

PARTICIPATION OF PARTICIPANTS IN THE SAVINGS AND LOAN PROGRAM AND ITS RELATIONSHIP TO FARMING FINANCING AT FARMER WOMEN GROUP (KWT) TANI MULYO

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ABSTRACT

The KWT Tani Mulyo savings and loan program aims to help members finance in order to run their farming business. The existence of this program can help the community in improving the family economy through increasing family income. This research was conducted in the Mulyo Farmers Women Group (KWT) Karanganyar Village, Sambungmacan District, Sragen Regency. The method used in this study is descriptive. The data used is primary data and secondary data. The savings and loans program (KWT) has been able to help members and administrators in fulfilling business capital and basic living needs, which has an effect on improving the economy. The savings and loan program has regulations that regulate the mechanism and requirements for savings and loans. Members or administrators who participate in the program every month during regular meetings are allowed to save money or save with a free amount without special provisions, while members who are borrowing money have a provision that every month they are required to pay installments of a predetermined interest rate of 3%. The importance of understanding savings and loans for members so that in the future they can be used according to their proportions and needs.

KEYWORDS

Savings and Loans, KWT, Business Capital, Tani Mulyo



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INTRODUCTION

Improving the economy is a desire for many people in Indonesia, especially in the agricultural sector. Agriculture is one of the driving sectors of the economy in Indonesia, where the profession as a farmer is the main actor in agricultural business in Indonesia. One of the problems that occurs is poverty, low income, unemployment, and slow economic development. Efforts that can be made to help improve the economy are through women's empowerment. The existence of women's empowerment is carried out by providing coaching and assistance to housewives, especially with the lower middle economic class with the aim that through these empowerment efforts, it can help them improve the family economy and create resilient and independent women (Afifah and Ilyas, 2021). One of the problems that often occurs is the lack of availability of financing to

support the sustainability of a business. The existence of these problems led to the establishment of an agricultural women's organization with the aim of helping to increase the income of farmer families through business financing called the Farmer Women Group (KWT).

The Farmer Women Group (KWT) is a collection of women who work as farmers, marry farmers, or are involved in agricultural activities (Utomo et al., 2024). The existence of the Farmer Women Group (KWT) is a form of farmer women's association to accommodate a forum for appreciation of farmer women, especially in rural areas. In the group of women farmers, of course, there is a program that can help in improving the family economy through the provision of business capital. One of these programs is in the form of a savings and loan program. The existence of savings and loans aims to help finance a business that will be or is being undertaken. It is hoped that the program can help the community in improving the family economy through increasing family income.

RESEARCH METHOD

This research was conducted in the Mulyo Farmers Women Group (KWT) Karanganyar Village, Sambungmacan District, Sragen Regency. The method used in this study is descriptive. The data used in this study is primary data sourced from the results of interviews with KWT member farmers using questionnaires and secondary data sourced from BPS and related institutions. The number of members in the Farmer Women Group is 80 members with sampling using simple random sampling of 30 respondents, from the large number of samples determined by taking samples purposively (intentionally) based on certain considerations. The consideration is that the Mulyo Farmers Women Group (KWT) is one of the KWTs in Sambungmacan District that implements a savings and loan program.

RESULT AND DISCUSSION

1. Characteristics Responden
 - a. Age of Respondents

The age of the respondent is one of the factors that affect a person's performance. The average age group of response is categorized into 3 groups, namely unproductive age, productive age, and unproductive age. According to Rosalina and Maipauw (2021), the age group of 0 to 14 years is the unproductive age, the age group of 15 to 64 years is the productive age, and the age group over 65 years is the unproductive age. The results of the study can be seen in table 1.1.

Table 1.1 Age Range of Members of the Mulyo Farmers Women Group (KWT)

Number	Age Group	KWT Members		
		Sum	Percentage (%)	Information
1	0-14 Years	0	0	Unproductive Age
2	15-64 Years	24	80,00%	Productive Age
3	>65 years	6	20,00%	Unproductive Age
Total		30	100%	

Source: Primary Data Processed, 2024

Based on the results of the research in table 1.1, it can be seen that the average age of KWT members is included in the productive age group, namely 15 to 64 years old with a total of 24 members with a percentage of 80.00%, while the unproductive age is over 65 years old as many as 6 members with a percentage of

20.00%. In this case, it is said to be the productive age where at that age they have the ability to work and receive information and technology in the agricultural sector. Age can influence a person in determining the mindset. The older a person is, the more mature and powerful a person will be in thinking and working (Rosalina and Maipauw, 2021).

b. Education Level

The level of education is one of the factors that affect the characteristics of farmers. The existence of an appropriate level of education will affect the way farmers think. The level of education can be interpreted as the stages of education that are determined based on the level of ability to absorb information and the ability to implement this information in daily life (Pinem, 2021). According to formal education, it will shape a person's values or personality in accepting new things. Based on the results of research related to the level of education, it can be seen in table 1.2.

Table 1.2 Education Level of KWT Tani Mulyo Members

No	Education Level	KWT Members	
		Sum	Percentage (%)
1	No School	3	10,00%
2	Elementary School Graduation	7	23,33%
3	Graduated from junior high school	8	26,67%
4	Tamat SMA	11	36,67%
5	Graduated from College	1	3,33%
Total		30	100%

Source: Primary Data Processed, 2024

Based on table 1.2, it can be seen that the education level of KWT members who are not in school is 3 members with a percentage of 10.00%, KWT members who graduated from elementary school are 7 members with a percentage of 23.33%, junior high school graduates are 8 members with a percentage of 26.67%, 11 members who graduated from high school with a percentage of 36.67%, while those who graduated from college are only 1 member with a percentage of 3.33%. In this case, it can be concluded that the level of education of KWT members is still relatively low, making it difficult to receive information, especially in the field of technology and in making quick decisions.

c. Joining KWT

The length of time to join a farmer group will affect farmers in gaining insight and broader knowledge related to agriculture. The assistance to KWT from agricultural extension workers will also help KWT members in understanding the problems that occur in farming and can make it easier to get information related to agriculture. According to Anindita *et al.*, 2019 The long span of being a KWT member provides experience to group members. Experience and interaction with the environment are able to shape the personality of each member to be able to develop their potential. In this case, joining KWT for a long time will show a beneficial performance for peasant women (Lestari *et al.*, 2023). The data on farmers related to the length of time they have joined KWT can be seen in table 1.3.

Table 1.3 Lama Joins KWT Tani Mulyo

No	Long Joining KWT		
	Year	Number of Farmers	Percentage (%)
1	1 - 10	12	40,00%
2	11 - 20	5	16,67%
3	>20	13	43,33%
Total		30	100%

Source: Primary Data Processed, 2024

Based on Table 1.3, the number of farmers who have joined KWT Tani Mulyo for a long time is the highest is more than 20 years with a total of 13 farmers and a percentage of 43.33%, while the number of farmers who have joined KWT is the lowest is 11 to 20 years with a total of 5 farmers with a percentage of 16.67%, and the number of farmers who have joined KWT in 1 to 10 years is 12 farmers with a percentage of 40.00%. The participation of farmers in the KWT will affect decision-making and solve problems quickly and well. In this case, the longer it takes to join KWT, the more experience and insight farmers will also increase in obtaining information related to businesses in the current agricultural sector.

d. Number of Family Dependents

The number of family dependents is the number of members who are dependents of the household, both siblings and non-siblings who live in the same house but have not worked. Jumlah tanggungan keluarga is one of the factors that need to be considered in determining income in meeting its needs. The large number of family dependents will encourage farmers to carry out many activities, especially in finding and increasing their family income. The more family members, the greater the burden of life that will be borne or must be fulfilled (Mandang et al., 2020). The number of family dependents is grouped into 3 groups, namely small family dependents, namely 1 to 3 people, medium family dependents, 4 to 6 people, and large family dependents, which are more than 6 people (Hanum, 2022). The number of family dependents in KWT members can be seen in table 1.4.

Table 1.4 Number of Family Dependents in Members of the Mulyo Farmers Women Farmer Group (KWT)

No	Family Dependents of KWT Members		
	Group	Sum	Percentage
1	Small	10	33,34%
2	Keep	18	60,00%
3	Big	13	3,33%
4	No Dependents	1	3,33%
Total		30	100%

Source: Primary Data Processed, 2024

Based on table 1.4 regarding the number of family dependents in the KWT, the majority of family dependents are included in the medium group with a total of 18 members with a percentage of 60.00%. The number of family dependents in a small group is 10 members with a percentage of 33.34%, the number of family dependents in a large group is 13 members with a percentage of 3.33%, and there are members who do not have dependents, namely only 1 member. The number of dependents is usually influenced by geographical, educational, age, and cultural aspects.

2. Pemahaman Terhadap Program Simpan Pinjam

According to Marhanany (2022), savings and loans for women's groups are activities of women's groups in rural communities in managing capital or jointly owned

finances to meet their living needs in order to improve household welfare among their members. There is a need for a program in the context of community empowerment, especially for women who are able to help and increase income in their households. One of these programs is through the savings and loan program. The savings and loan program is one of the alternatives to solving capital problems even to technical, information, technology, management, and market goals (Ritonga et al., 2021). The savings and loan program is expected to help in fulfilling business capital. The existence of the savings and loan program, of course, there are provisions that regulate the implementation of the savings and loan program, one of which is the existence of Articles of Association (AD) and Bylaws (ART) that need to be understood by all members and administrators who are members of the KWT. The savings and loan program of course also has general guidelines, implementation instructions, and technical instructions which are no less important to be understood by all members of KWT. The importance of understanding savings and loans for members so that in the future they can be used according to their proportions and needs. The data related to the understanding of the savings and loan program by all members and administrators who are members of KWT can be seen in table 1.5.

Table 1.5 Understanding of Members and Administrators of the Wani Tani Group (KWT)

No	Category	General Guidelines	Implementation Instructions	Technical Instructions
1	Paham	14	14	14
2	Don't Understand	16	16	16
Total		30	30	30
Average		0	0	0

Source: Primary Data Processed, 2024

Based on table 1.5 related to the understanding of KWT members and administrators, the majority of members do not understand the general guidelines, implementation guidelines, and technical guidelines. The lack of understanding requires assistance to improve the understanding of KWT members and administrators. The existence of the savings and loan program has the aim of helping KWT members in business capital, especially members who have a low economy so as to increase household income.

3. Benefits of Savings and Loans for Business Capital

Savings and loan is a program that aims to accommodate and provide facilities to someone in opening a business. One of the purposes of savings and loan is to be able to finance and provide business capital, besides that the existence of savings and loan aims to improve the economy of KWT members. The benefits of saving and borrowing are to provide convenience for members in obtaining business capital, being able to develop member businesses, and eliminating loan sharking practices (Muljono, 2012). Based on the results of the study, it was found that the existence of savings and loans was able to finance a business so that it had an effect on improving the economy of the members. The majority of members after the program turned out to have an effect on increasing income so that it could help in fulfilling household needs.

4. Savings and Loan Application Mechanism at Tani Mulyo Women Farmers Group (KWT)

Mechanism is the way an organization works to organize or control activities based on concepts and principles to succeed in achieving goals more effectively and efficiently (Marhanany, 2022). The target of the savings and loan program is KWT members who are active and need funding or capital in business and basic needs. The

form of this savings and loan program is that KWT members save money and provide loans for additional business capital that has deposit fund management and loan fund management. Based on the results of interviews related to the savings and loan program, it is found that every member or administrator who participates in the program every month during routine meetings is allowed to save money or save with a free amount, there are no special provisions related to the amount of money saved, while members who are borrowing money are required to pay installments every month during routine meetings at a predetermined interest rate of 3% regularly every month. At the end of the year there is an evaluation and repayment for members who borrowed funds and have not paid off in full, and there will be appreciation for members who have paid off. The loan application mechanism for KWT members can be seen in Figure 1.1.

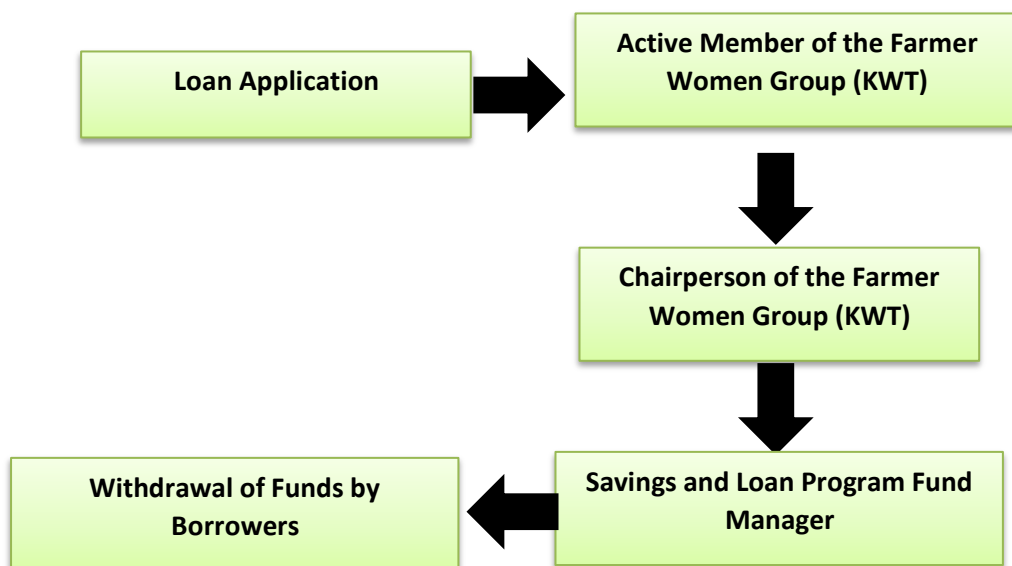


Figure 1.1 Loan Application Mechanism

CONCLUSION

The existence of a savings and loan program in the Women Farmers Group (KWT) can help members and administrators who participate in the program in fulfilling capital or meeting basic needs of life, which has an effect on improving the economy. The savings and loan program has regulations that regulate the mechanism and requirements for savings and loans. Members or administrators who participate in the program every month during regular meetings are allowed to save money or save with a free amount without special provisions, while members who are borrowing money have a provision that every month they are required to pay installments of a predetermined interest rate of 3%. At the end of the year, there is a repayment for members who have not paid off in total. It is hoped that this program can facilitate members in increasing their household income.

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