

Designing Strategies and Answering the Challenges of the Implementation of PERMENKOP-UKM Number 8 of 2023 on KSPPS and Sharia Financing (KSPPS) Merapi Husada's Determination "TERASA"

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Abstract:

KSPPS is a sharia financing cooperative or better known as (KSPPS) is a cooperative that has savings, borrowing, and financing business activities in accordance with sharia principles, including managing zakat, infaq, alms, and waqf. The purpose of this research is to find out how the role of KSPPS in community economic empowerment and the challenge of building a TERASA KSPPS strategy in Sleman, Yogyakarta Province in answering the challenges of regulations that have been circulated by the Ministry of Cooperatives and MSEs. Of course, this change in regulations will greatly modify various KSPPS governance policies in the future. KSPPS as one of the pillars of the sharia economy in Indonesia that has the potential to be developed. This research is a field research that uses qualitative descriptive. In collecting data, the author uses the interview method as a guideline for KSPPS TERASA employees in Sleman Yogyakarta, while documentation is carried out by recording or data obtained from KSPPS TERASA such as history, organizational structure, and financing at KSPPS TERASA. This article aims to build on previous studies by presenting a critical study of KSPPS's strategies and strategies in innovating in regulatory changes in accordance with global economic changes. This research uses a qualitative method that is expected to provide benefits in cooperative practice in Indonesia.

Keywords:

KSPPS, PERMENKOP-UKM N0. 8 of 2023, Challenges, and Strategies

JEL: G0, G20, G21

INTRODUCTION

Islam considers riba as a bad element that damages society economically, socially and morally. Therefore, the Qur'an prohibits Muslims from giving or eating usury. Islamic financial institutions with a profit-sharing system are designed to foster togetherness in bearing business risks and sharing business results between fund owners who keep their money in institutions as fund managers, and people who need funds that can have the status of borrowers or business managers (Rutrid, 2014).

Cooperatives have been present in the community since decades ago as a way to maintain economic stability. In line with its development, the community began to realize that the system used in each contract in conventional cooperatives was not in accordance with sharia principles, where the contracts used still contained an element of interest. Sharia cooperatives are a stable, democratic, autonomous, participatory, and social economic venture whose operations are based on moral principles by considering halal and haram a business that is carried out in accordance with sharia. The establishment of this cooperative is to meet the needs of its members at a relatively cheaper price, provide convenience for its members who need business capital, and provide benefits for its members.

The difference between conventional cooperatives and sharia cooperatives is in the system used. All contracts used in sharia cooperatives must not contain elements of riba (usury), gharar (uncertainty), and maisyir (speculative). Sharia cooperatives also have many

contracts that must be used in each product where the selection of contracts is adjusted to the needs of customers but must still be in accordance with sharia principles. The development of Sharia Financial Institutions (LKS) over the past few years has experienced quite significant development. Many of these Islamic Financial Institutions (LKS) in Indonesia operate with a cooperative system. In 2004 it was known as the Sharia Financial Services Cooperative (KJKS) system on the basis of the Decree of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 91/Kep/M.KUKM/IX/2004 concerning Guidelines for the Implementation of Sharia Financial Services Cooperative Business Activities.

Then in 2015 it was known as the KSPPS and Sharia Financing (KSPPS) system based on the Regulation of the Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 16/Per/M.KUKM/IX/2015 concerning the Implementation of Sharia Savings and Loan and Financing Business Activities by Cooperatives. KSPPS and Sharia Financing (KSPPS) is a cooperative whose business activities include deposits, loans and financing in accordance with sharia principles, including managing zakat, infaq/alms, and waqf. KSPPS and Sharia Financing (KSPPS) are included in Non-Bank Financial Institutions (LKNB) that operate with the Sharia system (Farid, 2016: 385). KSPPS and Sharia Financing (KSPPS) TERASA has 3 products, namely:

1. Savings with the Mudharabah contract: Usual, Education, Futures, Si Mudha
2. Savings Products with Wadiah contract: Usual, Mandatory Financing
3. Financing and Receivables Products: Mudharabah Financing, Murabahan Receivables, Receivables Ijarah, Qord Receivables

Sharia Pattern Savings and Loan activities, namely the management of members' savings and loans. In terms of total assets, this business is the dominant business of KSPPS TERASA. With total assets of IDR 1,294,397,862 with total Murabahah receivables of IDR 1,784,064,728 and financing of IDR 64,023,550 and resulting in Residual Operating Results (SHU) in 2023 of IDR 51,242,579, SHU in 2022 of IDR 32,807,290, resulting in an increase of IDR 18,435,288 or 56.19%. Based on these findings, researchers are interested in studying more deeply about the role of KSPPS and Sharia Financing (KSPPS) TERASA in designing strategies and answering questions regarding the implementation of the Coordinating Minister for MSMEs no. 8 of 2023.

There are still many KSPPS that have not developed optimally, and even many KSPPS are no longer active. These are many factors that cause many KSPPS to be inactive, including the problem of KSPPS management that has not been maximized by the administrators. The challenge of changing strategies in adapting to new policies on cooperative governance. From the description above, the usefulness in this study is as follows:

1. Designing a model for the development of KSPPS (KSP) management in new policies in the implementation of the Coordinating Minister for MSMEs with *open loop* and *closed loop methods*.
2. Providing alternative strategies to get out of the challenge of changing the KSPPS governance policy.

METHODOLOGY

This study uses qualitative research methods. Qualitative research is research that does not have a theory yet, so researchers must try to find the theory. The results are not in the form of numbers, but words or sentences that can be scientifically accounted for, and observable and interpretive behaviors that involve many methods, in examining the research problem (Mulyana, 2010). Qualitative research is used to look at various social phenomena. The result is not in the form of a number such as quantitative, but a collection of sentences, words that will be tested for truthfulness. Proper precision and accuracy are needed because qualitative requires observation in the field.

This scientific research was carried out at KSPPS (KSP) TERASA in Umbulharjo Village, Cangkringan District, Sleman Regency. Primary data in this writing was obtained through interviews with respondents who were considered to know and understand the governance of KSSPS TERASA. Secondary data in this study is intended to support primary data, because

it needs to be related to relevant theories. The author in this case utilizes documents, journals, and article references that are relevant in the KSPPS TERASA case.

RESULTS AND DISCUSSION

1. KSPPS Feels to Play a Role in The Economic Development of The Community

The role of KSPPS TERASA is in empowering the economy of the people, members in particular. KSPPS TERASA has provided loan and financing facilities, including;

a. Provision of business capital

In relation to the provision of this business capital, KSPPS TERASA provides several financing alternatives including: *Murabahah* financing (buying and selling), *Mudharabah* financing (profit sharing), *Musharakah* financing (profit sharing), *Ijarah* financing (rent).

b. Fulfillment of the operational needs of KSPPS members TERASA.

In improving the economy of its members, in addition to providing business capital, it can also be done by meeting the consumptive needs of members, such as the purchase of motor vehicles such as cars and motorcycles. In addition, it is also in the form of purchasing land, houses, or electronic goods. The contract used by KSPPS TERASA is a *murabahah* or buying and selling contract.

c. Provision of loan funds (*qord*) and social funds.

The *qord* contract is used by KSPPS TERASA in certain matters such as paying members' debts, education and health costs. KSPPS TERASA uses this contract which cannot be reached by other commercial contracts, such as *murabahah*, *musharakah* and others. In its implementation, KSPPS TERASA Rumbai does not apply or require revenue sharing or margin in relation to this *qord* contract.

The following will be explained in the form of cooperative development, both in terms of finance, capital and comparison between two cooperatives that receive revolving funds and those that do not. The table illustrates the overall financial position of KSP TERASA, capital and SHU. The data of this financial statement is then analyzed to find out what percentage of KSPPS business development is.

Tabel 1 Perkembangan Modal Sendiri/Ekuitas			Tabel 2 Simpanan Anggota tahun 2023 - 2022			
Modal Sendiri/Ekuitas	2023	2022	No	Simpanan	2023	2022
Simpanan Pokok	123.000.000	110.000.000	1	Madharabah Biasa	2.017.225.826	1.784.064.728
Simpanan Wajib	450.400.000	586.050.000	2	Madharabah Berjangka	798.000.000	329.000.000
Hibah	527.029.000	527.029.000	3	Simpanan Wadiah	226.980.800	226.980.800
Cadangan Umum	32.545.345	22.947.601	4	Simpanan Pembiayaan	47.174.550	64.023.550
Cadangan Resiko	13.948.005	11.548.971	5	Simp Mudha	284.287.157	268.834.994
Total Ekuitas	1.146.922.349	1.294.397.862				

Member financing in 2023 has decreased from Rp. 3,574,994,801 to Rp. 3,493,947,934. The Remaining Operating Result (SHU) in 2023 is IDR 51,242,579, the SHU in 2022 is IDR 32,807,290, resulting in an increase of IDR 18,435,288 or 56.19%.

2. The Challenges of The Implementation of The Coordinating Minister for MSMES on The Development of KSPPS Are Felt; The challenges are as follows:

- Limited access and segmentation of customers who are part of KSPPS TERASA business; The realization of this ministerial regulation is enough to limit the management of KSPPS Terasa in expanding the customer network. This is because there are rules in several articles regarding customer returns only for KSPPS members.
- The transaction model is only given 2 choice methods, namely the *open loop method* and *the close loop method*. This method provides an option by accessing customers who only consist of members in a closed manner, meaning that only members can transact. In contrast to the open loop model, which can access customers from outside the cooperative membership.
- The system of organizing membership involvement in KSPPS membership meetings. The increasing number of members with an open loop system will increase the number of choices for the number of members in KSPPS.

- d. A large membership will automatically increase membership operations significantly. The number of members is so significant that it will add to the many operations borne by KSPPS.
- 3. The Strategy to Answer the Challenges of KSPPS Development is Felt. The strategy is as follows:**
- a. Restoring KSPPS TERASA is in accordance with the khithoh of sharia cooperatives that prosper their members. As one of the KSPPS TERASA, the development and changes in the cooperative institutional body also change based on policy adaptation. Khithoh that must be clarified again is the return of the nature of the cooperative that prospers the members of which it is a part.
 - b. Developing the KSPPS TERASA business with a focus on members. As one of the existing strategies, KSPPS TERASA is starting to move from what already exists. However, some changes in AD/ART in the institution were changed in accordance with changes and additions to membership.
 - c. Making the close loop model the choice of KSPPS TERASA business mechanism. For now, what has been done by KSPPS TERASA is the closed loop method. This means that KSPPS is starting to become an institution that strives for the welfare of its members first.

CONCLUSION

Based on the results of the research conducted by the researcher on the object of the study, namely KSPPS TERASA in Yogyakarta. So there are several conclusions in this study, namely: Fulfillment of members' consumptive needs such as the provision of vehicles, land, houses or electronic goods. The provision of *qord* loans and social funds is used in certain matters such as paying members' debts, education and health expenses. Strengthening the economy with savings programs, namely wadiah deposits, time deposits, and profit-sharing deposits. The future challenge for KSPPS TERASA to respond to the policy of PERMENKOP SME no. 8 of 2023 is the limited access and segmentation of customers who are part of KSPPS TERASA's business. The transaction model is only given 2 choice methods, namely the open loop method and the close loop method. Organizational system in membership involvement in KSPPS membership meetings. A large membership will automatically increase membership operations significantly. To obtain an alternative with its policy strategy, it is to restore KSPPS TERASA in accordance with the khithoh of sharia cooperatives that prosper their members, Develop the KSPPS TERASA business with a focus on members, and make the close loop model the choice of KSPPS TERASA business mechanism.

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