

CONVERSION SERVICE OF SHARIA COOPERATIVE KPN KARYAWAN PENDIDIK MUARA ENIM

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Abstract

The cooperative Koperasi Pegawai Negeri (KPN) Karyawan Pendidik is situated in the Muara Enim region. KPN Karyawan Pendidik has been attending trainings on Sharia Economics and Finance in Java for the past few years, with the goal of converting its cooperative into a Sharia cooperative. Concerns about the benefits of the Koperasi Karyawan Pendidik which had been run for decades, drove the administration to convert KPN Karyawan Pendidik. In the end, they hired Share-e Management as a consultant to help them realize the conversion of the sharia cooperative. Beginning with the technical management of the organization, the operational implementation system, and ending with the goods and contracts that Share-e Management has been tasked with overseeing as a consultant for the upcoming year. This kind of study is founded on qualitative research, which is the utilization of human research subjects—that is, research participants—as tools in the study. The researcher describes the issue based on the data that is currently available, does more analysis, and then draws conclusions. This technique is known as descriptive analysis. The object of this research is the conversion of KPN Karyawan Pendidik to USPPS KPN Karyawan Pendidik which is carried out at the KPN Karyawan Pendidik Office located at Jl. Air Lintang Number 257 Air Lintang Village Muara Enim.

Keywords:

Public Employee Cooperative; Sharia Cooperative; Socialization.

INTRODUCTION

It is in human nature to value morality and goodness (Antasari, Nilawati, Adib, Sari, & Sobari, 2022). Naturally, as communal creatures who constantly seek advantages, personal concerns play a role in the production of goodness and virtue. But occasionally this kindness clashes with his egotistical character, causing mischief, hurt, or evil behavior to emerge in him. This behavior is sometimes realized or not in direct confrontation with the community and surroundings. Furthermore, occasionally, other people attempt to stop him from doing good by engaging in a variety of dishonorable activities (Rusdi & Tjahjono, 2023).

"One Dirham of usury taken by a person is more sinful in the sight of Allah than 33 times of adultery in Islam" (H.R.Thabrani), "The Messenger of Allah SAW cursed the usurer, the one who pays it, the scribe, and the witnesses. He said, "They are all the same" (H.R. Muslim). These hadiths provide an explanation for Islam's ban on usury. Furthermore, usury is still practiced today, even in cooperatives and other microfinance organizations (Barkah, 2014; Barkah, Huzaimah, Rochmiyatun, & Ramdani, 2022;

Huzaimah & Aziz, 2018). Based on this, the Share-e Management Team is urged to end the usury practice, one way of which is by converting South Sumatra Region cooperatives to Sharia cooperatives in order to refrain from charging interest (Anwar, Juniawati, & Muwazir, 2023).

A cooperative is a company or enterprise made up of associations, groups, or organizations under management working toward shared objectives. Typically, cooperatives are built on the kinship basis. Cooperatives have the power to alter society's level of prosperity and economics. A cooperative is a company or legal organization founded by a dynamic group. Several specialists can propose cooperatives based on theory (Bayumi & Jaya, 2018; Lidyah, Mismiawati, Akbar, Africano, & Anggreni, 2020; Mustafa, Bani Atta, Bani Ahmad, Shehadeh, & Agustina, 2023).

Cooperatives have an effect on or a function in the socioeconomic development process. The cooperative can have a direct microeconomic influence on the members' economies as well as an indirect microeconomic impact on the cooperative organization environment through improved profit

sharing, more employment, and expansion. While there are many benefits that cooperatives can offer, the following are some of the macro effects: (1) raising incomes and improving the financial circumstances of farmers, artisans, and others, as well as decreasing rural poverty; (2) boosting capital formation activities and enhancing human resources through training and education for members, staff, and managers; and (3) developing markets, enhancing market structure and fostering more intense competition.

Thus, it can be said that a cooperative is a type of business or business that collaborates with another business in an association or group to accomplish shared objectives. In the theoretical research under consideration, the cooperative is a sharia cooperative. An organization founded on the Qur'an and hadiths is known as a sharia cooperative, which is an economic cooperative.

A cooperative called Koperasi Pegawai Negeri (KPN) Karyawan Pendidik is situated in the Muara Enim region. KPN Karyawan Pendidik has been attending trainings on Sharia Economics and Finance in Java for the past few years, with the goal of converting its cooperative into a Sharia cooperative. Elementary school teachers who work as public workers make up KPN Karyawan Pendidik, together with the organization's administration. Former elementary school teacher Karyawan Pendidik served as the organization's treasurer, secretary, and chairman until retiring.

The management of KPN Karyawan Pendidik was driven to convert because they were worried about the Educator Employee Cooperative's blessing, which had been overseen for many years. Eventually, they entrusted Share-e Management as a consultant to help them realize the conversion of the sharia cooperative. A consultant named Share-e Management will help with everything from the establishment's technical administration to the operational implementation system, goods, and contracts during the course of the following year.

Literature Review

Cooperative

An economic entity run and owned by private citizens for the benefit of society is called a cooperative (Ikhsan, Panorama, & Badaruddin, 2023). The people's economic movement, which is

founded on family values, is the foundation around which cooperatives build their operations. In accordance with the values and principles of the cooperative, cooperatives can be understood as legal entities established by individuals or as cooperative legal entities that separate member wealth as capital for operating a business that satisfies shared needs and aspirations in the social, cultural, and economic spheres (Purba, Harahap, Karo, Batubara, & Dai Sulfina, 2023). A cooperative is defined as a legal entity established by individuals or cooperative legal entities, using the wealth of its members as capital to run a business that satisfies common needs and aspirations in the social, cultural, and economic spheres in accordance with cooperative values and principles. This definition is found in Law No. 17 of 2012 concerning cooperatives, Article 1 Paragraph 1 (Koperasi & Menengah, 2012).

A set of abstract concepts known as cooperative principles serve as a roadmap for creating cooperatives that are both successful and long-lasting (Azwari, Febriansyah, & Jayanti, 2022; Safitri, Lidyah, & Rachmania, 2022). The International Cooperative Alliance, a global non-governmental cooperative federation, has developed the most recent cooperative principles, which include: democratic management, open and voluntary membership, member participation in the economy, freedom and autonomy, and the advancement of information, education, and training (Komarudin & Puspita, 2022; Harja, Anjarwani, & Zubaidi, 2018).

In Indonesia itself, Law no. 25 of 1992 concerning Cooperatives has been made. The principles of cooperatives according to Law no. 25 of 1992 are:

1. Membership is voluntary and open
2. Management is carried out in a democratic manner
3. SHU (Sisa Hasil Usaha Koperasi) distribution is carried out fairly in accordance with the business services of each member
4. Provision of limited return on capital
5. Independence
6. Cooperative education
7. Cooperation between cooperatives

Sharia Cooperative

Cooperatives can aid in the community's endeavor to combat poverty. Islamic cooperatives use processes and goods that are derived from the haidts

and the Qur'an. In terms of performance, Islamic banking institutions and Islamic cooperatives are nearly identical. It's only that the available items allow one to distinguish the difference. Contracts in other Islamic financial organizations and Islamic cooperatives are essentially the same (Barkah et al., 2022; Huzaimah, Abdillah, Laila, Tamudin, & Astuti, 2023). Islamic cooperatives are so associated with individuals who require finance in order to grow the kind of business that they oversee. Islamic cooperatives also play a wide range of responsibilities in a nation's economy, education system, and other areas.

Here are the various roles that can be played by Islamic cooperatives in Indonesia, namely:

- a. Islamic cooperatives contribute to social justice in the society. Islamic cooperatives are still working to ensure fairness in each and every transaction with their clients. Islamic cooperatives operate under norms that comply with Islamic law and regulations. Every method under sharia principles uses margins, or installments of a percentage that the cooperative is required to pay. Islamic financial organizations, primarily cooperatives, must implement equitable principles in all of their daily operations.
- b. Islamic cooperatives are involved in learning initiatives. Islamic cooperatives are becoming more prevalent and have the potential to educate the community and potential clients. Regarding what counts as education in the search for knowledge, such as the risk posed by an Allahi's servant consuming another person's rights. Islamic cooperatives educate its members to abstain from usury. Islam's principles do not support greedy business methods in any profit that is overseen by other cooperatives. Islamic cooperatives may benefit every tool since they are founded on the Qur'an and hadith in every mechanism and product. Following sharia law will be advantageous in the hereafter. Islamic cooperatives provide its clients *maslahat* for any transactions they choose to complete, including loans. Social services can be offered by Islamic cooperatives to every community.
- c. Islamic cooperatives contribute to a nation's economy and well-being. Islamic cooperatives are able to offer loans with low interest rates. When a consumer wants to transact, Islamic

cooperatives have a kind of contract that can ensure them. Customers will therefore feel secure and at ease if the method is used consistently. Islamic cooperatives can develop into Islamic financial institutions that MSMEs need if they provide a lot of funding to clients in an appropriate manner. There are several kind of Islamic financial institutions that are common in Indonesia. Simply said, a lot of individuals lend money to traditional cooperatives. Although there is nothing in Islamic principles that supports the methods used in these organizations. Thus, small- and medium-sized business owners can utilize Islamic cooperatives as a reference while growing their enterprises. When several companies or local enterprises grow, the community's economic standing and state income both rise.

With the presence of sharia cooperatives, it provides the community, especially for business people, in realizing and developing the business that was pioneered. Usury, *gharar*, and *maysir* practices are not present in Islamic cooperatives, nor are they their foundation. Islamic cooperatives can help us avoid actions that Allah forbids. The use of capital loans against moneylenders is one of the sharia cooperative activities that need not to be implemented. Islamic doctrines forbid usury, so capital loans to moneylenders with exorbitant interest rates are forbidden.

Concept of Sharia Cooperation

Cooperatives are among the best arrangements for small-scale economic collaboration. Because the ideals and concepts of unity, reciprocal assistance, and shared wealth may be found in cooperatives. As the ideal form of economic cooperation, cooperatives drew particular attention from Bung Hatta because they are strategic organizations that serve as "weapons of fellowship for the weak to defend their lives" (Ghulam, 2016).

Cooperatives are classified as *Syirkah/Syarikah* in Islam. *Syirkah* is a commercial partnership in which two or more individuals share earnings and losses (Ghulam, 2016). The reasoning presented in the Qur'an and Hadith form the basis of Sharia law, which supports the legitimacy of the *shirkah* contract. Among the ideas are the following:

- a. One of the legal bases in the Qur'an is found in

QS.38: 24: Meaning:

".... And indeed most of those who join together do wrong to others, except those who believe and do righteous deeds; and they are very few."

b. Legal basis in the Hadith: Meaning:

"I (Allah) am the third of two parties in a partnership as long as one party does not betray the other. When one party betrays the other, I leave them."

If a *syirkah* contract satisfies its requirements and pillars, it will be deemed legitimate. Scholars of Fiqh disagree in this aspect, nevertheless. The Hanafis state that *shirkah* is based on two pillars: *ijab* and *kabul*, as *shirkah*'s presence is determined by *ijab* *kabul*, or contract. As was previously the case in the sale and buy contract, the other parties, such as the two individuals or parties to the contract and the property, are not included in the discussion of the contract.

Syirkah al-amlak (*syirkah* ownership) and *syirkah al-'aqd* (*syirkah* contract) are the two categories into which *shirkah* contracts can be divided. When a will, inheritance, or other arrangement makes one asset the property of two or more persons, it's known as *syirkah al-amlak*. There are disagreements between various *madhhabs* over the partition of *Syirkah Al-'Aqd*. The Hanbali school divides it into five categories, which are as follows: *al-mudarabah*, *al-abdan*, *al-wujuh*, *al-mufawadhah*, and *syirkah al'Inan*. In the meanwhile, the Hanafiyah school divides it into three categories: *syirkah al-amwal*, *syirkah al-a'mal*, and *syirkah al-wujuh*. Each of these categories is occasionally further subdivided into *mufawadhah* or *'inan*.

The *shirkah* contract becomes enforceable upon the fulfillment of its pillars and requirements. Conversely, the contract will immediately be void if any one of them is not met. A *shirkah* contract can be broken in theory if one of the partners passes away, becomes apostate, or suffers from a mental illness. A *shirkah* contract may also be dissolved if one of the partners ends it in the middle for any reason, including financial losses. In actuality, every partner has the fundamental authority to either extend or end the *shirkah* contract

METODE

The author specializes in qualitative research methodology. Research that applies scientific

reasoning is referred to as qualitative research. This kind of research is founded on qualitative research, which is research that employs human research objects—that is, study participants—as its means of collection (Rukajat, 2018). A qualitative research methodology was used to conduct the study. A technique for gathering data from interview results was used in this investigation. Using research items or samples that can reveal an issue that needs to be fixed is how a qualitative method is implemented.

The descriptive-analytical technique is employed, in which the researcher first characterizes the issue based on the data that is currently available before conducting additional analysis to make inferences. Using this descriptive-analytical method, the researcher looks for facts and gathers information by accurately and precisely analyzing it. The data is then processed to support hypotheses and generate additional interpretations regarding the degree of influence between variables, and finally, a conclusion is made regarding the issue being studied.

Converting KPN Karyawan Pendidik into USPPS KPN Karyawan Pendidik is the goal of this research, which is being done at the KPN Karyawan Pendidik Office, which is situated at Jl. Air Lintang Number 257 Air Lintang Village Muara Enim. This conversion procedure takes six months to complete, with up to a year of help. beginning on September 2, 2020, and ending on September 02, 2021.

RESULT AND DISCUSSIONS

Cooperatives for savings and loans have grown in importance within society as a whole. The cooperative Koperasi Pegawai Negeri (KPN) Karyawan Pendidik is situated in the Muara Enim region. KPN Karyawan Pendidik has been attending trainings on Sharia Economics and Finance in Java for the past few years, with the goal of converting its cooperative into a Sharia cooperative. Elementary school teachers who work as public workers make up KPN Karyawan Pendidik, together with the organization's administration. Former elementary school teacher Karyawan Pendidik served as the organization's treasurer, secretary, and chairman until retiring.

KPN Karyawan Pendidik's management is converting into a Sharia cooperative by entrusting Share-e Management as a consultant in realizing the conversion of the sharia cooperative after realizing

through the various management that the management is concerned about the blessing of the Educator Employee Cooperative that has been managed for decades. A consultant named Share-e Management will help with everything from the establishment's technical administration to the operational implementation system, goods, and contracts during the course of the following year. The following goals are included in the conversion of Muara Enim Educator Employees' KPN Syariah Cooperative: (1) Establishing KPN Muara Enim Educator Employees as a Cooperative that avoids usury and functions in line with sharia principles 3) Seeking the benefits of this world and the next. (2) Encouraging Cooperative Members to be able to do business in an Islamic manner.



Figure 1. Stages of Islamic Cooperative Conversion

Some of the stages carried out for the Conversion of KPN Employees Educators to USPPS KPN Employees Educators, namely:

1. A feasibility study determines whether a proposed project is feasible to carry out. A feasibility study seeks to logically and objectively ascertain the benefits and drawbacks of both current and new projects, as well as their

effects on the environment, the resources needed, and the project's prospects. Put simply, cost and value for money are the two factors used to evaluate feasibility. This, in this instance, is the examination of KPN Karyawan Pendidik's state and preparedness to become USPPS KPN Karyawan Pendidik.

2. Help with the preparation of the essential administration, such as the conversion and legality application administrations.
3. Organizational Framework Organizational design is essentially the process of forming relationships and putting structures in place to accomplish organizational goals. Design is a pattern concerning the interaction between various components and elements of the organization.
4. Qualifications for the Sharia Supervisory Board filling in the organizational structure are recommended.
5. Creation of Social, Finance, and Savings Products.
6. Administrative forms, product agreements, and operational SOPs are all complete.
7. Education on the fundamentals of Islamic banking and Islamic cooperative goods for managers, supervisors, founders, and members.
8. Managers and administrators get training in Islamic cooperative accounting and financial statements.
9. Sharia One year of operational coaching and support (1 financial reporting cycle).

Roadmaps

The USPPS KPN Karyawan Pendidik has the following roadmaps for the next three years in order to attain stability with regard to finance, legality, ADM and SDI operations, and sharia aspects.

ROADMAPS



Figure 2. Roadmaps USPPS KPN Muara Enim Educator Employees

CONCLUSION

Cooperatives for savings and loans have grown in importance within society as a whole. A cooperative called Koperasi Pegawai Negeri (KPN) Karyawan Pendidik is situated in the Muara Enim region. The goal of KPN Karyawan Pendidik Muara Enim's conversion to a sharia cooperative is to transform the organization into one that upholds sharia principles, refrains from usury, and supports its cooperative members in order to enable them to conduct business in an Islamic manner and pursue blessings in this life and the next.

To change KPN Karyawan Pendidik into USPPS KPN Karyawan Pendidik, the following steps are taken:

1. A feasibility study.
2. Help with the preparation of the essential administration, such as the conversion and legality application administrations.
3. Organizational Framework Organizational design
4. Qualifications for the Sharia Supervisory Board filling in the organizational structure are recommended.
5. Creation of Social, Finance, and Savings Products.
6. Administrative forms, product agreements, and

operational SOPs are all complete.

7. Education on the fundamentals of Islamic banking and Islamic cooperative goods for managers, supervisors, founders, and members.
8. Managers and administrators get training in Islamic cooperative accounting and financial statements.
9. Sharia One year of operational coaching and support (1 financial reporting cycle).

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Attachment To Community Service

Training on Islamic Finance Basics and Islamic Cooperative Products

