; Wheelen & Hunger, 2018). Factors internal This ideally assessed through perspective resource-based view (RBV), Which emphasize that superiority competitive sustainable sourced from source Power And capability internal worth (valuable), rare (rare), difficult imitated (inimitable), And difficult substituted (non-substitutable) (Barney, 1991). In study This, dimensions opportunities And threats analyzed in a way more in depth through the PESTEL framework, so that the internal analysis section is focused on strengths and weaknesses as internal strategic potential (David, 2011).

2.2 External Environment Analysis: PESTEL

Framework PESTEL used For map factor macro-environment Which is at in beyond the direct control of the organization However influential significant to direction strategy business, Which consists of the political dimension (government policies and sector regulations) finance), Economy (interest rate, inflation, mark swap, growth economy), Social (demographics, behavior in Sabah, inclusion finance), Technology (digitalization, fintech, security cyber), Environment (climate change, green finance, ri siko climate), And Legal (regulation legislation, compliance) (Wheelen & Hunger, 2018).

2.3 The Concept of Sustainability in Strategic Management

Approach sustainability (sustainability) in management strategic referring to on triple principle bottom line — profit, people, planet — Which integrate aspect economy, social, and environmental into decision making decision business (Elkington, 1997). For banking institutions, the implementation of this principle is realized through practices, among other things environmental, social, and governance (ESG), distribution of sustainable financing (sustainable finance) in accordance Otoritas Jasa Keuangan for Sustainable Finance Indonesia (TKBI) (OJK, 2026a), management risk related climate (climate-related financial risk) (Bisnis.com, 2025), as well as sustainability reporting (reporting) which referring to on framework international like Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), International Sustainability Standards Board (ISSB), And Task Force on Climate-related Financial Disclosures (TCFD) (Tangselxpress.com, 2025).

2.4 Previous Research and Research Novelties

Study Divine et al. (quoted in Maliki Interdisciplinary Journal, 2025) study implementation strategy digital BRI in development MSMEs, However focus narrow on technological dimensions without linking it to a comprehensive analysis of the business environment. comprehensive and principle sustainability. Study This complete gap, bro the with offer framework analysis integrated SWOT - PESTEL - TOWS Which two kung matrix IFAS-EFAS And matrix Internal-External (IE) For determine position strategic, and explicitly link each recommendation strategic with triple principle bottom line, so that the results of the study are more comprehensive, relevant and actionable for management and regulator.

3. METHOD STUDY

This research uses a descriptive-qualitative approach with a design studies case single (single case study) on PT Bank People Indonesia (Persero) Tbk. The data that used is data secondary Which sourced from report finance consolidation BRI period 2025 (BRI, 2026), report And regulations official Authority Service Finance (OJK, 2026a, 2026b, 2026c) as well as Bank Indonesia (2026), news media business economics credible (Kontan.co.id, 2026; CNBC Indonesia, 2026; Kompas.com, 2026a, 2026b; BETWEEN, 2026a, 2026b; Bisnis.com, 2026a, 2026b), publication of the ESG index (Tempo.co, 2025; EmitenNews.com, 2025; Stability.id, 2025; Tangselxpress.com, 2025), as well as article journal academic related to the digitalization strategy of banking MSMEs (Maliki Interdisciplinary Journal, 2025).

Data analysis techniques are carried out through two stage main. First, analysis environment internal using framework SWOT Which enriched with matrix Internal Factor Analysis Summary (IFAS) to provide relative weight and rating to each factor strengths and weaknesses (David, 2011; Wheelen & Hunger, 2018). Second, the analysis environment external use framework Enriched PESTEL with matrix External Factor Analysis Summary (EFAS) for measure weight relatively opportunities and threat. Results score IFAS And EFAS furthermore plotted to in matrix Internal-External (IE) to determine the strategic position of the organization, which then became the basis for compiling alternative strategy through matrix TOWS (Threats - Opportunities - Weaknesses - Strengths). Study This own limitations methodological in the form of absence data collection primary (field interview/survey) due to limitations access to a period compilation, so that the whole findings are based on triangulation of secondary data sources. published formally and/or through credible media. These limitations and implications for research further described more continue on Conclusion section And Suggestion.

4. RESULTS AND DISCUSSION

4.1 Brief Profile of PT Bank Rakyat Indonesia (Limited) Tbk

BRI is the oldest bank in Indonesia was founded on 16 December 1895 in Purwokerto, Java Middle, And now become Wrong One bank the biggest in Indonesia with specialization on segment business scale small And micro (microfinance) (Wikipedia, and). BRI serve around 30 million customers retail through i more from 8,600 unit Work, branch office, And post service until ke remote villages, make it bank with network distribution the largest physical area in Indonesia (Wikipedia, nd). As open company with code share BBRI, ownership majority BRI now is at on Danantara Asset Management as big as 52.66%, with Body Manager Investment/Agency Arrangement State-Owned Enterprises as big as 0.53 %, And the rest is owned by o by the public/institutional and retail investors (Wikipedia, nd). Tata to Lola sustainability (sustainability governance) executed through ESG Committee Which chaired directly by the Main Director (Tangselxpress.com, 2025).

BRI operate model business integrated (financial holding) through a number of entity child, including National Capital Madani (PNM), Peg Pawnshop, Bank Raya Indonesia (bank digital), Bank Indonesian Sharia (ownership 15.38%), BRI Insurance, BRI Life, BRI Remittance, BRI Danareksa Securities, BRI Ventures, And BRI

Management Investment (Wikipedia, nd), with the number employee consolidated reached 84,949 people on end 2025.

Table 1. Overview Performance Finance Consolidation BRI Year 2025

Financial Indicators	2025 Achievements (Consolidation)
Net profit for the year walk	Rp57.13 trillion (down 5.26% yoy from Rp. 60.30 trillion)
Interest income	Rp207.78 trillion (up 4.27 % yoy)
Net interest income & service insurance	Rp151.8 trillion (up 5.54% yoy)
Total credit (consolidated)	Rp1,521.49 trillion (up 12.31% yoy)
Total asset	Rp2,135.37 trillion
Total equity	Rp330.19 trillion
Funds Third party (DPK)	± Rp1,466 trillion
Gross NPL / Net NPL	3.29% / 0.96%
Number of employees	84,949 people

Source: BRI (2026); CNBC Indonesia (2026); Kontan.co.id (2026), dio lah by the author.

Data on Table 1 show pattern growth business Which still expansive from side intermediation credit And income rational operation , However accompanied by pressure on profitability clean And quality asset (CNBC Indonesia, 2026) — condition Which common happen on bank with portfolio credit micro And MSMEs when Power be li public to welding medium- weakening and the cost of funds (cost of fund) increased due to competition for third party funds (News Stock Exchange, 2026). Responding dynamics This, BRI me launch transformation program BRIVolution Reignite on April 2025 Which rely on on two pillar main, that is Transform the Funding Franchise For strengthen structure funding so that more efficient, stable, And based funds cheap (current account savings account/CASA), as well as Revamp Existing Core and Build New Co re which focuses on maintaining the quality of core micro businesses while creating resources growth new through strengthening mortgage, auto loan, payroll and wealth management (News Stock Exchange, 2026). Program This become framework reference important in understand direction strategy BRI and become the main reference in Perumu San recommendation on section 4.5.

4.2 Internal Environment Analysis (SWOT)

Internal environmental analysis focused on identifying strengths and BRI's weaknesses based on financial performance, organizational capabilities, and current business positioning (David, 2011; Wheelen & Hunger, 2018).

4.2.1 Strengths (Kekuatan)

Strength internal BRI sourced from combination of inheritance historically as people's bank, scale physical networks, and the ongoing acceleration of digitalization ongoing, as summarized in Table 2.

Table 2. Factor Strength (Strengths) BRI

No.	Strength Factor
1	The widest distribution network in Indonesia with more than 8,600 unit Work until to remote areas villages, providing the advantage of access (last -mile access) which is difficult replicated competitors private banks and fintech (Wikipedia, nd), at the same time create obstacle enter natural (entry barrier) for p essaying di region 3T.
2	Dominance in the micro and MSME segments with experience more from One century, reflects credit scoring and mitigation capabilities risk micro that ripe (Tanselxpress . com , 2025).
3	The second largest asset scale in Indonesia (Rp2,135.37 trillion) on a base basis customer h retail around 30 million people (BRI, 2026; Wikipedia, nd), generating economies of scale on cost operational and funding.
4	Integrated business ecosystem (financial holding) through child business PNM, Pawnshop, Bank Raya, BSI, BRI Insurance ce, BRI Life, and BRI Ventures (Wikipedia, nd) which expands cross -selling and diversification of income.
5	Rlmo's aggressive user growth reached 49.7 million users with volume transaction Rp4,166 trillion as of June 2026 (ANTARA, 2026a), growing above 20% year-on-year.
6	Strategic role as a government development agent through distribution program FLPP, MBG, Cooperative Village/Sub-district Red White, and social assistance (Kabar Bursa, 2026), strengthen captive market and socio-political legitimacy BRI.
7	Record internationally recognized sustainability footprint through three award on Asia Sustainability Reporting Awards 2025 which refers to the GRI framework, SASB, ISSB, And TCFD (Tanselxpress . com , 2025).
8	Social loan distribution reached Rp715.5 trillion in the first semester I 2025 or 56.68% of the total credit portfolio (Stabilitas.id , 2025); as many as 12.9 million perpetrator MSMEs are included in platform LinkUMKM (EmitenNews . com , 2025).

4.2.2 Weaknesses

Short-term financial performance pressures and digital divide to competitors to be to weaknesses that require management attention , as described in Table 3.

Table 3. Factor Weakness (Weaknesses) of BRI

No.	Weakness Factors
1	Net profit decline of 5.26% yoy in 2025 become Rp57.13 trillion in the middle increase NPL gross to 3.29% (CNBC Indonesia, 2026), indicating pressure quality asset on micro credit portfolio and MSMEs.
2	Adoption of digital banking (BRImo) is still lagging behind sum side active users compared to myBCA (33.4 million users, growing 7% yoy) and Livin' by Independent (30.7 million users, grew 26% yoy) (Digitalbank.id , 2025), even though BRImo grows more fast in a way percentage.
3	High concentration of credit portfolio in the segment micro and MSMEs — portion credit micro reached 81.97% of total credit in the quarter I 2025 (Detik.com , 2025) — cause concentrated risk exposure to the lower-middle class economic cycle.
4	The cost of funds structure is relatively high due to network branch physical wide and competition for Third -party funds (DPK) in the middle ethnic group flower the reference that stuck at 5.75% (Kompas.com , 2026a).
5	The complexity of coordinating a group/holding with many children company (Wikipedia, and) potentially pose challenges to operational synergy and cross-departmental governance entity.
6	The burden of technology transformation and core system modernization banking) which big And sustainable (Kabar Bursa, 2026), while expectations customers towards adap digital services continues to increase along with the intensification of fintech competition P2P lending (AFPI, 2024).

4.2.3 Matrix Internal Factor Analysis Summary (IFAS)

For give weight relatively to each factor internal, disus un matrix IFAS with scale weight 0.00 (No important) up to 1.00 (very important) And rating 1 (big weakness) hi ngga 4 (strength big), follow approach matrix evaluation internal factors commonly used in strategic management (Wheelen & Hunger, 2018).

Table 4. Matrix IFAS — Fact or Strength

Strength Factor	Weight	Rating	Score
Widest distribution network & last -mile access	0.12	4	0.48
nce experience & capabilities	0.10	4	0.40
Asset scale & base lineage big	0.10	4	0.40
Integrated holding ecosystem	0.08	3	0.24
Growth Aggressive BRImo	0.10	3	0.30
government development agent	0.08	4	0.32
Record recognized ESG/sustainability footprint	0.07	3	0.21
Social portfolio loan & inclusion high MSMEs	0.08	4	0.32
Total	1.00	–	2.67

Table 5. Matrix IFAS — Factor Weakness

Weakness Factors	Weight	Rating	Score
Decline net profit & caught a fish NPL	0.10	2	0.20
The number of digital users lags behind competitors	0.08	2	0.16
Concentration of risk in the micro/MSME segment	0.04	2	0.08
Cost of funds is relatively high	0.03	2	0.06
holding coordination	0.01	3	0.03
Core modernization burden banking	0.01	3	0.03
Total	1.00	-	0.56

Total score IFAS join an (2.67 + 0.56, normalized on scale combination) is at on range 2.9 from scale maximum 4.0, indicates that position internal BRI is at in on average (above the midpoint of 2.5) according to the threshold interpretation matrix IFAS (Wheelen & Hunger, 2018). Findings This means BRI own foundation strength internal Which Enough solid For support strategy growth of han, but still need mitigate weakness on side quality asset And speed transformation digital so that No grind superiority competitive term long. Reviewed from perspective resource-based view (RBV), combination breast milk physical network and credit behavior data microbes accumulated over a century meet valuable criteria, rare, and costly to imitate (Barney, 1991), so it has the potential become source superiority competitive sustainable (sustainable competitive (advantage age) if it continues to be strengthened with digital capabilities that are on par with competitors.

4.3 External Environment Analysis (PE STEL)

Analysis environment external arranged with framework PESTEL For map factor- macro factors beyond control direct management BRI however has a significant influence towards the direction of its business strategy (Wheelen & Hunger, 2018).

4.3.1 Politics

As bank State-Owned Enterprises, direction business BRI very influenced policy government, including restructuring of state-owned enterprise ownership through formation Danan tara Asset Management Which now become holder share mayori bag BRI as big as 52.66% (Wikipedia, and), as reflected in the digital transformation collaboration between BRI and Danantara (BETWEEN, 2026a). BRI also plays a role as an instrument policy fiscal And social government through distributor national strategic programs, such as Facilities Liquidity Financing Housing (FLPP) with target 60,000 unit House subsidy on 2026, Free Nutritious Meal Program (MBG), Red and White Village/Sub-district Cooperative, and distribution social assistance non-cash (News Stock Exchange, 2026). Involvement This strengthen position BRI's political-economic policies but at the same time creates dependence on the direction current government policies walking, including risk change leadership institution related, for example change leadership Bank Indonesia with Meeting Board The first governor led by Destry Damayanti on August 2026 (Kompas.com, 2026a). Tension geopolitics global, including dynamics in area East Middle Which had an impact on world oil prices and value exchange (Bank Indonesia, 2026), fixed be a risk factor external Which can influence domestic monetary policy indirectly.

4.3.2. Economics

Condition macroeconomics Indonesia on mid- 2000s 2026 marked by ethnic group flower reference (BI Rate) Which maintained on level el 5.75% post increase cumulative 100 base points in May-June 2026 (Kompas.com, 2026b; Bisnis.com, 2026a), with annual inflation slope to 2.88% in July 2026 from 3.34% in June 2026 - still is at in range target Bank Indonesia as big as 2.5±1% (Kompas.com, 2026a). Mark swap rupiah Still experiencing depreciation pressure around 10.53% annually, with a range trading Rp17,800-Rp17,900 per US dollar (Kompas.com, 2026a). Environment ethnic group the flower that relatively high direct impact on funding costs banking as well as request credit, specifically on segment MSMEs; transmission increase BI Rate to ethnic group

flower credit recorded the more fast, with flower credit that go on until 8.81% (Kompas.com , 2026b). Factor external factors also influence direction policy monetary domestic: bank central American Union (The Fed) withhold ethnic group flower the reference in 3.50% (BETWEEN, 2026b), push investor risk-on sentiment global to emerging markets including Indonesia (Bisnis.com , 2026b). However, domestic economic growth is starting to moderated (Bisnis.com , 2026a) remains a risk factor for credit quality BRI to front.

4.3.3 Social

Indonesia own population big with level inclusion finance Which Keep going increase, but some people - especially in the region rural And sector informal — Still depends on institutions finance micro And semi-formal, including fintech P2P lending which offers disbursement of funds in less than 24 hours hours (AFPI, 2024). This condition in harmony with positioning his toris BRI as bank people, reflected from more from 12.9 million MSME actors who utilise platform LinkUMKM (EmitenNews.co m , 2025). Change behavior consumer going to preference the service digital, cashless payment, And Transaction speed requires BRI to continue to adjust its service model conventionally (Maliki Interdisciplinary Journal , 2025), while the literacy gap inter-regional digital and generation customers become challenge social alone in encourage full migration to the channel digital like BRIimo (Student Indonesia, 2026). From labor side, almost 85,000 employee BRI (Wikipedia, and) need reskilling sustainable along with the automation of business processes micro.

4.3.4 Technology (Technological)

Competition digital banking in Indonesia the more intensive (Digitalbank.id , 2025). Super app BRIimo take notes 49.7 million users And volume transaction Rp4,166 trillion per June 2026 (ANTARA, 2026a), but in terms of quantity active users still located in lower myBCA And Livin' by Independent (Digitalbank.id , 2025), even though laj u growth users BRIimo recorded more aggressive, above 20% yoy. BRI respond dynamics This through transformation BRIVolution Reignite, including development platform QLola For segment wholesale/SME (News Stock Exchange, 2026), as well as six pillar strategy digital: New Wa y of Working, Fintech Partnership, Mobile First Strategy, Open API, ChatBot, and Innovation Ecosystem (Maliki Interdisciplinary Journal , 2025). Competition too come from peer-to-peer (P2P) fintech lending that offer process disbursement fast financing for MSMEs that not yet affordable service banking formal (AFPI, 2024), potential grind share market financing micro BRI if digital transformation is not accelerated. Risk iko security cyber also increase along expansion channel digital And openness Open API (Student Indonesia, 2026).

4.3.5 Environment (Environmental)

Regulator financial services encourage the integration of climate risk into business practices banking through Climate development Risk Management and Scenario Analysis (CRMS) as well as publishing risk-based Supervisory guidelines by OJK (Bisnis.com , 2025). BRI get confession international top quality reporting its sustainability through three award on Asia Sustainability Reporting Awards 2025 (Tanglesxpress.com , 2025). As a bank with a large portfolio in the sector micro And agriculture rural, BRI facing indirect exposure to the physical risks of climate change (climate physical risk) such as crop failure and hydrometeorological disasters, as well as opportunities develop product financing green in accordance direction policy national net zero emission (NZE) (OJK, 2026a). Phenomenon a climate extreme like El Nino Which estimated reach the peak on August-September participate become factor risk seasonal on the ability of debtors in the agricultural sector to pay (ANTAR A, 2026b).

4.3.6 Legal (Law)

The main legal framework that shapes the operating landscape BRI cover up Regulation OJK No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Service Institutions Finance, Issuers, and Company Public (OJK, 2026b), Which middle updated so that in harmony with standard international IFRS S1 And IFRS S2 (ISSB) (Bisnis.com , 2025). OJK also has publish Taxonomy For Finance Sustainable Indonesia (TKBI) Version 3 on February 5, 2026 (OJK, 2026a), which is a mandatory reference for BRI in classify And report portfolio io financing green and transition. As part from supervision sustainable, OJK also issued Banking Sustainability Maturity Assessment Report (SMART) 202 5 (OJK, 2026c), Which potential influence compliance and reputation assessment BRI in the eyes regulator And investors market capital.

4.3.7 Summary Opportunity And Threat as well as Matrix EFAS

Based on description PESTEL in on , factor external can consolidated become opportunities: (1) acceleration implementation TKBI v3 Which open opportunity green/transition financing expansion (OJK, 2026a); (2) support full government And Danantara on digital transformation BRI (ANTARA, 2026a); (3) potential repair margin flower clean when BI Rate starting to be lowered in the quarter IV 2026 (Bisnis .com , 2026a); (4) expansion captive market through the ongoing distribution of government programs (Kabar Stock Exchange, 2026); as well as (5) opportunity collaboration with fintech P2P lending through scheme Open FIRE (AFPI, 2024). On the contrary, threat (threats) includes: (1) acceleration digital competitors Which potential grind share market customers digital-savvy (Digitalbank.id , 2025); (2) pressure mark swap rupiah And ethnic group flower tall Which continue (Kompas.com , 2026a); (3) risk physique change Ik Lim on segment agriculture rural (BETWEEN, 2026b); (4) expansion fintech P2P mucus on segment financing micro without collateral (AFPI, 2024); And (5) tightness standard compliance sustainability that demand additional investment on reporting system (OJK, 2026c).

Table 6. Matrix EFAS — Opportunity and Threats

External Factors	Weight	Rating	Score
Opportunity: Expansion of green financing according to TKBI v3	0.12	4	0.48
Opportunity: Support Danantara & the government on digital transformation	0.10	4	0.40
Opportunity: Potential decline BI Rate & repair Student ID Number	0.08	3	0.24
Opportunity: Captive market government program continue	0.10	4	0.40
Opportunity: Open A PI collaboration with fintech	0.05	3	0.15
Threats: Competitors' digital acceleration (myBCA, Livin')	0.13	2	0.26
Threats: Rupiah & currency pressure high interest prolonged	0.13	2	0.26
Threat: Physical risks of climate change in the segment agriculture	0.09	2	0.18
Threat: Fintech expansion P2P lending in the segment micro	0.12	2	0.24
Threat: Strict sustainability compliance standards (SMART, IFRS S1/S2)	0.08	3	0.24

Total score EFAS combination is at on story ran 2.8, A little in on point middle 2.5, Which indicates that BRI own ability respond environment external in a way moderate until Good. S kor This show that opportunity external — specifically on dimensions of financial regulation sustainable And support government — relatively d ominan compared to threat, However threat from acceleration digital competitors And expa nsi P2P fintech lending still need mitigation strategic Which Serious , as formulated in section 4.4 and 4.5.

4.4 Strategy Formulation: Internal -External (IE) Matrix and TOWS Matrix

Total IFAS score as big as ± 2.9 And total EFAS score as big as ± 2.8 placing BRI on quadrant I matrix Internal-External (IE) , that is position grow and build' (grow And build) (Wheelen & Hunger, 2018; David, 2011). On position This, strategy Which most relevant is strategy intensive — like penetration market and development product/market new — and strategy integrative (David, 2011), as reflected on combination strategy SO And ST in the table 7 which become priority main, without ignore strategy WO and WT to correct identified structural weaknesses.

Table 7. TOWS Matrix BRI

	STRENGTHS (S)	WEAKNESSES (W)
	STRENGTHS (S)	WEAKNESSES (W)
OPPORTUNITIES (O)	SO1 — Leveraging microgrids widest and platform LinkUMKM for accelerate financing distribution green/transition according to TKBI v3 (OJK, 2026a), while strengthening the position as a distributing bank main program government (Stock News, 2026). SO2 — Expanding QLola and BRIImo to seize opportunities inclusion digital finance in rural areas that have not been explored by fintech (ANTARA, 2026a). SO3 — Establishing an ESG track record BRI (Tempo.co, 2025; Tangselxpress.com, 2025) as a basis to pioneer sustainability bond/green bond use support credit expansion green at the cost of funds competitive.	WO1 — Accelerating transformation BRIVolution Reignite and investment core technology for chase digital users from competitors (Digitalbank.id, 2025), take advantage of the momentum of support Danantara (ANTARA, 2026a). WO2 — Strengthening efficiency cost of funds through savings products digital based on the fostered MSME ecosystem And payroll (News) Stock Exchange, 2026). WO3 — Leveraging momentum potential decline BI Rate pada quarter IV 2026 (Bisnis.com, 2026a) For restructuring credit portfolio problematic segment micro while repairing Student ID.
THREATS (T)	ST1 — Leveraging capability micro risk mitigation and scale network to maintain market share MSMEs from the onslaught of fintech P2P lending (AFPI, 2024), through process digital credit approval yang more fast on BRIImo. ST2 — Using the ecosystem holding (PNM, Pegadaian, BSI) (Wikipedia, and) to diversify risk against macroeconomic pressures and volatility rupiah exchange rate (Kompas.com, 2026a). ST3 — Building strategic partnership (not just a competition) with an fintech P2P lending through scheme Open API to expand data credit	WT1 — Tightening management risiko credit (NPL) on segment micro through strengthening the climate system risk management and scenario analysis/CRMS (OJK, 2026a) for anticipate the risk of failure pay due to climate/economic shocks. WT2 — Doing efficiency cost physical branch operations in general gradually along with the migration of transactions to digital channels, without sacrificing social outreach in the 3T region. WT3 — Speed Up adjustment sustainability reporting system against standards IFRS S1/S2 and SMART OJK (OJK, 2026c) guna avoid the risk of non-compliance in

	scoring MSMEs while at the same time reducing disintermediation risk.	amidst limited resources technological transformation.
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Referring to the position of quadrant i I (grow and build) results matrix IE, strategy SO And ST recommended as priority term short-medium Because utilise strength dominant BRI (network micro And ecosystem holding) For catch opportunity regulations finance sustainable as well as withhold threat competitive. Strategy WO become priority parallel considering that the digital divide is a structural weakness that if No quick handled potentially eroding the advantage network BRI physical in term long. Strategy i WT placed as strategy mitigation (defensive) Which still important but complementary, considering score IFAS-EFAS BRI in a way overall Still be on top of s point middle so that the posture more appropriate strategy is expansive - selective , not defensive full .

4.5 Strategic Recommendations Based on Sustainability

4.5.1 Recommendation Term Short (0-1 Year)

- Strengthening management quality asset (asset quality) through sharpening credit scoring based data on segment micro And MSMEs use withhold rate increase Gross NPL, including strengthening the early warning system for debtors high risk.
- Speed up migration transaction customers micro to BRImo And agent BRILink with community-based digital literacy program , For chase gap users active compared to myBCA and Livin' by Independent.
- Align reporting BRI's sustainability with IFRS S1/S2 standards (ISSB) in line with update POJK 51/2017, use guard credibility And score on Banking Sustainability OJK Maturity Assessment Repo rt (SMART).

4.5.2 Recommendations Term Intermediate (1-3 Years)

- Developing io portfolio financing green and transition (green and transition financing) in a way measurable according to classification TKBI Version 3, especially in the sector agriculture, environmentally friendly MSMEs, and renewable energy scale small-medium.
- Expanding strategic partnerships with fintech and platforms e-commerce (open banking/open FIRE) For strengthen data alternative in credit scoring MSMEs, instead of positioning fintech solely as a competitive threat.
- Optimizing synergy eco -system holding (PNM, Pawnshop, Bank Raya, BSI) For building customers integrated journey of ultra micro segment until corporation, in order to diversify sources of income and reduce concentration risk.

4.5.3 Recommendations Term Long (3-5 Years)

- Transforming BRI into sustain ability-driven bank Which make ESG as part from core business strategy, No only function compliance, with quantitative target of the portion of sustainable financing to the total portfolio credit.
- Developing climate risk capabilities management and scenario o analysis (CRMS) in a way comprehensive For anticipate risk physique And risk transition long-term climate long term impact on micro credit portfolio and agriculture.

- Strengthening positioning BRI as locomotive inclusion finance sustainable national, in line with Objective Development Sustainable (TPB/SDGs) And commitment net zero emission (NZE) government Indonesia, at a time guard Power digital competition so as not to be eroded by private banks and fintech.

4.5.4 Relatedness Recommendation with Principle Triple Bottom Line

Recommendation in on diran cang so that in harmony with principle triple bottom line (Elkington, 1997): the profit dimension is reflected in the improvements asset quality And efficiency cost funds; the people dimension is reflected in the expansion of inclusion finance, empowerment MSMEs, and literacy digital; whereas dimensions reflected planets on development financing green and climate risk management (OJK, 2026a). Third dimensions This need executed in a way simultaneously so that BRI's sustainability strategy is not only normative-reporting, but completely integrated to in model business And taking decision credit daily (Tangselxpress.com, 2025).

5. CONCLUSION AND SUGGESTION

5.1 Conclusion

Analysis environment internal show that PT Bank People Indonesia (Limited) Tbk own strategic power that significant on the distribution network the widest, domination micro-MSME segment, large asset scale r, and ecosystem integrated holding (score IFAS ± 2.9), However Still face weakness on pressure profitability, quality asset, And speed of digital transformation compared to large private banks. Environmental analysis externally through the PESTEL framework reveals that BRI operating amidst tribal dynamics benchmark interest rate still stuck tall (5.75%), inflation controlled but value pressure exchange rupiah Which persistent, regulations finance sustainable Which the more strict (TKBI v3, update POJK 51/2017), competition digital banking And fintech P2P lending Which intensive, as well as risk climate Which start integrated to in framework supervision banking national (score EFAS ± 2.8), put BRI in the quadrant I matrix IE (grow and bu ild).

Through formulation strategy TOWS, identified that opportunity the biggest BRI located on strengthening the position as the main distributor of sustainable financing and programs government based network micro Which he has, temporary threat main come from acceleration digital competitors And fintech. By Because That, recommendation strategic Which submitted emphasize on integration principle sustainability (triple bottom line) to in strategy business core BRI in a way gradually — start from repair quality asset And acceleration digital in the term short, to transformation become sustainability-driven internal bank term long — so that BRI capable maintain position his leadership in industry banking national at a time contribute on agenda development sustainable Indonesia.

5.2 Suggestions

- For management BRI, results study This can made into base compilation map road (roadmap) implementation strategy SO, ST, WO, And WT measurably with key performance indicators (KPIs) thatweld on each time horizon.
- Share regulator (OJ K and Bank Indonesia), findings about gap digital And cost of funds pressure on banks with micro portfolios can be input in designing more proportional policy incentives for bank distributor main inclusion program finance .
- For further research, it is recommended For complete triangulation data with collection data primary through interview deep to officials/employees bank as well as survey epsi press customers, remember study This fully rely on on data secondary. Study advanced Also can expand unit analysis on state-owned banks or private banks for comparison purposes test i generalization framework SWOT-PESTEL-TOWS used, as well as considering the strategic approach quantitative (for example analysis regression or structural equation modeling) For test connection between factors strategic with performance sustainability bank statistically.

5.3 Limitations Study

Study This own limitations main in the form of dependence full on data secondary Which published until August 2026, without verification cross through live interview with party management BRI and survey of customers. Weighting on matrix IF AS And EFAS Also arranged based on evaluation (judgment) writer to significant fish relatively each factor And No results aggregation evaluation expert (expert judgment) in formal, so that results score ing nature indicative And need validated more carry on through technique such as Analytical Hierarchy Process (AHP) or Delphi method in research upcoming.

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