

Socialization and Counseling of Sharia Cooperatives in Tulusayu Village on The Existence of Kanindo Syariah Cooperative

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Abstract

Purpose: The purpose of this study is to explore the role of Sharia Cooperatives, a part of Sharia Financial Institutions, in improving community welfare. These institutions operate on sharia principles, aiming to generate profits for both customers and financial institutions. The study focuses on the impact of these cooperatives on rural communities, such as Tulusayu Village in Wagir District, Malang Regency, who require funds to develop their economy.

Method: The study employs socialization and counseling as methods to educate the people of Tulusayu Village about the characteristics, principles, economic goals, and products of Sharia Cooperatives. The focus is on the development of small micro businesses, particularly through the Kanindo Syariah JATIM Cooperative Wagir Branch.

Practical Applications: The practical application of this study lies in its potential to provide the community with knowledge and understanding about the existence and benefits of Sharia Cooperatives. By participating in socialization and counseling activities, the community can learn how to leverage these cooperatives for economic development.

Conclusion: The study concludes that the active participation of the community in these activities can significantly support the improvement of the economy in Tulusayu Village. The existence of Sharia Cooperatives, therefore, plays a crucial role in community development and welfare improvement.



Introduction

In economic activities, that have a key position as an intermediary in channeling funds and savings to users of funds are financial institutions. Financial institutions have an important role as drivers of the economy. Economic growth and development is an important role in increasing the income aspect of society in order to prosper the community (Muflih, et.al. 2023). Assisting the community in developing economic activities through access to financing in varying amounts. Islamic financial institutions or abbreviated as LKS are financial institutions that carry out their activities based on sharia principles in order to improve the welfare of the community. In terms of Islamic economics, the orientation of LKS is profit oriented and falah oriented. The benefits are felt by both parties not just one party. The LKS spread in Indonesia include Islamic banks, Islamic cooperatives, Islamic pawnshops, Islamic insurance, Islamic capital markets. Providing loans to customers is also provided by both Islamic and conventional financial institutions (Hamidi et.al, 2019).

The concept of Islamic Cooperatives is expected to be a milestone in the development of Islamic cooperatives in Indonesia. One of them is Baitul Maal Wa Tamwil which is an application of the concept of Islamic cooperatives. BMT orientation in addition to business activities also on social activities. Distribute the profit funds obtained fairly and evenly to all customers / members. This is the main characteristic of Islamic cooperatives, which in addition to the welfare of members also has a social role in society, especially solving usury problems (Okfitasari and Suyatno, 2018). In supporting the lives of rural communities, the existence of cooperatives is still very much needed. Free from the loan shark interest system among rural communities, it is necessary to implement Islamic cooperatives to help the community's economy. Islamic cooperatives also provide convenience and a sense of security in savings and loan activities, especially for rural communities, especially providing loans with low interest (Wandisyah, 2021). The main aspect of national development is the role of village communities supported by the existence of cooperatives in the village.

In supporting the realization of economic democracy, it is necessary to significantly develop the economic sector in order to prosper the entire community. Increased community income is generated by economic growth and avoids inequality. So that it needs great attention with the existence of economic development. Cooperatives are directed to play a role as a forum for people's economic activities. Cooperatives are developing as business entities as well as people's economic movements, Iman (2011). Economic development of rural communities is a top priority in national development as mandated in Law Number 6 of 2014 concerning Villages. Improving the quality of life of rural communities and how to reduce poverty is carried out through the provision of basic needs, development of facilities and infrastructure, development of local economic potential, sustainable utilization of natural resources - environment. So in this regard, the Kanindo Syariah Cooperative is involved in extension activities by providing socialization to the Tulusayu Village community to provide an understanding of the existence of cooperatives to support economic improvement.

Method

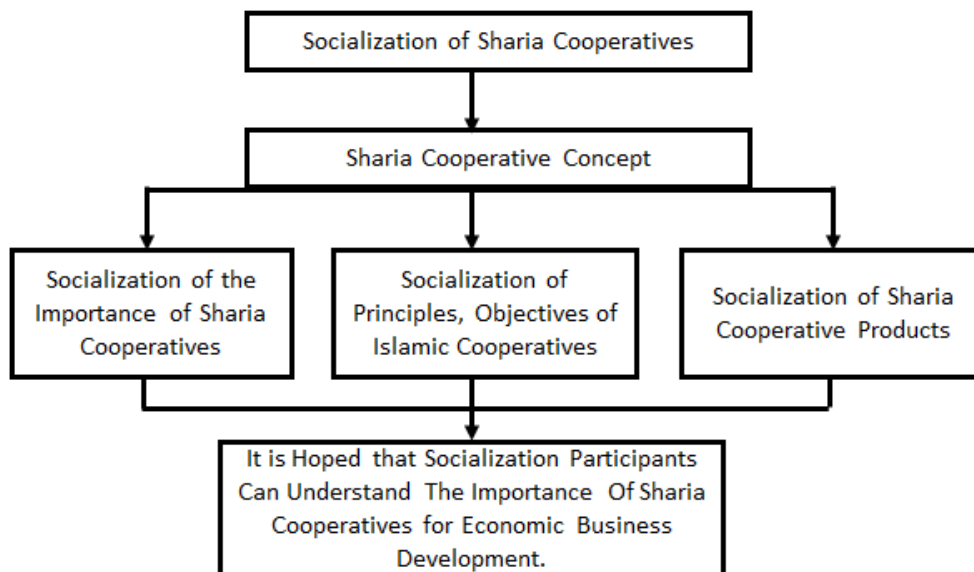
The methods portion of this applied research study should detail the data collection, analysis, and interpretation processes. First, explain the data collection methods. This may require detailing sample design, data collection methods, and instruments. Designing and executing processes requires several aspects to ensure efficacy, efficiency, and alignment with goals. The procedural design involves a thorough examination of the processes, identification of potential risks, and implementation of steps to mitigate them. The methods must also be easy to understand and follow for the intended audience. Please explain the data analysis procedure. Explaining statistical or analytical methods is necessary. The analytical report should detail data cleansing and preparation. Explain how the results were interpreted. Academic reports often describe researchers' data analysis methods and verification procedures. To help other researchers replicate the study, every step of the research

approach must be disclosed. The organization of the methodology section requires precision and clarity. This section should use Arial, font size 11. A 1-point space before and after each paragraph and a 1-point line spacing are also advised for academic writing.

In solving the problem of this community service activity, using 2 stages of the activity agenda, namely Socialization and Counseling (visits to the homes of several residents). First, the method of delivering material to the community through Sharia Cooperative socialization activities. Socialization is an interaction activity with others that brings together parties to learn together, act, and think in order to realize the social role of a group and common goals (Sotya, 2020). This socialization method is to make it easier to provide an overview and understanding of the benefits of the existence of the Kanindo Syariah Cooperative. In a series of socialization activities carried out through 3 agendas, namely presentations, questions and answers, and training (Lestari, 2022). Second, the method carried out by this service team through counseling activities to several residents' homes around Tulusayu Village. Counseling, according to Siswanto (2012), is an activity of disseminating ideas / new and educational things in order to attract the interest and willingness of the community which contains knowledge, ability to new things, information, to change attitudes and behavior according to what should be in daily activities.

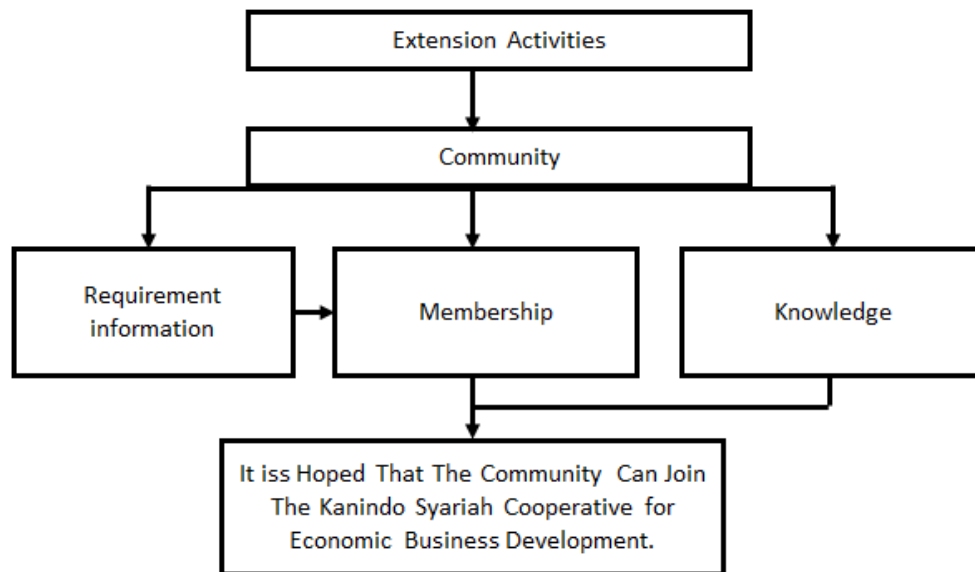
The socialization activity stage aims to provide an understanding of the concept of Sharia Cooperatives to the surrounding community who do not know the facilities and advantages obtained when becoming a member of the Cooperative with the aim of developing economic business ventures. The following is the method of implementing the Socialization of the existence of the Kanindo Syariah Cooperative:

Figure 1. Flowchart of the Implementation of Sharia Cooperative Socialization



The socialization stage was carried out through the presentation of points delivered by the community service team to the Tulusayu Village community. As a means of developing human resources in the village, the Kanindo Syariah Cooperative is present by providing new hope, especially for home-based business owners to develop and improve economic results. The stage of counseling activities or visits to several residents' homes around Tulusayu Village aims to provide direction on membership registration and the benefits of Sharia Cooperative membership. The ease of facilities owned by the Kanindo Syariah Cooperative is one of the important advantages of other cooperatives. The following is the method of implementing counseling conducted by the team:

Figure 2. Flowchart of the Implementation of Extension Activities



Through counseling activities that directly visit residents' homes is one of the strategies carried out by the Cooperative to attract interest in Cooperative membership. This is one of the work programs carried out by the team every year.

Result

From the results of the service that has been carried out, the usefulness of knowledge and understanding of the importance of Sharia Cooperatives. This service was carried out in two activity agendas which took 2 days to complete. The stages of activity implementation are as follows:

1. The first day was the Sharia Cooperative Socialization activity.

It was held at the Tulusayu Village Hall on Saturday, June 26, 2023. The implementation time starts at 09.00 and finishes at 12. WIB. The implementation of this community service activity involved Tulusayu Wagir residents who have micro businesses, PKK mothers, and was attended by the Wagir Village government, and one of the local religious leaders. The service team provided socialization and explanations regarding the existence of the Kanindo Syariah cooperative. During the socialization, the participants were very enthusiastic in every session given by the team. This can be seen from the feedback they gave and the liveliness during the question-and-answer session. It began with remarks given by the Kanindo Syariah Branch Manager and remarks by local leaders and continued with the core activities. Presentations and interactions with participants were made as interesting as possible by the team with door prizes at the end of the socialization session. The socialization presentation includes several materials presented, including:

- 1) The socialization of the importance of Islamic cooperatives, according to Syamsiah (2018), contains 2 important aspects in it, namely economic and social aspects. In the social aspect, according to the Sharia Cooperative, it plays a very important role in helping human needs, especially in terms of additional economic development funds. In the economic aspect, the activities carried out contain various economic activities or activities that partly contain economic elements to produce economic improvement.
- 2) Socialization of the principles and objectives of Sharia Cooperatives. In his book Subandi (2019) outline the objectives of the cooperative include: advancing the welfare of members, advancing the welfare of the community around the Cooperative, and participating in the development of the national economic order. The principles of

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Sharia Cooperatives according to Djoko (2020), consist of: voluntary and open membership, democratic principles, fairness in the distribution of the remaining results of operations, compensation for capital, independence.

- 3) Socialization related to products in Sharia Cooperatives. Products in Islamic Cooperatives according to Philip 1997 include products for raising funds (funding) and products for channeling funds (Financing). Funding products provided include principal savings, voluntary savings, Financing products provided have several principles, namely the principle of buying and selling, the principle of rent, the principle of profit sharing.

The following is a documentation of the Kanindo Syariah Cooperative Socialization event.

Figure 3. Discussion Form Activity with Tulusayu Village Residents



2. The second day was an extension activity to several houses around Tulusayu Village. It was held on Sunday, June 27, 2023, starting from 09.00 to 12.00. Counseling and socialization activities were carried out by visiting people's homes. Due to time constraints and the high enthusiasm of the residents, there were only approximately 6 houses that were realized to be visited. Even so, the implementation of counseling and socialization activities on the concept of Sharia Cooperatives received a positive response from the community in Tulusayu Village.

Figure 4. Counseling activities to the homes of Tulusayu villagers



Figure 5. Counseling activities to the homes of tulusayu villagers



At the stage of counseling activities to the community in Tulusayu Village, the service team carried out several indicator items that had to be completed, including the delivery of information on the requirements that must be met for prospective members. After the requirements are collected and have been declared an active member, further explanation will be given regarding the purpose of the member in future activation. From this Cooperative membership, it is hoped that the Cooperative can provide opportunities and solutions in fulfilling the needs of people's lives. Because this Syariah cooperative in carrying out its activities has principles that make guidelines in carrying out business activities (Syafira, 2020). Efforts in carrying out this counseling activity, the Cooperative hopes to overcome poverty in the community. Based on the Koran and Hadith, Sharia Cooperatives provide products and mechanisms in their business activities. Playing a role in economic improvement, Sharia Cooperatives have several important roles according to Ratna (2020):

- a. Sharia Cooperatives strive to carry out all transactions fairly and are guided by Islamic rules and laws.
- b. Sharia cooperatives strive to provide education to prospective customers
- c. Sharia cooperatives strive to provide welfare and economy through low interest loans.

Discussion

The service carried out in Tulusayu Village, which spanned two days, has underscored the importance and utility of Sharia Cooperatives. The first day was dedicated to socializing the concept of Sharia Cooperatives, an event that saw enthusiastic participation from local micro-business owners, PKK mothers, and local government officials. The socialization covered the importance of Islamic cooperatives, their principles and objectives, and the products they offer, all of which are aimed at improving economic development and social cohesion. The second day involved extension activities to several houses in the village, where the team provided information on membership requirements and the benefits of being an active member. The cooperative's efforts to provide education, ensure fair transactions, and strive for community welfare were well received. These activities, guided by the principles of Sharia Cooperatives, aim to alleviate poverty and contribute to economic improvement in the community. The positive response from the community indicates a promising future for the role of Sharia Cooperatives in rural development. Further research could delve into the impact of these cooperatives on poverty levels and economic status in the community, and how effectively the principles of Sharia Cooperatives are being upheld in practice.

Continuing from the previous discussion, the Sharia Cooperative's activities in Tulusayu Village have demonstrated the potential of such cooperatives in fostering economic

development and social cohesion. The cooperative's principles of voluntary and open membership, democratic governance, fairness in operations, compensation for capital, and independence are not just theoretical constructs but are being put into practice, contributing to the welfare of the members and the community at large. The products offered by the cooperative, both for raising and channeling funds, are designed to meet the diverse needs of the community. These products, guided by the principles of buying and selling, rent, and profit sharing, are instrumental in driving economic improvement. However, the effectiveness of these products and their impact on the community's economic status warrants further investigation.

The cooperative's efforts to overcome poverty in the community is another area that deserves attention. The success of these efforts can be gauged by a noticeable decrease in poverty levels and an improvement in the community's overall economic status. The role of education in this context cannot be overstated. By providing education to prospective customers, the cooperative is empowering them to make informed decisions and participate actively in the cooperative's activities. In conclusion, the Sharia Cooperative's activities in Tulusayu Village have set a promising precedent for similar initiatives in other rural communities. The cooperative's commitment to fairness, education, and community welfare, coupled with its effective products and services, are making a tangible difference in the lives of the community members. Further research and discussion could focus on measuring the impact of these activities and identifying strategies for scaling and replicating this model in other communities.

Conclusion

Based on the results of the discussion that has been completed, it can be concluded from the results of community service activities in Tulusayu Village which are carried out in 2 activity agendas, namely Socialization of Sharia Cooperatives and Counseling, several conclusions can be drawn including:

1. From a series of sharia cooperative socialization activities, it provides several achievements including: Kanindo Syariah Cooperative has an important role that can be used as a solution to the economy of the Tulusayu Village community. Service activities by providing understanding and knowledge to the Tulusayu Village community about the basic concepts, functions, basic principles of Sharia Cooperatives. Socialization and counseling activities are very helpful for the people of Tulusayu Village who are in need of additional funds for business development. Socialization activities also introduce various kinds of products offered from the Kanindo Syariah Cooperative which include benefits for economic development and empowerment of micro businesses.
2. From a series of counseling activities to the Tulusayu Village community, it provides various benefits of a fast process in channeling funds and raising funds. Submission of various information on the requirements to become a member of the Cooperative to facilitate the completeness of the administration that must be collected. Counseling activities provide a lot of new membership feedback for the Kanindo Syariah Cooperative.

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