

Education on the Use of People's Business Credit (KUR) Funds for MSME Development Through Radio Broadcasting

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Article Info

Article history:

Received June 14, 2023

Revised June 22, 2023

Accepted June 28, 2023

Keywords:

Education of KUR Funds
MSME Development
Radio Broadcasting

ABSTRACT

This activity program is a non-profit program that provides socialization and community support to obtain Business Credit Funds (KUR) in Panjer Traditional Village, South Denpasar District, Denpasar City. This socialization activity aims to: 1) MSME implementers can understand the existence of monetary institutions that can provide business installments to the community. 2) MSME members who have working capital problems can request a People's Business Credit (KUR). 3) Entrepreneurial executives have the knowledge and understanding to ask for and receive people's business credit (KUR) fees to develop their businesses. This service event was founded by 30 SMEs in Panjer Traditional Village, South Denpasar District, Denpasar City. This method is made possible by socializing the provision of corporate credit to the public with simple terms and low-interest rates. As a result of this activity, people who have applied for KUR Funds can expand their knowledge and ability to receive funds for business development from their MSME members in Panjer Traditional Village, South Denpasar District, Denpasar City.

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INTRODUCTION

Business Credit Funds (KUR) is an installment reserve that provides credit for small entrepreneurs and the private sector through initial costs of work and working capital driven by effective corporate guarantee conspiracies ^{[1][2]}. Information technology, which is increasingly massive and developing, should make it easier for people to develop their businesses ^[12], but due to limited capital, dominant communities do not continue their business, therefore KUR is very helpful for the community in managing their business. KUR is a taxpayer-backed initiative but fully subsidized by banks. The People's Credit Program (KUR) means expanding open positions for monetary foundations. Basically, in accordance with Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (MSMEs) KUR prioritizes assembling and corporate areas through advance assurance plots that empower the development of key businesses, increase credit receipts for SMEs, reduce needs, and reduce small and medium enterprises (SMEs), bringing profits and speculation ^{[4] [5] [6] [14]}. (MSMEs) play an important role in the community's economy. This can be seen from the choice of information exposure that shows that the existence of MSMEs dominates in working on the Indonesian economy. The total number of SMEs surviving emergencies and faltering monetary shows the importance of this area in supporting the economy ^{[3] [8] [10]}. Therefore, it is very important to strengthen the consumption sector, especially SMEs to increase GDP.

Based on the importance of MSMEs in supporting the national economy, the government began to formulate policies aimed at introducing economic policies related to community empowerment. The government has made this possible by introducing financial assistance programs for MSME members ^{[7][9][13]}. A taxpayer-supported initiative to further develop backward access for small and medium enterprises is being undertaken by Bank BPD Bali. The meaning of People's Business Credit (KUR) depends on the Minister of Finance Regulation Number 135/PMK.05/2008, which stipulates that credit and advances for MSMEs are speculations supported by working capital and not fully regulated by producers. Therefore, the purpose of the KUR program is to provide an excess level of access to bank capital for investment and working capital purposes ^[11]. The People's Credit Policy (KUR) targets MSMEs and their cooperative members who experience obstacles and difficulties in accessing capital through bank loans. Until now, many MSME members have experienced difficulties in obtaining capital support to run their businesses.

Even though this has become a common problem faced by MSMEs, because of the difficulty of accessing financial sources for business loans ^[7]. Capital is one of the main keys that allow economists to build and grow the businesses they run. Because without capital an enterprise will be difficult or even impossible to manage its operations. Many businesses are unable to develop their businesses and even have to quit their businesses due to lack of capital, as happened to MSMEs in Panjer Village. Panjer Village is one of the many villages in the city of Denpasar, the population ± 39,223 people. In general, the work of Panjer Village residents is a business, with an average monthly income of Rp 500,000 - Rp 2,000,000. However, there are still many Panjer villagers who have low incomes due to the impact of the Covid-19 pandemic, in fact, there is still a lot of business potential that can be run by Panjer villagers. Has limitations due to lack of capital to create or even develop his business. Socialization is an important factor in the success of community empowerment programs because it is part of the social engineering process that can have a positive impact on society. The socialization program of the People's Business Credit Fund (KUR) breaks down barriers to access to capital. Furthermore, the reason for this action is so that MSME actors in Panjer Village, South Denpasar have information and understanding to obtain and utilize the People's Business Credit Fund (KUR) to develop their business.

METHOD

Target audience

In this community service, they are the community and MSME implementers from Panjer Village, South Denpasar District.

Time and Place

This community service took place on Saturday, August 5, 2022 at Radio Phoenix Bali. This community service program by conducting socialization assisted by one of the resource persons from Bank BPD Bali and the community of Panjer Village. The staffing program has three phases: planning, implementation, and evaluation. The following is an explanation of each activity.

1. Planning Phase

At the planning stage, it is carried out by holding face-to-face discussions and discussions with partners, in this case MSME actors, and community leaders. in Panjer traditional village, Denpasar sub-district south of Denpasar. In this step, the activities carried out include determining the schedule of socialization activities that will be carried out with partners (MSME actors). At this stage, the necessary preparatory steps are carried out for the implementation of service activities. The planning stage includes determining the location of activities, as well as the time and date the activities were carried out.

2. Implementation Phase

At the implementation stage, in accordance with the mutually agreed plan and various considerations, socialization was carried out through Phoenix Bali telecommunication radio on Jl Ciung Wanara Niti Mandala Renon Panjer Denpasar Selatan Denpasar, Dauh Puri Klod, Kec. Denpasar Bar., Denpasar City on August 5, 2022, while maintaining and implementing health protocols. In this activity, in addition to inviting MSME members, it also invited a number of community leaders who could become representatives. This socialization activity presented speakers directly from Bank BPD Bali Renon branch.

3. Evaluation

After carrying out this activity, it was found that participants were very enthusiastic about participating in this activity, so they had knowledge and understanding of General Business Credit (KUR) funds.

RESULTS

The growth of MSMEs continues to significantly increase employment and income streams, especially for low-income groups. SMEs play an important role in regional and national economic development and deserve a lot of attention. However, despite having a large population potential, Indonesian SMEs still face many challenges, one of which is related to financing. Most MSMEs use very little personal costs. Companies in this group need access to banks to expand or improve their operations, but face some difficulties in accessing funds from banks. However, even when small businesses meet the requirements, they are usually non-compliant, so it is still difficult for banks to lend to small businesses. All efforts and activities are aimed at increasing profits or profits of the institution.

One of the many components that has an influence is the source of initial costs, both personal initial costs and bank initial costs. For this situation it will be difficult for the organization to create a fee from its business, because without sufficient capital it will certainly hinder the development of the company itself. The drawback is that there is no money. In this case, the economic entity needs to borrow capital from banks and have a certain amount of credit to cover its business development needs. The second obstacle is that there are still many banks with high interest rates and many economists are afraid to borrow money. Furthermore, portion credit and low borrowing costs become a very important part in funding working capital and business. You are eager to run and grow your business. In addition, MSME members face difficulties in meeting the requirements set by banks. In general, the approved way is quite long and it is still difficult for company members to meet the guarantee requirements. Applying for loans goes through a simple process so that MSME founders have no difficulty fulfilling collateral and other requirements. People can get business financing needs quickly and use them to run a business.

In addition to the above obstacles, after taking a business loan, customers often misuse their capital, especially for personal needs, so it is necessary to check the source of income of the account. Ensure that economic actors use these funds appropriately for business development and not for other purposes. Of course, to achieve optimal efficiency, the use of capital provided must be in accordance with what is needed, such as increasing capital or merging existing companies and the establishment of new companies themselves. Develop and become the basis of the economy. The outlook for the debt investment business is evaluated by the bank to determine future conditions. The assessment conducted by the bank covers various aspects that reveal factors that hinder or facilitate the customer's business situation. In addition, the bank checks whether the debtor's activities are profitable.

Economic Policy Strengthen small and medium enterprises, especially those supported by microcredit and easy business support. One of the ways the government helps MSMEs is through the provision of People's Business Credit (KUR) funds. The fund is financed by the People's Business Credit (KUR) of the Bali Regional Development Bank based on Presidential Decree Number 6 of 2007 concerning Regional Reform of the SME Sector and Regional Practical Development Policy. industrial reform. One time. Develop economic activities aimed at alleviating underdevelopment and expanding the probability of employment. Kredit Usaha Rakyat (KUR) is a plan that provides borrowing funds for borrowers with the aim of financing their business. This loan aims to support the economy of small businesses by providing financing for businesses started by small businesses. The People's Business Credit Plan is assisted by the government in the initial cost section with the aim of helping the community provide their MSME business development with government support from the Bali Regional Development Bank to ensure that the program is effectively implemented. Created by This is a plan that has been made. Therefore, in the context of distributing KUR funds and accelerating government events, it is crucial to distribute KUR funds to residents so that residents can start the desired business. Socialization is carried out by informing the public and business actors, especially those who experience capital difficulties in running their businesses, that there are financial institutions, especially banks that are ready to help overcome capital by providing loans in the form of credit to MSME Activists.

The main purpose of the loan is as follows.

1. Income mainly consists of interest earned from banks as an application and capital to manage credit for customers.
2. Customer Business Support. By providing assistance to customers who need initial costs, both in terms of mutual funds and initial work costs. By utilizing these costs, debtors provide development for their entrepreneurs.
3. Government support. The more banks with the function of providing loans, the better for the government because more financing means more development in various fields.

After seeing the problems they usually face when starting or running a business, the most common problems are: Initial costs are one of the many main keys to starting or developing a business that involves economic actors. It is difficult to run a business without capital. Therefore, with the socialization of capital in terms of People's Business Credit (KUR), people understand the mechanism of providing People's Business Credit (KUR). The following is a picture of the implementation of socialization via radio.

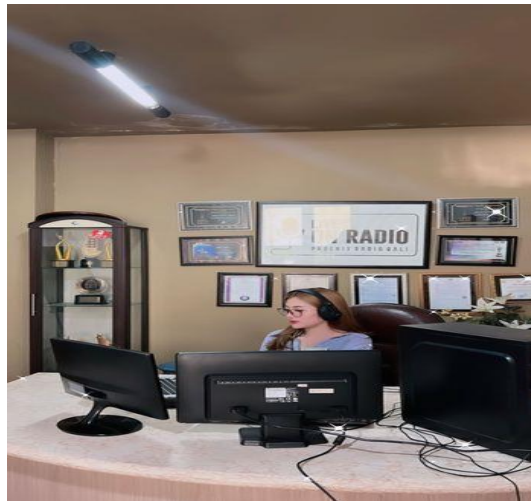


Figure 1. Educational activities about KUR through radio broadcasting broadcasts



Figure 2. Educational activities about KUR through radio broadcasting broadcasts



Figure 3. Educational activities about KUR through radio broadcasting broadcasts

This socialization is intended to inform the general public about the People's Business Credit (KUR). Thus, through this activity, the community, especially business actors, can understand how to get business capital with the help of the People's Business Credit Fund (KUR). This socialization was carried out at Radio Phoenix Bali on August 5, 2022, while maintaining and implementing health protocols. This activity is made possible by inviting several community groups, as well as actors from the business world, who can become representatives of MSME business actors. From the socialization activities held at Radio Phoenix Bali, there

was also a direct discussion from the resource person of BPD Bank Bali Renon Branch, especially with Mr. Agus by telephone. In the socialization activity, the speaker directly gave material about KUR to the audience and explained the requirements that must be met when applying for KUR funding assistance.

The results of this socialization are intended as a forum for people who still need business capital to start or even develop their business. Members do not yet know the data regarding the People's Business Credit (KUR). This is because MSME implementers do not receive the information they receive and ultimately make it difficult to access their KUR due to complicated and complex procedures. Socialization shows that people still do not really understand the People's Business Credit (KUR) and can only be obtained for a few citizens. This is what should be understandable considering their low level of education and rarely interact with the surrounding community to help those who have difficulty developing their businesses. Business people can also learn the terms of the People's Business Credit (KUR) loan and the order of application.

CONCLUSION

Based on the results of this activity, although the People's Business Credit Fund (KUR) is a way to get funds to overcome KUR, the community still does not understand KUR and does not even know how to apply for it can conclude that it is free from the problem of KUR funds, capital to MSME administrators in Panjer Traditional Village, South Denpasar District, Denpasar City. This can improve the welfare of SME entrepreneurs by expanding their business and driving demand from MSME members for popular business loan funds. Because SMEs play an important role and contribution to the Indonesian economy.

The implementation of community service by providing socialization related to the mechanism for using People's Business Credit (KUR) funds is needed by the community, therefore it is recommended that this socialization activity continue to be carried out using various communication media so that comprehensive information can be received by the community.

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