

Effectiveness of Saving and Loan Activities of Islamic Cooperation in Deli Serdang

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Abstract: This research was conducted in Tanjung Gusta Village, Sunggal Sub-district, Deli Serdang Regency. which is determined purposively. And this research is done to see the effectiveness of the implementation of saving and loan activities at Al-Ikhlas Sharia Women Cooperative, and the influence of Sharia Cooperative to increase members' income. From the results of the research, it can be concluded: Implementation of saving and loan activities at Al-Ikhlas Sharia Women Cooperative, is about understanding program, target accuracy, timeliness, achievement of goals, and effective real changes. The existence of cooperative has an effect on increasing members' income. Before the existence of the cooperative, some people still find difficulties in their economics, especially women in research areas; many also borrow from moneylenders and need capital to establish business. After the average difference of test then the results are sig 0.00 value that is <0.05 H0 rejected, H1 accepted. Then according to the test criteria if the sig value <0.05 then H0 is rejected and H1 accepted that the average members' earnings before joining the cooperative is not the same or significantly different from the average members' income after joining the cooperative.

1 INTRODUCTION

Poverty is a social problem that is always present in the community, especially in developing countries. In Indonesia, the problem of poverty is a social problem that is always relevant to be studied constantly. Not because the problem of poverty has existed for a long time and still present up to now, but also because now the symptoms are increasing in line with that still faced by the Indonesian nation (LumbanTobing, 2013).

Society conducts various kinds of business activities such as, trade, livestock, and so on. Even for the unlawful thing they do to cover the shortfall, one of which by using the moneylender services in terms of obtaining an injection of funds. By reason of increasing working capital, traders are willing to borrow money at multiples of interest. Although the practice is very detrimental to the borrower, but the borrower still chooses it because of the rapid disbursement process and does not have to specify what type of business is being done (NajibulMillah, 2008).

Various efforts have been made by the government to overcome poverty by launching

empowerment programs such as, Bimas (Mass Guidance), Transmigration, KIK (Small Investment Credit), KUK (Small Business Credit). But there are still some weaknesses such as the role of the government is still very dominant and the urban areas have not been completely reached (Manalu, 2014).

One of the efforts to increase the role of government that is better able to mobilize the participation of the community in development and change their mindset and mental attitude is to establish cooperatives. Through this concerted effort, it is expected to involve communities in their life groups and to assist and empower them in productive activities that match their potential (Ahmad Subagyo, 2014).

The difficulty of gaining access is one of the reasons why the level of welfare or income of the poor remains low. Therefore, the program in its implementation should prioritize self-managed system, in the sense of local people get the widest opportunity to manage activities related to the fulfillment of the needs. They can easily access the facilities made for them. In addition, the planning used is a "bottom-up planning" or development plan

drawn from the bottom up, the development plan includes programs and projects that are really needed and involving the community in the development plan (YennyVerawati, 2014).

In the past, the range of exchange of cooperative movement experiences was limited by political / economic sector, consequently there was often a different understanding of cooperatives among people's talks. Although until the 1960s the concept of the cooperative movement had not yet received an international agreement, but with the 1966 revolution of the International Labor Organization (ILO) the basis of cooperative development began to be used with the pressure at that time is to utilize the cooperative model as a vehicle for the promotion of community welfare, workers who were then enlisted with the name of the workers (Couture, 2002).

The Islamic economic system is a precious grace for humanity. If the system is implemented thoroughly and in accordance with its teachings, will be a means that can provide satisfaction for every need of society. This system becomes useful, rational and just for the economic progress of the people. However, the application of this system has a close relationship with religion, ideology and culture of Islam so it cannot be separated from the basis of religion that must be based on the absolute al-Qur'an and al-Sunnah (NajibulMillah, 2008).

Sharia cooperatives have similar understanding in their business activities in the field of financing, investment and savings in accordance with the pattern of profit sharing (sharia), or better known as Sharia Financial Services Cooperative. For example, the product of buying and selling in a cooperative is generally renamed by the term murabahah, the product of saving and loan in a general cooperative is renamed by mudaraba. The name of the operational system being used also changes, from conventional (ordinary) systems to the appropriate sharia system with Islamic rules (Anonim, 2014).

Cooperative is a container that can help people, especially small and medium society. Cooperatives play an important role in the economic growth of the community such as the price of basic commodities are relatively cheap and there is also a cooperative that offers borrowing and money storage for the community. Cooperatives that offer borrowing and saving money are called saving and loan cooperatives. The goal is people can save at the cooperative so that people can feel calm in saving the money, in addition to lending; the community can lend to the cooperative with a very small interest to build desired business (Widyanti and Sunindhia, 2003).

For Al-Ikhlas Sharia Women Cooperative to provide saving and loan to members is one of the cooperative activities. Before the existence of Al-Ikhlas Sharia Women Cooperative some people borrow money by using the loan shark. With the Al-Ikhlas Sharia Women Cooperative the chain of money lenders is cut off. Prerequisites to become relatively easy members of cooperatives such as collecting ID cards, filling out member registration forms, paying principal savings that have been determined by cooperatives and paying mandatory monthly savings, often make people do not take into account in the long term debt repayment. As a result in the realization of lending by cooperatives not necessarily run smoothly because not all members are able to return the loan to the cooperative due to various problems encountered. So that the cooperative must conduct continuous monitoring to follow the business development of the members. Therefore it is deemed very important to be more aware of the effectiveness of savings and loan activities at Al-Ikhlas Sharia Women Cooperative in Tanjung Gusta Village, Sunggal Subdistrict, Deli Serdang Regency.

This research is done to analyze the effectiveness of the implementation of saving and loan activities at Al-Ikhlas Sharia Women Cooperative, and to determine the influence of Sharia Cooperative to increase member's income.

2 METHODOLOGY

2.1 Research Design

This research uses the method of descriptive research with qualitative approach and quantitative research methods using SPSS to answer the effectiveness of the implementation of saving and loan at sharia cooperatives.

2.2 Sample

The sample of this research comes from Al-Ikhlas Sharia Women Cooperative is one-on-one cooperative in the field of Sharia in the Village of Tanjung Gusta districts Sunggal Deli Serdang Regency. The total population in the study area is 107 members and among the members there are women who work as farmers. As the object of research is 30 people then the sampling in this study is by using saturated samples.

2.3 Research Instrument

To answer the problem (1) the method used in this study is descriptive research with qualitative approach. In addition the researcher intends to understand the social situation in depth, finding the pattern, hypothesis, and theory.

(2) the effect of increasing income by using the paired mean *t-test* normal and *Wilcoxon* test if not normal. To find out normal or not normal the data are done with the normality test with the help of SPSS application version 16.

2.4 Data Collection and Analysis

To know the influence of the existence of cooperative to increase members' income will be analyzed by using the normality test.

2.4.1 Normality Test

Normality test is done to know the data are of normal distribution or not. The test is used as a first step to determine hypothesis test. Normality test in this research is done as a requirement that must be fulfilled. The stages performed in the normality test are as follows using Kolmogorov-Smirnov.

Testing criteria:

1. If $sig > 0.05$ then the data are expressed in normal distribution.
2. If $sig < 0.05$ then the data distributed are not normal.

Table 1: Normality Test results using the One-Sample Kolmogorov-Smirnov Test.

	Before	After
Asymp. Sig. (2-tailed)	.529	.143

Source: Primary Data Processing, 2017

Results of testing the effect on revenue:

- a. Prior to joining the cooperative
After the normality test results are obtained that $sig\ 0.529 > 0.05$. then the normal distribution of data are obtained.
- b. After joining the cooperative
After the normality test results are obtained that $sig\ 0.143 > 0.05$. then the normal distribution of data are obtained.

The results of the normality test both before and after the data are expressed in normal distribution. Because the data is normally distributed, the test is continued using averagedifferent test (*paired sample t-test*).

3 RESULT

3.1 Effectiveness of Implementation of the Saving

The effectiveness of the cooperative savings can be seen through the 5 indicators of effectiveness, namely: (1) Comprehension program, (2) Targetting, (3) Punctuality, (4) achievement of objectives and (5) real change.

3.1.1 Comprehension Program

Indicators of the effectiveness of comprehension program is a way to know the extent to which respondents understand the program that is given to cooperatives such as, information on activities, respondents, motivation of the respondent to join, the requirement to follow the activities, the parties to give an explanation, the subject of each meeting, the frequency of group meetings and facilitator service attitude. Effectiveness of activities based on understanding of the program can be seen in the following tables:

Table 2: Activities by Understanding Program Effectiveness.

No	Question	Answer				
		E	%	CE	%	TE
1.	Information about the activities of Savings and Loans	22	(73.23%)	8	(26.77%)	-
2.	The response after obtaining information about the savings and loan program	27	(90%)	3	(10%)	-
3.	Motivation to join	28	(93.33%)	2	(6.67%)	-
4.	Requirements to follow the activities of savings and loan	26	(86.67%)	4	(13.33%)	-
5.	Source explanation of micro-credit activities	21	(70%)	9	(30%)	-
6.	Introduction to fellow members of the group	23	(76.67%)	7	(23.33%)	-
7.	Topics talks group meetings	25	(83.33%)	5	(16.67%)	-
8.	Frequency of meeting his fellow group members	26	(86.67%)	4	(13.33%)	-
9.	Service attitude facilitator	28	(93.33%)	2	(6.67%)	-

Source: Primary Data Processing, 2017

From Table 2 the above it can be seen that based on the level of understanding of the members it can be concluded that the majority of the members know the activities carried out effectively.

1. Information on Saving and Loan Activity

From the first question in the form of information about the activities of savings and loans, the research results show that the majority of respondents state that information obtained about responsible Activity is effective.

2. Responding After Obtaining Information of Saving and Loan Program

The second question about the response after receiving information about the saving and loan program, the research results show that the majority of respondents state that the responses after obtaining information about the saving and loan program is effective meaning most members think better after receiving information as the information can certainly benefit and aid the capital.

3. Motivation to Join

The third question about the motivation for joining, research shows that the majority of respondents state that the motivation of members to join is declared effective.

4. Terms for the Following Event of Saving-Loan

The fourth of the requirement to follow the activities of savings and loans, the research shows that the majority of respondents declare the activities of saving and loan run effectively.

5. The Source of Explanations Concerning Saving and Loan Activity

The fifth question regarding the source of an explanation of the saving and loan activities,

the research shows that the majority of respondents express a description of the resources is effective. Respondents' answers regarding the terms for borrowing are repayment period of the loan and the penalties imposed when paying the loan late.

6. Fellow Introduction to Group Members

Of the six questions to the recognition of fellow group members, the research shows that the majority of respondents state sources explanation of micro-credit activities are effective meaning that most members recognize all members of the cooperative.

7. Talking about Group Meeting

The seventh question on the topic of the talk group meetings, the research shows that most respondents state that the topic of the talk group meetings is effective meaning that most members understand the topic of conversation at every meeting. Based on respondents' answers regarding the topic of conversation at a meeting of the group the respondents say they are in meetings to discuss topics about the performance of the cooperative as a cooperative plan for the future, as well as ways for the welfare of its members.

8. Frequency of Meetings Fellow Group Members

The eighth question regarding the frequency of meeting of group members, the research shows that the majority of respondents state the frequency of meeting of group members is based on the effective running of respondents meaning that almost all members often follow the meetings conducted once a week.

9. Attitude Facilitator Services

The ninth questions about the attitude of service facilitator, the research shows that the majority of respondents express an attitude of service facilitator is friendly so that there are effective service activities based on respondents' answers meaning that almost all the members are satisfied with the welcoming and friendly attitude of service management, as they offers savings and loans, selling materials that are cheaper and offering the crediting of goods or purchasing of goods.

3.1.2 Target Accuracy

Indicators of the effectiveness of targeting accuracy is a way to determine the appropriate targeting such as joint activities conducted, the progress of the fellow members and smooth running of compulsory savings and voluntary savings. Effectiveness of activities by targeting accuracy can be seen in the following tables:

Table 3: Effectiveness of Activity Based Target Accuracy.

No.	Question	Answer				
		E	%	EE	%	NE
1.	Joint activities member	21	(70%)	9	(30%)	-
2.	The development activities of fellow members	29	(96.67%)	1	(3.33)	-
3.	Smoothness compulsory savings and voluntary savings member	30	(100%)	-	-	-

Source: Primary Data Processing, 2017

From Table 3 it can be seen that most of the activities carried out by cooperative runs right on the intended target.

1. Member Joint Activity

The first question about the appropriateness of targeted joint activities of members, based on the research result shows that activities with members are effective. Based on respondents' answers regarding the joint activities of their members, the activities are micro-credit activities, farming activities, women's religious activities and extension activities undertaken by the cooperative.

2. Developments Fellow Member Activity

The second question about the appropriateness of targeted development activities of the members, based on the research result it is seen that the progress is running smoothly.

3. Smoothness Deposit Mandatory And Voluntary Saving Members

The third question about the accuracy of the target of smoothness of compulsory savings and voluntary savings of members, all members are good at mandatory and voluntary savings and those who are not fluent in the payment will be penalized by the cooperative.

3.1.3 Timeliness

Effectiveness indicators of punctuality is a way to find timely implementation of programs, such as the opinions of respondents about the time of disbursement of funds, following the frequency of the cooperative program, the length of time the respondent in a complaint to repay the loan and fellow members of the cooperative. Effectiveness of activities based on the timeliness can be seen in the following tables:

Table 4: Effectiveness of Activity Based Timeliness.

No.	Question	Answer				
		E	%	EE	%	NE
1.	Opinions on the savings and loan disbursement activities	26	(86.67%)	4	(13.33%)	-
2.	Frequency follow a cooperative program of the year	30	(100%)	-	-	-
3.	The length of time to repay the loan	27	(90%)	3	(10%)	-
4.	Complaints fellow members of the cooperative	21	(70%)	9	(30%)	-

Source: Primary Data Processing, 2017

From Table 4 it can be seen that most of the activities carried out by the cooperative run in a timely manner in accordance with the existing policy.

1. Opinions Regarding the Saving and Loan Disbursement Activity

The first question about the timeliness of the respondents' savings and loan disbursement activities can be concluded to be effective.

2. Following frequency Cooperative Program Within One Year

The second question about the frequency of following cooperative program of the year, the results show effectiveness; all the members of the frequency program are more than once a year, even up to seven times a year to follow the activities of the cooperative.

3. Old Time Refinance Loan

From the third question regarding the length of time to repay the loan, the research results show that the majority of respondents say long

time to repay the loan is effective. The period of time to repay the loan before lending determines the funds to be borrowed and the existing funds at the cooperative.

4. Complaints at the Cooperative

From questions regarding complaints to the four other members of the cooperative, research shows that the majority of respondents do not express complaint as most of the members behave well.

3.1.4 Achieving Objectives

Indicators of the effectiveness of the achievement of goals is a way to determine the attainment of the objectives of the program such as an increase in income before and after following the cooperative activities and the provision of capital. Effectiveness of activities based on the achievement of objectives can be seen in the following tables:

Table 5: Effectiveness of Activity Based on Achievement of Objectives.

No.	Question	Answer				
		E	%	CE	%	TE
1.	The increase in revenue after following activities	30	(100%)	-	-	-
2.	The provision of capital to help the development of enterprises	30	(100%)	-	-	-

Source: Primary Data Processing, 2017

Table 5 shows that all activities undertaken by the cooperative run smoothly or achieve those goals, supported by the questionnaires.

1. Increased Revenue After Following Event

From the first question regarding the increase in revenue after joining the activities, the research shows that all respondents say there is an increase in revenue after following activities which are effective as many as 30 people (100%). Members' income increases after joining the cooperative, both in terms of venture capital, farming, and in an effort developed by members.

2. Award Capital Helps Business Development

The second question regarding the provision of capital support business development efforts, the research shows that all respondents state that the provision of capital effectively

supports business development efforts as many as 30 people (100%). All the members are helped by the provision of capital. Most of them simply work as farmers and this provision help them to make another business.

3.1.5 Real Change

Indicators of the effectiveness of the real change is a way to know the real changes experienced by respondents such, the livelihood of the principal before and after joining the cooperative, saving frequency before and after joining the cooperative and alternative places to borrow before and after joining the cooperative. Effectiveness of activities based on real changes can be seen in the following tables:

Table 6: Effectiveness of Activity Based Real Change.

No.	Question	answer					
		E	%	CE	%	TE	%
1.	Principal livelihoods before and after joining	17	(56.67%)	13	(43.33%)	-	-
2.	Frequency of member saving before and after joining	16	(53.33%)	12	(40%)	2	(6.67%)
3.	Alternative of member getting a loan before and after joining	23	(76.67%)	7	(23.33%)	-	-

Source: Primary Data Processing, 2017

Table 5 shows that most of the activities carried out by the cooperative work effectively or noticeable changes occur in these activities.

1. Basic Livelihood Before And After Registration
From the first question about the livelihood of goods before and after joining, the research shows that the majority of respondents state there is a change in the principal livelihoods before and after joining effective.
2. Members frequency Saving Before And After Registration
The second question regarding the frequency of saving members before and after joining, the research shows that the majority of respondents state there is frequency of saving of members before and after joining the cooperative.
3. Alternative of Member to Get Loan Before And After Registration
From the third question on alternatives of member to get a loan before and after joining the research results show that the majority of respondents say there is alternative for members to get a loan before and after joining the cooperative.

3.2 Impact of Al-Ikhlas Sharia Women Cooperative Members against Increased Revenue

Table 7: Average Result of Paired Sample t-Test.

pair 1		N	correlation	Sig.
	Before after	30	.957	.000

Source: Primary Data Processing, 2017

After testing using average different test the results are sig 0.00 < 0.05 H0 denied, H1 accepted. Then by testing criteria sig < 0.05, H0 is rejected. And the consequences if H0 is rejected, the alternative hypothesis or H1 also accepted.

Hypothesis H₁ state that the average income of a member before joining the cooperative is not the same or different significantly from the average income after joining the cooperative members. So

the test is based on paired sample t-test with a level of 95% and it can be concluded that cooperative members who have joined the cooperative show increased earnings significantly higher at an average of 2.72 or US \$ 2.72 million compared to before joining the cooperative, the average earnings are 1.98 or Rp 1,983,333.

4 CONCLUSION

Conclusions from the study regarding the issues examined in the field can be summarized as follows:

1. Implementation of micro-credit activities at the Sharia Cooperative is about the understanding of the program, targeting accuracy, timeliness, achievement of goals and real change and all declared effective.
2. The existence of Islamic Cooperation affect the increase in revenue after testing. There is a significant difference on the side of the members before and after joining the cooperative.

5 SUGGESTION

1. The cooperative as a program manager is to be continued and the cooperative is to provide good information through print or electronic media so that the public could understand about the purpose of micro-credit activities.
2. Members to join the cooperative should be strictly selected as not every single person in the community deserve the membership as most of the people are self-supported with good earning.
3. The poor people are to be prioritized as they are the real supporter of the cooperative and in addition to this they need some financial help to uplift the welfare of their living. Most of them are farmers, and even some of them are farmers without lands.

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