

Economic Development of Kampung Pariwisata Pulo Geulis through Formation Saving and Loan Business Unit

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Abstract: The main problem faced by the community of RW IV Kampung Wisata Pulo Geulis Bogor is the difficulty of getting credit to develop micro businesses. As a result, micro business operators are entangled with a Loan Shark who offers them loans at extremely high interest rates. The aim of community service is to increase knowledge about the importance of developing micro-businesses through credit to cooperatives or savings and credit business units and to motivate them to form savings and credit business units. The method used is the method of community empowerment through training and assistance in the formation of Savings and Loan Business Units. The establishment of the Savings and Loan Business Unit will further facilitate micro businesses applying for credit without high interest costs and without collateral. The sample was determined based on purposive sampling expert judgment in which 24 micro business people were selected as training participants and assistance in the establishment of a savings and loan business unit. As a result they were motivated to form a savings and loan business unit under a cooperative that already exists in Pulo Geulis (RW 4) and was appointed as the head of a savings and loan business unit.

1 INTRODUCTION

Kampung Pulo Geulis is a village that was formed as a result of the splitting of the Ciliwung river which reunited before the Botanical Gardens, Bogor. That is a village that resembled a small island in the middle of the river was formed. This village is included in the Babakan Pasar village, Central Bogor District. It has an area of around 3.5 hectares with 2700 inhabitants so that the density level reaches 700 people per hectare. The biggest potential of the Pulo Geulis village is a tourist destination that is pluralistic, unique culture that is displayed in the form of historical and culinary murals. In addition, this village is one of 7 kelurahans that has been included in the landscape design plan by 2018 with the full involvement and participation of the community. The landscapes that the community agreed were the mural village, the reading garden and the culinary area.

Based on the interview with the Village Chief of Babakan Pasar, the mural village in Pulo Geulis was not only a mural but to complete it a culinary center would be built. In the culinary center, a variety of culinary specialties will be offered in the city of

Bogor and later will be devoted to featuring superior culinary Pulo geulis namely combro and crackers jengkol. Besides culinary, the village of Pulo Geulis also produces beautiful bag crafts, backpacks and Barong crafts.

The problems faced by micro businesses in this village are not much different from the problems faced by micro businesses in other places. In addition to legal marketing and legal issues, most microbusinesses want the availability of credit assistance for venture capital with low interest. People's Business Credit (Kredit Usaha Rakyat), even without collateral, requires complex requirements and high interest rates. Submission of credit to financial institutions such as national banks, requires conditions including a complete business legality. As a result, many micro entrepreneurs choose to get credit at illegal banks or money lenders who charge very high interest rates. Moneylenders who often operate in Kampung Geulis are called Banke or Mobile Bank. Although it has been banned by the Village Officials, Banke still operates in secret. Banke is used as a solution in overcoming working capital difficulties because it is easy without

complicated administrative requirements. It's just that very high interest rates make it difficult for micro-businesses to pay off loans that will continue to grow because the interest that is in arrears will bloom again, as a result the business profits run out to pay off debt alone.

Savings and loan cooperatives which, although long established in Kampung Pulo Geulis, have not been able to reach all areas of the village, including RW 04. Even though RW 04, which consists of 5 RTs, has great economic potential. Some micro-businesses have started to develop, such as bag and barong micro-businesses while those that have the potential to be developed are Bogor's culinary micro-businesses. The benefits of cooperatives are huge. Research from Wiandhani (2016) says that the economic benefits received by members of the cooperative are very large, both in the form of cash derived from net profits and in the form of sale and purchase service costs and non-economic benefits in the form of satisfaction of cooperative members. Another advantage gained by cooperative members is the utilization of existing business units in cooperatives. It is important for cooperatives to increase the level of satisfaction of cooperative members, so that they can significantly benefit the cooperative. Another study from Nuryanti (2014) focused his research on the importance of service quality to cooperative members so that it was concluded that the benefits of cooperative service quality would be able to realize the participation of cooperative members.

Based on the aforementioned problems, then the idea was put forward to form a savings and loan business unit that is used to develop the economy of the Kampung Pariwisata Pulo Geulis Bogor, especially RW 04. The objectives of community service activities in the Pulo Geulis Tourism Village are: 1) Increasing the knowledge of the people of Pulo tourism village Geulis about cooperatives and savings and loan business units; 2) Assist them in forming a savings and loan business unit and help them provide initial capital for the establishment of a savings and loan business unit.

2 LITERATURE REVIEW

Cooperatives are organizations or associations that work together as a family in running a business with the aim of improving the welfare of its members and is one of the drivers of the Indonesian economy. The role of cooperatives is very strategic in promoting economic growth. The government is required to pay attention to the progress of cooperatives, especially

savings and loan cooperatives. Besides that, capital money is also very much needed, because in the business world, innovation and proper business management are needed. So that savings and loan cooperatives are required to be able to innovate and have the right business management. According to Dewi's research (2017) the amount of credit, the cost of innovation and business management has a significant effect on the ROI of savings and loan cooperatives.

Savings and loan cooperatives are cooperatives engaged in savings and loan activities, where cooperatives can provide loans to cooperative members and cooperative members can use these loans to enlarge the business. In the digital 4.0 era, all economic actors face fierce competition. One of the economic actors is cooperatives, including savings and loan cooperatives. To win the competition, cooperatives need the right strategy. Research from Ermaya (2019) cooperatives must pay attention to conditions that occur both externally and internally. So that they can make the right decisions in developing their business. By using SWOT analysis (strengths, weaknesses, opportunities, threats) it turns out that the most effective strategy is the strategy of concentration, development strategy and innovation strategy. It's just that not all cooperatives in Indonesia can develop rapidly. Many factors inhibit the development of cooperatives including savings and loan cooperatives. Research from Susilawetty (2013) several factors that can hinder the development of savings and loan cooperatives, among others: 1) people do not understand the meaning of cooperatives, 2) people are less concerned with behavior in cooperatives, 3) there are still many cooperative members who think that cooperative management has been entrusted to the management, 4) limited cooperative capital because in the credit process no collateral is used so that when this loan is stuck there are no assets that can be confiscated.

3 METHODOLOGY

The research technique used is the field survey method (field research) where researchers go directly to the field. The approach used is a qualitative approach in order to be able to describe the reality of the phenomena faced by the Pulo Geulis Bogor tourist village as a location for conducting research and community service. The population used in this study is the whole community RW 04 Pulo Geulis tourist village who work as micro entrepreneurs. The sample was determined using purposive sampling based on

expert judgment and selected 24 micro entrepreneurs as research samples and as training participants in the service program. The data used in this study are primary data obtained through interviews using a questionnaire, while secondary data are obtained through related literatures and related journals. The data analysis technique uses descriptive qualitative method, which is to provide a description in accordance with the facts in the field regarding the research subject in accordance with the variables obtained. To check the validity of the data the triangulation technique used is to compare data from different sources with the same technique.

4 RESULT AND DISCUSSION

Most of the micro business operators in the Kampung Pariwisata Pulo Geulis are engaged in food or culinary. A small portion in the field of basic food services. Products are marketed around the Pulo Geulis village environment, only at certain times these products are marketed out of the Pulo Geulis village, for example at a bazaar or exhibition held by the Bogor City Government. Even though these micro-businesses are over the age of 5 years, some have even started 14 years ago, but have not experienced significant progress, which can be seen from undeveloped marketing and the quantity and quality that has not changed. Motivation to increase effort is not visible. The focus of life is more on the issue of eviction so that it took a long time to ensure that the arrival of the Team of Servants from the Jakarta State Polytechnic had nothing to do with the issue of eviction that was spread in the Pulo Geulis village community.

The tourism potential that is pluralistic with the existence of the pagoda in the middle of Muslim community settlements is a huge attraction for local tourists and some foreign tourists. The arrival of tourists is a new target market that must be responded to. The Bogor city government cooperated with Hotel 101 along with the service team from the Jakarta State Polytechnic to work together to make this village a pluralist tourist village by developing a mural village and culinary tourism.

Micro businesses as subjects for this change need to get training, assistance in developing their businesses. The main requirement is access to business capital. The existence of a Mobile Bank (Banke) that provides credit with easy conditions but a very high interest rate must be avoided. Savings and loan cooperatives should be a solution for fulfilling the credit needs in a profitable way.

The level of knowledge of the residents of Pulo Geulis tourism village on the importance of the existence of cooperatives in developing micro businesses is very high. From direct observation and through the questionnaire it was found that 50% of participants answered all questions correctly, 29% of participants answered correctly 9 questions, 13% answered 8 questions correctly, 4% answered 7 questions correctly and 4% were only able to answer 1 question correctly. The high level of knowledge of participants because in the Pulo Geulis tourist village, a cooperative has been established since a few years ago. Information about the importance of cooperatives in supporting the development of microenterprises was already known by the participants. Research from Marta (2013) said that the information obtained can narrow the knowledge gap between people who have the upper status and low status. Research Chien Yu (2013) said there is a positive relationship between sharing knowledge and innovative behaviors of individuals with the ability to innovate.

It's just that the level of knowledge about cooperatives does not make them motivated to become cooperative members. The existence of cooperatives in different RWs makes the reason for not being a member. The training and assistance for the establishment of a savings and loan business unit conducted by a team of servants is expected to be a motivation for developing micro businesses by becoming an active member of the Pulo Geulis savings and loan business unit. Sajianto's research (2012) said education, training and counseling had a positive and significant effect on participation in cooperative membership. While research Mustangin et al (2018) that the process of community empowerment makes it easy for people to access capital by establishing savings and loan cooperatives and changes in the economy and training are designed to cause an increase in knowledge about cooperatives. This statement is strengthened by Dewi's research (2018) which says entrepreneurship education has a positive and significant influence on entrepreneurial skills.

The level of knowledge of cooperatives and the motivation that is invested by the service team is expected to realize the Pulo Geulis savings and loan business unit develops rapidly and provides convenience to micro businesses to access venture capital. The joining of all RW IV residents consisting of 5 RTs will accelerate the development of the Pulo Geulis savings and loan business unit. This is in accordance with research Rahmanto et al (2018) who found that joining a community will make its

members gain new insights and expand business networks. Besides that, internal variables in the company such as HR, financial aspects, operational technical aspects, market aspects and marketing have an influence on the performance of micro businesses.

The small community formed from the training and mentoring participants is expected to be able to transmit enthusiasm and motivation to the Pulo Geulis village community gradually and be able to touch the whole, especially among the younger generation. Based on interviews with the head of RW 4 in Pulo Geulis village, most of the young generation of this village have a main job as buskers. Although this type of work is halal work, it still does not provide a definite income and does not guarantee a higher quality of life for the future.

During the survey and implementation of the Community Service team received full assistance from the village office and RW. The village head is very enthusiastic and very helpful in the difficulties faced by the service team. Changing people's lives is not easy, it takes time and an intense and human approach. Based on the Psikologi.com Lecturer Portal (2017) there are several ways that can be done to change the habits of a person or community, namely:

- 1) Finding Out the Trigger, the service team must know what factors trigger young people in Pulo Geulis village to become buskers rather than trying entrepreneurship. The approach taken by the service team has not been able to recruit buskers to participate in training conducted by the Jakarta State Polytechnic team. The training participants totaling 24 people, all of them have professions as culinary micro-entrepreneurs and food staple traders, so it is indeed in the interest to attend training and mentoring the establishment of a savings and loan business unit.
- 2) Determine the Purpose and Motivation: determine the positive goals of the activity, so that it will be easier to make the right motivation that can change the habits of a community.
- 3) Determination Must be Strong: to change something must have a strong determination.
- 4) Steer clear of triggers: when triggers have been found, they must steer clear of triggering factors.
- 5) Commitment: commitment is very influential on changing one's attitude. Someone who has a strong commitment to achieve something and leave bad habits, will be easier to achieve.
- 6) Focus: focus on the things that bring success in change.
- 7) Trying New Things: make sure that new activities will be able to divert and change things for the better.
- 8) Make Small Changes: small changes can be made continuously, if the changes are added slowly there will be changes for the better slowly.
- 9) Make a Plan: by writing the changes that will be

achieved, will facilitate the achievement of the desired changes.

The results of the training and assistance for the establishment of a savings and loan business unit is the establishment of a savings and loan business unit called the Pulo Geulis Savings and Loans Business Unit. For the initial stage, all participants plus 5 RT heads and RW heads are directly members of the Pulo Geulis Savings and Loans Business Unit. The main motivation for the establishment of the Pulo Geulis Savings and Loans Business Unit is to get access to credit without complicated requirements, but affordable interest rates. All members of the savings and loan business unit make a commitment to grow this unit by paying mandatory savings in a disciplined manner and paying credit installments in accordance with the agreement of all members of the Pulo Geulis savings and loan business unit. For the success of the savings and loan business unit, the Jakarta State Polytechnic Sub Department Team also provided assistance several times to the management of the savings and loan business unit and helped solve the problems encountered.

Changes in attitude were apparent from all trainees. The most obvious change is the enthusiasm and motivation to inform and invite the younger generation to become members of the savings and loan business unit. It is expected that with the increasing number of people in the Kampung Pariwisata Pulo Geulis becoming members of the savings and loan business unit, this unit can develop rapidly and can provide credit assistance to micro entrepreneurs and prospective micro business entrepreneurs, especially from the young generation of the Kampung Pariwisata Pulo Geulis.

5 CONCLUSION

1. Training and assistance for the establishment of a savings and loan business unit can further increase knowledge about the importance of establishing a savings and loan business unit for micro businesses in Kampung Pariwisata Pulo Geulis, Bogor.
2. The assistance provided by the Accounting Department team from Jakarta State Polytechnic is in the form of visiting the management of the savings and loan business unit several times, in addition to providing motivation to continue the enthusiasm for the enlargement of the savings and loan business unit, also to help solve the problems faced so that the Pulo Geulis savings and loan business unit can develop rapid and provide

benefits to micro businesses in Kampung Pariwisata Pulo Geulis.

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