

**Microfinance Institutions Communications:
“Tabur Puja” Scheme at Posdaya Tunas Bangsa, East Bekasi
for Poverty Eradication**

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One of the way to eradicate poverty is providing jobs for people. Based on the figure from Ministry of Cooperatives and Small and Medium Enterprises, only 0.08% out of 55,206,444 enterprises are considered as medium scale. Therefore, it is impossible such a small quantity of enterprises could provide jobs for hundred millions of people. The biggest percentage is 98.83% which is dominated by micro industries. With such huge percentage, providing work capital and technical assistance are the most important things to support those industries.

The research of this paper is focusing in development communications between Sudara Indra Cooperative who provides Tabur Puja Scheme at Posdaya Tunas Bangsa in East Bekasi. How communication role plays upon distributing the scheme to Posdaya Tunas Bangsa members, and day to day communications being effected to provide technical assistance to ensure the development and the progress of the micro industries as creditor of Tabur Puja scheme. Aside of the succesful micro industries as they have steady income, also for them to survive from poverty. People were being trained to be able to manage their own business and daily expenses.

The methodology of this paper is using case study at Sudara Indra Cooperative as the provider of Tabur Puja Scheme at Posdaya Tunas Bangsa in East Bekasi, West Java.

Keywords: Microfinance Institutions Communications, Poverty Eradication, Tabur Puja Scheme, Pos Daya.

1. Introduction

Based on Millenium Development Goals, poverty eradication is the most important thing as it is placed as the first goal. If based on job vacancies availabilities, then the number of jobs vacancies would not enough for Indonesia citizens. Considering only 0.08% out of 55,206,444 enterprises are considered as medium scale. Therefore, people have to be creative and innovative to provide jobs for themselves by establishing microindustries or microenterprises. With a simple mathematics caluculation, if each microindustry provide jobs for at least two persons, then based on the above figure, there would be at least 110 million people will have steady income. However providing microcredits have a lot of challenges also. The amount of lending is only within Rp2.000.000 to Rp10.000.000,- and yet the documentation needed is halfway through to process a loan in a bank. Therefore when no collateral involve to get credit from microfinance institutions, a vast interaction of communication between lender and debtor are required. The lender should know exactly where and what the activities of the debtor, and how they will install the payment of the loan. The lender in this case is Sudara Indra Cooperative which funded by Sudara Indra Cooperative. And debtor in this case is members of Posdaya.

Background

Posdaya is a short term of Pos Pemberdayaan Keluarga or Family Empowerment Post. It is a model of community empowerment in Indonesia which has been implemented since 2006. It is a forum for gathering, advocacy, communication, information, education and also could be developed into a strengthening of the coordination of activities of family functions in an integrated manner. The primary functions are expected to allow families able to build themselves into a prosperous family and also

families who can face the challenges of the better future. Posdaya activities are located in the residential neighborhood that is at the level of Rukun Tetangga (RT), Rukun Warga (RW), hamlet or village. Posdaya is to enhance family and community welfare, and thus poverty alleviation (Witono, 2014). Prof. Dr. Hayono Suyono as the Chairman of Yayasan Damandiri (Sudara Indra Cooperative) founded Posdaya. This program has been established as part of community development program planned by Bogor Agriculture University for the empowerment of communities living around the campus (Muljono, 2013). Since then, Posdaya expanded to Bekasi and with the affiliation of STMIK Bani Saleh. The relationship among Sudara Indra Cooperative, Posdaya and their Partners are shown on Figure 1.

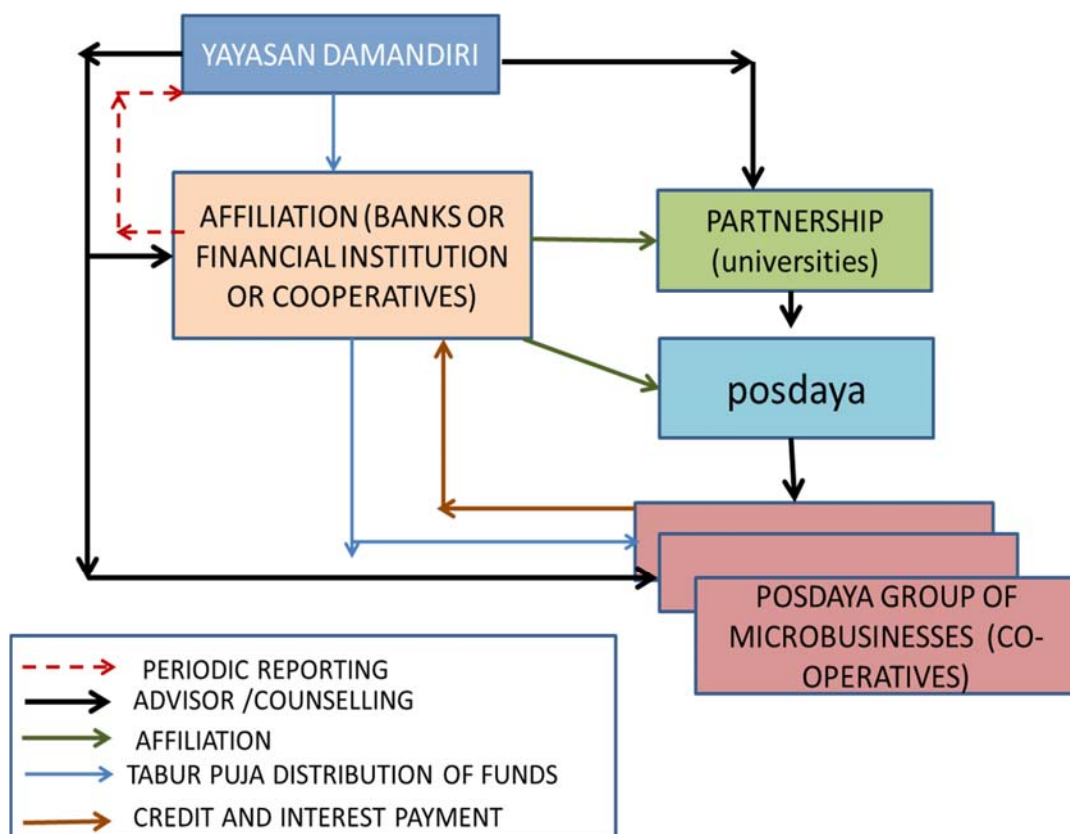


Figure 1. Tabur Puja Method of Credit , Installment, Reporting and Mentoring

Problem

In the spirit of poverty eradication, it is a good idea to distribute microcredit for microbusiness, but there are also an obligation to educate the people to learn how to borrow and saving at the same time. In this matter, the communication has an important role to ensure progress and potential problems are detected and convey in timely manner. It is not just how to pay back the installment on time and avoid the bad debt, but it also a matter how to address an issue and how to present the idea of resolving and giving alternatives of the issue. In this case, the loan were distributed with no collateral needed. So, how sensitive the situation is, when one could not pay back the loan, because the rest of the team members will have to bear the responsibility to pay. It is a question of this research, on how to maintain the communication to ensure their business in a good performance. Since the loan does not require collateral, therefore the team members become the guarantor of the loan.. This is called *tanggung-renteng* method.

Most people, if small money matters, would think the risk is low, and it is only a *hibah*, which means there is no obligation to pay back. There are cases occurred when the business went bankrupt, maybe the cattlefish which they plant has been dead, or the cows were sick and dead, or the food that they sell were not sold well, so they are unable to pay the debt. If things had happened, then it is more difficult to settle the case. But if the prediction is there, and an open communication being maintain, then it can be resolved and minimized at an early stage. Communication between members, Credit Assistant, Cooperative management and members, then a potential problem can be discussed and avoided. Especially when higher education institutions involved, then it would be easier to resolve it.

“Tabur Puja” Scheme

Yayasan Damandiri through Kooperasi Sudara Indra funded Rp3 Billion, in order Sudara Indra Cooperative to lend to Posdaya members as a microcredit. This is

called as Tabur Puja scheme. *Tabur Puja* is a short term of *Tabungan dan Kredit Pundi Sejahtera*. The scheme intended to enable poor people to have an access to get soft loan capital. There are no collateral needed, however if one of the member could not pay the installment, then the rest of the members would bear the responsible. It is called *tanggung-renteng*. The first loan is Rp2 million, and if the business goes well, then the debtor could increase the loan amount up to Rp10 million.

Since July 2012, Sudara Indra Cooperative distributed the loan to 1500 Posdaya members in 3 region, South Jakarta, Bekasi and Bogor. Each region consist of 500 members. There are 5 Posdaya in each region, means one Posdaya consist of 100 members. Each Posdaya has 10 sub-group. Every sub-group has 10 members. Each Posdaya has it Leader. And the leader has 10 assistant, whom every assistant is the Subgroup Leader. The organization is being sliced into small groups to enable control by each subgroup leader towards its members. Bear in mind, that these groups have responsibility towards their members performance both in business as well in disciplinary towards debt repayment.

Theoretical Framework

In communication development perspective, the theory of Diffusions and Innovations from Everett Rogers is being used. Based on Rogers (1983:5) Diffusion is the process by which an innovation is communicated through certain channels over time among the members of a social system. Based on his statement, there are four elements in the Diffusions of Innovation, (1) an innovation, (2)communication through certain channels (3) time and (4) social members. In this case the innovation is the *Tabur Puja* scheme, which is a soft loan with no collateral needed, instead *a tanggung-renteng* (joint responsibility) is being introduced. The main point of this loan, to provide loan for those microentrepreneurs whose bussines is not feasible and bankable. The *Tabur Puja* scheme is a financial scheme which being developed through cooperatives and other financial institutions. Communications is being

occured as the most important tools to develop and monitor the scheme in daily basis. Not only the scheme facility being used by the debtor, but the progress of the business is also being discussed in weekly basis. Face-to-face communication channel is being used at every attempt to monitor the activities of the debtor as Posdaya member.

Time of monitoring the progress could be define from the approval of the credit up till the last installment being paid. However, as the member of Posdaya, the debtors still could discuss with Posdaya Subgroup Leader, Posdaya Leaders and Assistant Credit for further expansion of debtors business. Obviously, the social system in this case is the Posdaya community.

The typical stucture of organization of Posdaya is depicted at Figure 2.

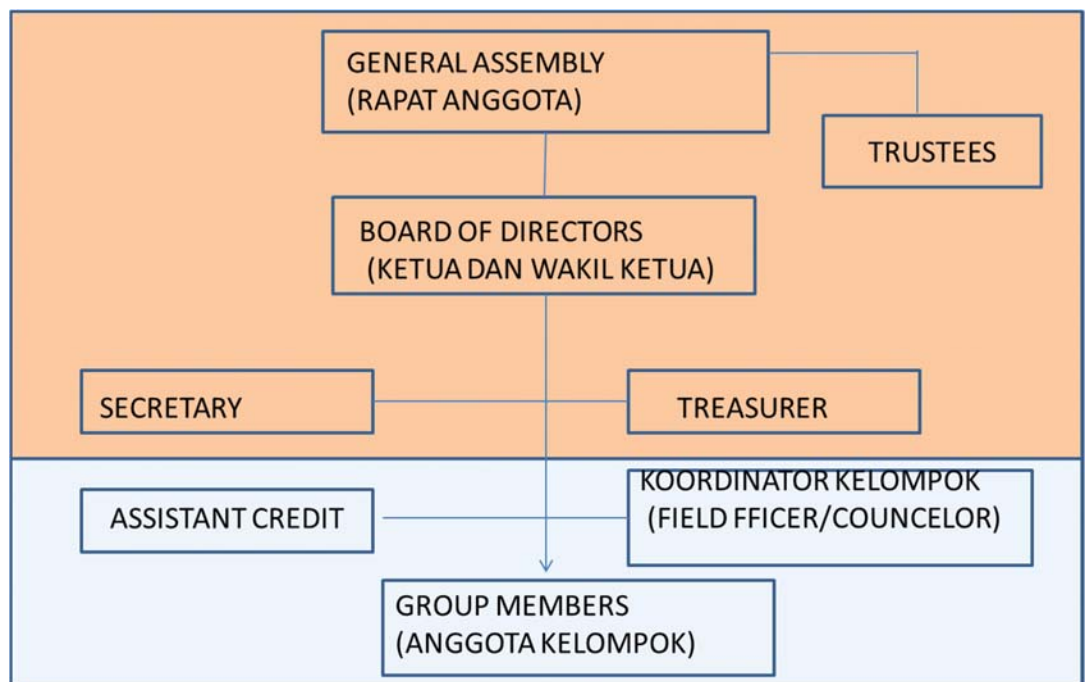


Figure 2. A Typical Structure of Organization

Materials and methods

This research is using case study to reveal the case in Tabur Puja Scheme at Posdaya Tunas Bangsa in Bekasi. It is one of the pilot project which conducted between Sudara Indra Cooperative, Sekolah Tinggi Manajemen Informatika dan Komputer Bani Saleh (STMIK Bani Saleh) and Posdaya Tunas Bangsa in Bekasi. There are cases such as how member get member being communicate, and how to communicate to improve the management skill of the debtor, and how to communicate in regards updates of members situation, for example one of the family member has passed away, or being sick therefore monthly expenses has increased and taken away the budget for loan installment.

Depth interview has been conducted with Chief of *Tabur Puja* Consultant from Sudara Indra Cooperative, Sudara Indra Cooperative Manager, Credit Assistant, Posdaya Leader , Subgroup Leader and members, to obtain the data needed for this research. It has been taken in 3 separate places, the head office of Sudara Indra Cooperatives, at STIMIK Bani Saleh, and at Posdaya Tunas Bangsa itself.

Tabur Puja scheme is communicated through face-to-face interaction between board of Cooperative to the manager, the manager to the Assistant Credit, and Assistant Credit to Posdaya Leader, and Posdaya Leader to Subgroup Leader, then to the members. The communication not just limited to getting the loan, but also have to bear the responsibility to maintain their own business. Principally if the business goes well, then the debtor will be able to pay the installment. On the contrary, if the business goes down, then for sure, the debtor will be in financially difficulties. At the end, will be suffering from debt as one cannot pay the installment of the loan. Therefore, Sudara Indra Cooperative has made a firm schedule on how and when and what to discuss in routinely meeting. Referring to Figure 3, the communication channel can be described as follows:

- a. Cooperative Manager will attend Posdaya Leaders Coordination Meeting which will be held every 3 months.
- b. Cooperative Manager also randomly visit Posdaya Members Business.
- c. Assistant Credit will also attend Posdaya Leaders Coordination Meeting.
- d. Assistant Credit will attend on weekly basis to receive installment payment and distribute loan which have been approved. In this case, an intensive face-to-face communication with members being conducted, and a simple question on how the business look in the team members place will be asked.
- e. Subgroup Leader and or Posdaya should visit regularly to team members to see the progress of their business.

Based on the manual of Tabur Puja Scheme, the developing and monitoring communication system is eventually to ensure the following:

- a. In order to detect problems arising from the member's business activities at early stage, so as to find a way out as soon as possible.
- b. Keeping the loan can be repaid in a timely manner in accordance with the agreement.
- c. To ensure that any loans made to members actually utilized for members business interests.

It takes 2 years for Sudara Indra Cooperative to established *Tabur Puja* Scheme to run smoothly. Up till now, the bad debt ratio is still under 2%, which considered good performance. Eventually it is not a matter of good payment performance, but also a matter of financial literacy for the microentrepreneurs. Because *Tabur Puja* scheme also teach team members to make a saving. How they should learn to save their money and spent what is really needed. Therefore, if there are problem incurred, they still have some cash money, no matter what.

Tabur Puja Scheme is also teaching people in Posdaya social system, that to be independently having a steady income, would bring positive impact in family life. A better welfare, would create a stronger economic power in this country.

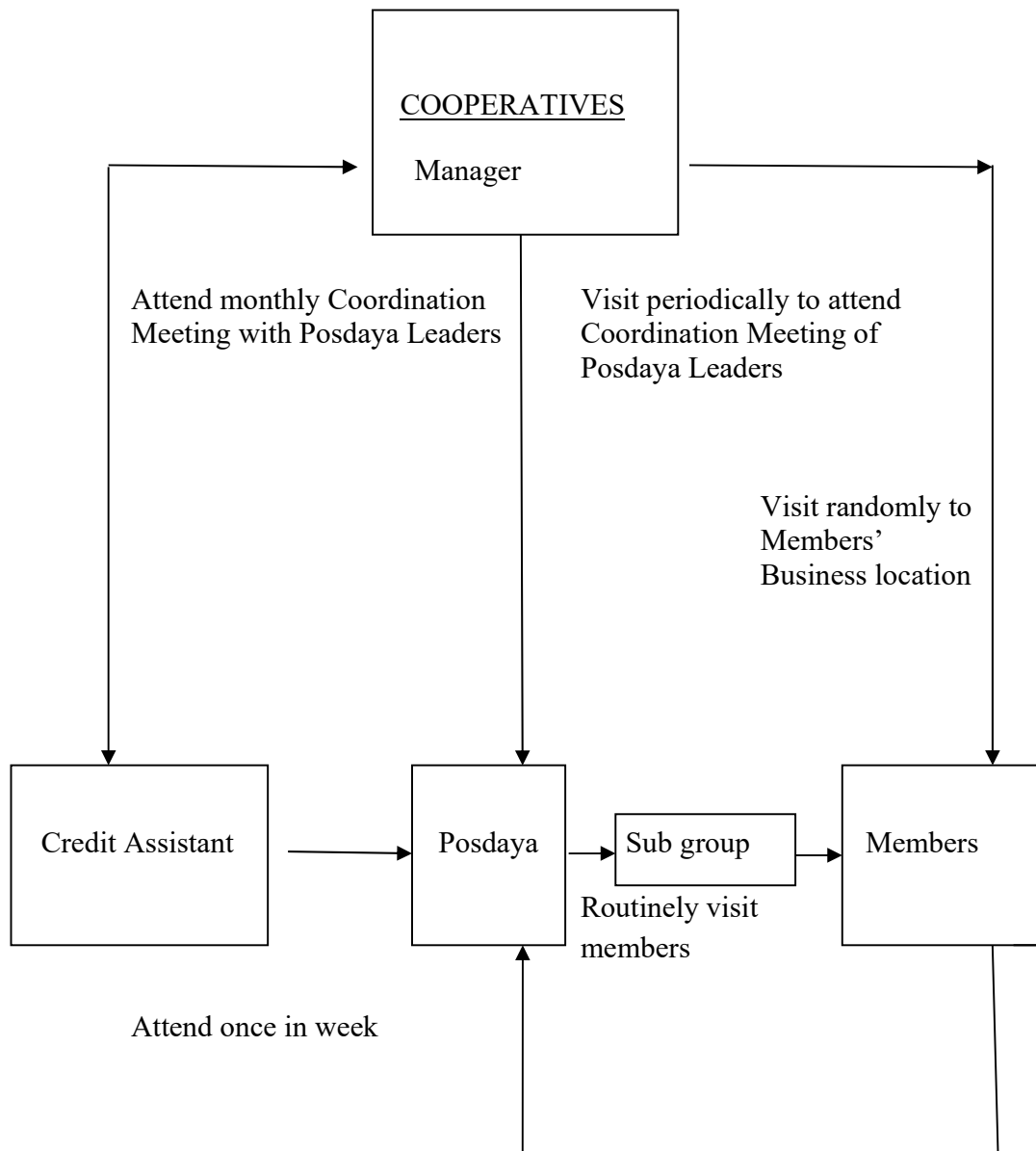


Figure 3. Developing and Monitoring System Mechanism
Tabur Puja Scheme through Posdaya

5. Result and discussion

It is obvious that in microcredit, an intensive communications needed. Especially through interpersonal communication, where personal touch between Posdaya Leader, Posdaya Subgroup Leader, Credit Assistant, and members are being shared from one another. The field of communication, is using the development communication. In this case, an innovation has being establish by lending small scale loan with no collateral. Eventhough, there are personal guarantors involve. These personal guarantors are members in a subgroup of Posdaya. The subgroup members have to gain approval from the rest of the team members if one need a personal loan. Eventually if the rest of the team think, one is not appropriate to obtain loan, then the loan will not be given to the member.

Even the captive market for *Tabur Puja* Scheme is for microindustries, however the communications for developing and monitoring the progress throught out the installment periode is not an easy job at all. Routine meetings, random visits, face-to-face communication are badly needed. The progress of the business activities of the debtors are closely monitored. There are no space for bankruptcy, therefore the empowerment of the grass root of Posdaya member should be strengthened.

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