

The Existence of Islamic Microfinance Institutions In Increasing Economic Resilience in South Sumatra Province

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Abstract

Micro, Small and Medium Enterprises in Indonesia are highly dependent on informal sources of financing and Micro Finance Institutions (MFIs) due to limited access to finance. But entering the era of disruption, where there will be changes in transactions and financing. Therefore the purpose of this study is to see how the existence of the Institute is increasing economic resilience in South Sumatra. Literature studies certainly contribute to ensuring the concepts that have been designed are solid and well-established to be applied. The findings found that the factors that influence the sustainability of microfinance institutions are part of economic resilience, namely industry and business structure, financial arrangements, labour market conditions and governance which will be analyzed in dealing with shocks, growing, adapting and innovating in the face of external shocks.

Keywords: Economic Resilience, MFIs, MSMEs

Introduction

The existence of microfinance institutions as a bridge for the economy has been felt for a long time. Microfinance has gained traction as an intervention tool for poverty alleviation strategies and for achieving development goals (Copatake, 2007; Tavanti, 2013). Statistics show that several IMFIs have played a role in alleviating poverty and improving the living standards of the poor (Aslam, 2014; Manan and Shafiai, 2015). Haque et al. (2021). The industry is still significantly dominated by government-backed NGOs and microfinance institutions (MFIs). (Nogueira et al.,2020).

According to the Microfinance Barometer (2018), MFIs have experienced rapid and extensive growth with 139 million clients globally, and loan portfolio sizes reached USD 114 billion in 2017. In addition, the number of borrowers is growing by 5.6% annually, and the annual growth rate of the loan portfolio is 15.6%. As such, microfinance has become a tool for reducing poverty, creating jobs, promoting gender equality and driving growth processes from the bottom up. (Shabiha Akter, 2021)

Islamic Microfinance Institution has a very significant role in driving the economy and increasing community small and medium businesses. The development of this institution is growing rapidly because most business actors in Indonesia are small and medium enterprises. The development of Islamic microfinance institutions is quite potential. This institution has helped around 920,000 more small and medium enterprises in Indonesia. (Burhanuddin Yusuf, 101 – 112) (Latest development of LKMS)

According to OJK data until August 2021, the number of Sharia Microfinance institutions under OJK is 82 out of 227 existing LKMS with total assets of Rp. 519.02 Billion. Meanwhile, according the financial report of the Ministry of Cooperatives and SMEs as of 31 December 2020, it was explained that microfinance institutions based on Savings and Loans Cooperatives in Indonesia reached 4,169 units out of 17,737 units with assets of 17,628.16 billion. In South Sumatra alone, 3,960 Islamic microfinance institutions in the form of cooperatives have existed, with 10% of them being Islamic cooperatives. (<http://Nik.depkop.go>)

However, the report issued by the Ministry of Cooperatives and SMEs as of

December 2020 shows that the total assets of cooperatives in South Sumatra have only reached 2,843,632.67. While the highest assets are in the Central Java region of 41,472,922.86. Followed by the East Java region with 33,173,654.89 and the DKI Jakarta area with 30,286,632.27. South Sumatra occupies the 16th position among other regions in Indonesia. The development of these assets is still far behind compared to other regions. Because of this condition, there is no single cooperative Sharia in South Sumatra that changed its status to become an Islamic Microfinance Institution under the supervision of the OJK, just like Sharia cooperatives in other regions.

This is an important record of the development of Islamic cooperatives in South Sumatra. This Islamic microfinance institution experiences many challenges in carrying out its functions and role in society. In the research conducted by Muhammad Kamal Zubair, he found that funding sources were the main problem for this institution. The ability to raise funds is still a problem at this time, but on the one hand, the number of financing customers that must be served is quite large. (Muhammad Kamal Zubair, 204). A global survey shows that the reach of Islamic microfinance is very limited (Karim, Tarazi, & Reille, 2008). In this case, Islamic microfinance has only served 300,000 customers through 126 Islamic microfinance institutions in 14 countries.

As a result of this limited funding, the services provided by these financial institutions are not maximized. Starting from the range of services for customers, inadequate IT systems, resulting in poor management due to the inability to pay for highly qualified professionals. (BAPPENAS, 99) Meanwhile, according to Burhanuddin Yusuf, the problem that is often faced by Islamic microfinance institutions, especially Islamic cooperatives, in addition to capital and managerial problems, is the low quality of human resources. So that the institution's operations are not running effectively and efficiently, it even seems less innovative. In addition, the image of cooperatives in society is lower than that of other financial institutions. (Burhanuddin Yusuf, 2016)

Islamic microfinance institution serves many MSMEs (Micro, Small and Medium Enterprises). And according to the Sharia economic and financial reports issued by Bank Indonesia, as of December 2020, it shows that business actors served by these microfinance institutions reached 4.23 million people. The volume of micro businesses produced by Sharia Cooperatives is quite large, namely 36 units either through KSP or KSPPS in 10 Provinces in Indonesia with a value of 1.1 trillion which is distributed to 315,690 businesses. (Ministry of Cooperatives and SMEs). In fact, according to Ascarya (2014), microfinance institutions are still unable to meet the demands of 55.9 million micro enterprises (UM) in the country. There are still many micro businesses that cannot access loans from both conventional and Sharia MFIs. (Ascarya, 2014). A global survey shows that the reach of Islamic microfinance is very limited (Karim, Tarazi, & Reille, 2008). In this case, Islamic microfinance has only served 300,000 customers through 126 Islamic microfinance institutions in 14 countries.

MSMEs have a significant role in the country's economy. A survey conducted by the International Financial Corporation (IFC) in 132 countries shows that Indonesia is one of the five countries with the highest MSME density in the world. In other countries, there are an average of 31 MSMEs per 1,000 population. In Indonesia, this figure reaches 100 SMEs for every 1,000 population (IFC, 2010). The MSMEs density level in Indonesia is in second place, below Brunei Darussalam which has 122 MSMEs per 1,000 population. And this is dominated by 98.7% of our MSMEs are Micro Enterprises.

The Indonesian Ministry of Cooperatives and SMEs reported that in terms of the number of units, MSMEs had a share of around 99.99% (62.9 million units) of the total business actors in Indonesia (2017), while large businesses only accounted for 0.01% or around 5400 units. Micro Enterprises absorb around 107.2 million workers (89.2%), Small Enterprises 5.7 million (4.74%), and Medium Enterprises 3.73 million (3.11%); while Large Enterprises absorbed around 3.58 million people. This means that combined

MSMEs absorb around 97% of the national workforce, while large enterprises only absorb around 3% of the total national workforce. Temporarily according to the World Bank (2020), as much as 90 per cent of business entities are MSMEs whose contribution to global employment reaches 50 per cent. In addition, formal small and medium enterprises contribute 40 per cent of the gross domestic product (GDP) in developing countries. (Indonesia, 2021).

Even though they make a real contribution to the national economy, the development of MSMEs experiences several obstacles, especially regarding access to finance. This has been the finding of the Enterprise Survey by the World Bank and the results of a poll conducted by Kompas Research and Development. The results of the Enterprise Survey more fully show six obstacles experienced by MSMEs to develop their businesses, namely access to financial services (Ashari, 2006), competition from the informal sector, taxes, political instability, corruption, and access to electricity (IFC, 2010). Another survey conducted by BPS also showed similar results. The 2014 Micro and Small Industry Survey (IMK) with 60,000 respondents indicated three main obstacles in running a business, namely capital difficulties (38.5 per cent), raw material difficulties (25.02 per cent),

Economic resilience shows whether or not a region is resilient when facing challenges, threats, obstacles and disturbances while achieving economic development. Economic development in question is the attainment of social welfare that is just, advanced, and independent through meeting the necessities of life, increasing the capacity and quality of resources, and followed by a sustainable competitive advantage (RI City Resilience Institute, 2015).

Economic development based on MSME development by optimizing microfinance institutions faces obstacles in institutional effectiveness. Resource optimization management past society participation locally and the quality of human resources through increasing institutional competence are factors that influence institutional effectiveness (Anantanyu and Sumardjo, 2009). Inserting local wisdom values into development amid cultural pluralism with unique customs and different values, coupled with development concepts that are oriented towards fulfilling basic needs, independent development and environmentally sound development are very important (Hettne, 2001). Therefore, strengthening the role of the community as a local institution to address the issue of wealth of development is a must, to create more effective institutions. The spectrum of institutional strengthening in a more effective direction through creative industries continues to roll amid social and economic dynamics which is at the same time the right choice to maintain economic resilience in conditions of the global crisis to be able to stimulate the creation of forms of creativity that have a higher value, including economic value and its contribution to the economy (Romarina, 2016).

Problem Statements

The achievement of just, advanced and independent social welfare through meeting the necessities of life, increasing the capacity and quality of resources, as well as being followed by a sustainable competitive advantage is an economic development that is carried out (RI City Resilience Institute, 2015). However, economic development based on the development of MSMEs through optimizing microfinance institutions faces institutional effectiveness constraints. Many problems faced by IMFs, according to Muhammad Kamal Zubair, found that the source of funding is the main problem of this institution (Muhammad Kamal Zubai, 2004).

Due to limited funds, the services provided by these financial institutions are not optimal. Starting from the range of services for customers, inadequate IT systems, and too bad management due to the inability to pay for qualified professionals. (BAPPENAS,

99).

Meanwhile, according to Burhanuddin Yusuf, the problem faced by these microfinance institutions is the low quality of human resources. So that the institution's operations do not run effectively and efficiently, it even seems less innovative. In addition, the image of these institutions in society is lower than that of other financial institutions. (Burhanuddin Yusuf, 2016) However, this institution is required to become a professional financial institution from various aspects to meet the needs of MSME financial services. The spectrum of institutional strengthening in a more effective direction through creative industries continues to roll amid social and economic dynamics which is also the right choice to maintain economic resilience.

The involvement of micro-enterprises in building economic resilience is very important; however, this sector is difficult to develop because its activities come from the lower strata of society which are difficult to reach. Formal financial institutions claim that actors in this segment do not have the potential for funds, thereby hindering their development. Micro, Small and Medium Enterprises in Indonesia are highly dependent on informal sources of financing and Micro Finance Institutions (MFIs) due to limited access to finance. (Zarmawis Ismail, et.all 2014). The Industry Survey shows three main obstacles in implementing this MSME business, namely capital difficulties, raw material difficulties, and marketing difficulties (BPS, 2014).

The study conducted by Davidson found that these business actors are not interested in venture capital, this reflects their reluctance to develop their business. (Davidsson, Achtenhagen, and Naldi; 2005). Tewari shows that many MSME entrepreneurs do not have aspirations to grow and develop because they are in an ineffective entrepreneurial situation (Tewari, Skilling, and Wu; 2013). According to Bunganova, this condition is influenced by their perception of business and the external environment. (Bunganova, 2016), this condition is also influenced by intentions, aspirations and hopes for opportunities with available resources. (Julie Hermans, 2015). The era of disruption has also made the behaviour of economic actors change. One of those changes is the way people transact and make financing. In the economy, the transaction mechanism has evolved many times. Starting with barter transactions to non-cash transactions using card payment instruments, all of them are influenced by technological changes which are the motor of change. (Harisah, 2021). Therefore, this study tries to examine how the existence of Islamic Microfinance Institutions in Increasing Economic Resilience in South Sumatra.

Literature Review

As for research on economic resilience, among others, carried out by Yang Ban (2023), Evi Mufrihah Zain, et. all (2022), M. Ikhwan (2021), and Lili Marlinah (2017). Yang Tire (2023) stating that regional economic efficiency and resilience are necessary conditions for sustainable regional economic development. The purpose of this study is to explore a synergistic pattern between economic efficiency and economic resilience that is essential for sustainable economic growth and the development of urban agglomerations and the surrounding area. This study was conducted in Harbin–Changchun urban areas from 2010 to 2019. To measure economic efficiency, economic resilience, and synergistic capacity of agglomerations. The method used with the super efficient SBM model, the entropy-TOPSIS model, and the Haken model. This study also proposes a strategy to weaken inter-regional differentiation and increase economic efficiency and economic resilience across cities according to the actual situation.

Meanwhile, Evi Mufrihah Zain, et. all (2022) discusses the economic resilience of financial management. This study was carried out by residents in the Sapordanco Village, Waisai District, Raja Ampat Regency, West Papua. This program was carried out over a period of 3 days. The method used was training and assistance regarding family

financial management. The results of this service show that residents are very enthusiastic about participating in financial management training. Furthermore, by carrying out this service activity, the community, especially housewives, can manage household finances. In addition, this activity is also able to provide support so that housewives avoid moneylenders.

M. Ikhwan (2021) discusses Economic Resilience in the Family. This study explains that the Islamic economic system is not only an alternative economic system but can be a solution for economic resilience from various family economic problems. This paper uses qualitative methods to explain the concept of Islamic economics as a solution to strengthening the family economy with a philosophical and normative approach and refers to secondary research sources such as books, journals and other scientific articles. From the observations that have been made, strengthening family economic resilience starts with applying Islamic economics in household life, then being simple, leaving usury practices, paying zakat, enthusiasm for work, not begging and responding to the government properly.

Lili Marlinah (2017) examines economic resilience from a creative economy standpoint. The creative economy, namely an economic concept in the new economic era that intensifies information and creativity by creating ideas and ideas that can be developed to improve the economy. The method used in this research is descriptive qualitative. The results of this study show that the creative economy has succeeded in increasing the resilience of the national economy because it has helped create jobs so that it can absorb labour by producing creative products.

As for those discussing the latest studies on microfinance institutions conducted by Ascarya Ascarya and Atika Rukminas, Titi Masrifah (2022), Zainab Belal Lawhaishy and Anwar Hasan Abdullah Othman (2022), Setiawan Budi Utomo, et. all (2021), Semambo Hussein Kakembo, et. all (2021). Meanwhile, Harisah and Romaji (2021) Besse Wediawati, et. all (2018), Yogi Alamsyah (2018) and Muhammad Kamal Zubair (2016) and Dasuki R (2015) study the sustainability of a microfinance institution.

Zainab Belal Lawhaishy and Anwar Hasan Abdullah Othman (2022) discuss LKMS as the application of Islamic-based equity to meet the needs of MSMEs and meet the socio-economic development goals of the Libyan state. As is also the study conducted by Semambo Hussein Kakembo, et. all (2021) which discusses how LKMS play a role in increasing the sustainability of Microfinance Institutions. There is an adoption of Islamic microfinance which can play a fundamental role in increasing the sustainability of microfinance institutions and being able to meet the financing challenges of Small and Medium Enterprises residing in Uganda. Studies are carried out critically regarding Small and Medium Enterprises, their performance and challenges. This conceptual study tries to understand how Islamic microfinance can be adopted as an alternative financing scheme to bridge the gap and reduce the financial challenges faced by Small and Medium Enterprises. (Ssemambo Hussein Kakembo, 2021). Even Islamic microfinance is seen as a good solution by providing products based on an asset approach and not based on a debt approach (Riwajanti, 2013)

Harisah and Romaji (2021) discuss the continued existence of LKMS for post-pandemic MSMEs. LKMS play a role in providing capital for MSMEs in Indonesia. Meanwhile, Besse Wediawati, et. all (2018) discusses the sustainability of Islamic microfinance institutions in Indonesia with a holistic approach that examines the spiritual aspects of intermediation combined with financial intermediation aspects and social intermediation aspects. The results of the study found that to achieve sustainability, IMFI can simultaneously carry out three intermediaries in its activities. Financial intermediation is carried out by providing a variety of financial services/products, easy requirements, and fast disbursement. While social intermediation can be done through knowledge dissemination, increasing self-confidence and increasing empowerment while

spiritual intermediation is carried out through Islamic exemplary, Sharia role models and compliance as well as Sharia literacy education and training for clients. (Besse Wediawati, 2018)

Weni Hawariyuni, Salina Hj. Kassim (2019) discusses Islamic microfinance models. The author proposes an integrated model using Islamic financing instruments with BRI Syariah microfinance case studies. Meanwhile, Dasuki R discussed the sustainability of cooperatives by looking at the relationship between financial and non-financial variables, namely capital structure, credit risk, social impact, financial performance and institutional sustainability. The study was conducted on cooperatives in West Java. Meanwhile, Yogi Alamsyah examines the theory of sustainability in the concept of sustainability in consumer behaviour.

Meanwhile, Muhammad Kamal Zubair examines sustainability factors in microfinance institutions. These factors are seen from internal factors and external factors that affect the institution, starting from management, capital, reach, resources, and innovation. From the studies that have been carried out, it is proven that only human resources and capital affect the sustainability of the institution.

Meanwhile, Ascarya Ascarya and Atika Rukminas, Titi Masrifah (2022) discuss what policies must be implemented to be implemented by LKMS to optimize their commercial and social activities to achieve wider affordability, sustainability and better welfare. A study conducted by Setiawan Budi Utomo, et. all (2021) on customers from financial institutions, including Islamic microfinance institutions, found that Islamic financial literacy, attitudes and awareness greatly influence the intention of business owners to use Islamic financial products. Interestingly, religiosity does not significantly affect attitudes towards Islamic financial products. Most users are utilitarians which primarily perceives the product based on seeking the benefits provided by the product. (Setiawan Budi Utomo, 2021).

Discussion

The definition of resilience in the Indonesian dictionary has the meaning of resistance, strength, strength of heart, endurance and patience. The word endures the meaning of remaining in a state (position) despite experiencing various things, power (strong) to suffer or endure something, or stay at home, able to spread, able to control oneself.

While the notion of resilience according to the expert, Holling (1973) defines resilience as how quickly a system that has been moved from equilibrium by disturbance or shock returns to that equilibrium. Holling's definition emphasizes efficiency, dependability and predictability. Meanwhile, according to O'Neill resilience is the implementation of socio-ecosystems to maintain or regain stability when experiencing external pressure. or distractions and distractions that come from within (O'Neill, et al, 1986; Pimm, 1984)

Dynamic conditions that are integrated with the existence of tenacity and toughness which contain the ability to develop strength in facing and overcoming all challenges, threats, obstacles and disturbances, both coming from within and from outside, to ensure survival and the struggle to achieve goals is a manifestation of Resilience. The concept of resilience is a theory originally used to address health and the environment. Then in development, resilience can be realized in various aspects of life, including ideology, politics, economics, society, culture, defence, and security. This concept is seen in various aspects of life. Resilience is an important foundation regarding the ability of the economy to recover from the effects of events that fail economic growth or development.

Resilience in the economic aspect shows whether or not a region is resilient when facing challenges, threats, obstacles and disturbances while achieving economic

development. Economic development in question is the attainment of social welfare that is just, advanced, and independent through meeting the necessities of life, increasing the capacity and quality of resources, and followed by a sustainable competitive advantage (RI City Resilience Institute, 2015).

Briguglio et. all (2003) defines economic resilience as the ability of the economic system to withstand or bounce back from the negative effects of external shocks. Briguglio uses economic resilience and economic vulnerability to discuss a country's ability to cope with exogenous shocks. While Simmie & Martin (2010), discusses economic resilience through the view of non-equilibrium resilience, in which the economy does not return to its previous equilibrium level after exogenous shocks thwart its growth path.

The theory of MFI sustainability that has been developed so far states that MFI sustainability is the ability of the MFI to run the system that has been built so that it can operate sustainably. When looking at economic resilience in a system. This is not only seen from the sustainability side. After looking at the factors that will affect its sustainability, then it is seen how the resilience of the system faces external opportunities and shocks with the strengths and weaknesses of the system. There is a system's ability to grow and adapt to various external shocks.

Economic resilience contains elements of defence strategy, ideological thinking, and the existence of economic activity, where defence economics is part of economics which aims to turn threats into opportunities, especially how to solve defence problems into economic aspects that contribute to aspects of defence through resilience factors (adoption of the thoughts of the Ministry of Defense, 2010 quoted by Yusgiantoro, 2014), According to R. Martin, P. Sunley (2015) Economic resilience consists of three dimensions, namely:

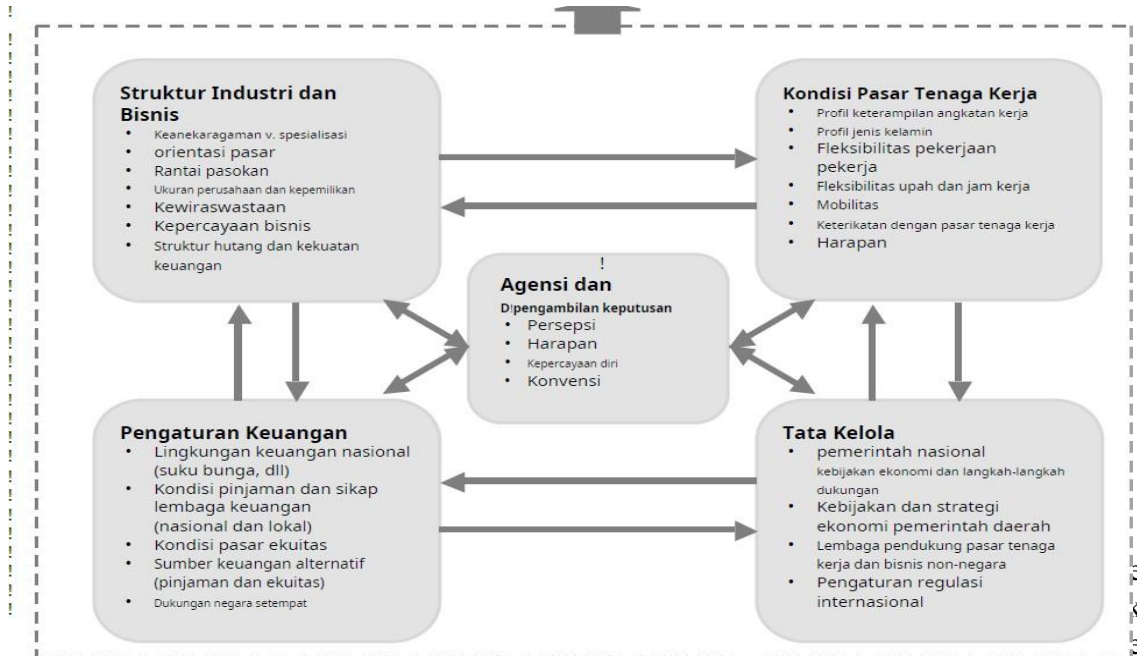
1. Ability to survive and recover,
2. Ability to adapt and adopt
3. Ability to innovate and transform.

Economic resilience on a micro scale can be defined as the adaptability of Institutional households against danger to avoid potential losses (Rose, 2009) Xu & Mo, (2013) manage change and maintain the ability to meet living standards. (DFID, 2011) Hallegatte, 2014) (Dinh & Pearson, 2015). Meanwhile, in the macro context, economic resilience can be defined as the ability of a region to maintain stable economic growth and maintain a sustainable standard of living for all its inhabitants through quality economic development while maintaining economic independence.

The economic aspect of economic resilience is closely related to consumer needs which include the production, distribution and consumption of goods and services so that efforts to improve the standard of living of people individually and in groups are affected (Marlinah, 2017). According to Martin, the factors that influence economic resilience are the diversification of the industrial structure, the wealth of social capital and the level of innovation development. (Martin, 2016) Meanwhile, according to Lilik, three factors support resilience in the Economic Sector, namely natural resources, labour and capital (Lilik, 2017)

According to the United States Agency for International Development (USAID) ASIA (2007) in Monica & Mardwi, (2014) that the social and economic factors that affect socioeconomic resilience are The amount of income owned by the community. Type of business owned in the future. the amount of savings owned by the community to deal with disasters. loan assistance to microfinance institutions to help the economy of the poor. The existence of a social organization that cares about the environment so that it often holds community service and others. access to education and health to help the level of education and health of economically disadvantaged people.

There is a government policy to help the community reduce the impact of the disaster that occurred. Meanwhile, according to R. Martin, P. Sunley (2015), the economic resilience of a region can be considered to be determined by the dynamics of four main economic subsystems that interact with each other: the structural subsystem and the business subsystem; labour market subsystem; financial subsystem; and governance subsystems



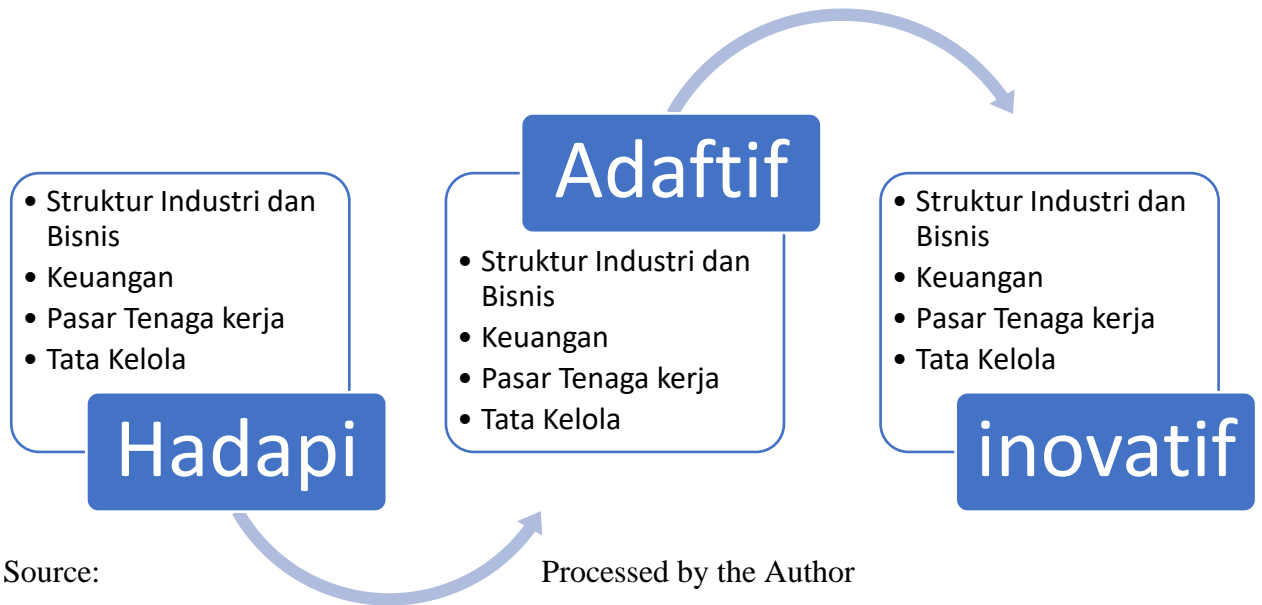
performance and sustainability of institutions, namely institutional viability, financial viability and Member Economy and Viability. Unlike the research conducted by Besse Wediawati, et. all (2018), the sustainability of Islamic microfinance institutions must pay attention to 3 things, namely financial intermediation, social intermediation and spiritual intermediation.

The internal and external dimensions that influence according to Dedik Irawan (2013) the development of LKMS, namely those that include internal factors are Human Resources (HR), Facilities, Management, Capital and Service Products, while things include external factors that affect its sustainability are Competitors or partners, Economic Conditions, Government Policies, Demographic Conditions and use of Technology

Meanwhile, according to Muhammad Kamal Zubair (2016) external and internal factors are indicated to affect the sustainability of LKMS. External factors cover three aspects, namely regulatory aspects, supervision aspects, and infrastructure aspects, while internal factors consist of five aspects, namely human resources (HR), management aspects, capital aspects, market reach aspects, and product innovation aspects.

The research conducted on the internal and external factors that affect the sustainability of a microfinance institution is part of the factors that affect economic resilience itself. Resilience in financial institutions is how to look at internal and external factors that are owned and faced by financial institutions in the context of household resilience or regional resilience on a macro scale. The three stages of surviving shocks, growing, adapting and transforming under shocks.

Economic Resilience Process Chart



Conclusion

Economic independence can be interpreted as the ability of a country's/region's economy to continue to grow stably, with minimal dependence on the global economy or outside the country. Countries with independent economies can survive even when most other countries experience economic turmoil. At this level of economic independence, many MSME creative industries are involved.

The main foundation for achieving national economic independence is public consumption which is determined by people's purchasing power. People's purchasing power is strongly influenced by the disparity in economic development between regions and regional poverty rates. An overview of the public's (public) consumption capacity can be observed through the poverty rate in the region. Poverty is considered an indicator of people's consumption ability because poverty can be interpreted as a person's inability to achieve a decent standard of living.

In addition, economic growth is also supported by the economic sector which absorbs labour, thereby reducing the poverty rate and unemployment rate. The economic growth carried out by MSMEs has been able to absorb the workforce of the community. The Provincial Government is part of the Unitary State of the Republic of Indonesia, which has the authority to carry out regional administration which is directed at accelerating the realization of social welfare, through improving services, empowering, increasing regional competitiveness, and empowering the community. The stability of economic growth is largely determined by the stability of the GDP (Gross Domestic Product) from year to year. GDP is an aggregate of government spending, investment, private consumption and the difference between exports and imports nationally and regionally. The importance of aspects of economic independence to maintain economic stability.

National economic resilience is capital to increase the economic growth of a country where economic growth as a process of increasing output from time to time is an important indicator for measuring the success of a country's economic development (Ditimi, 2015). Economic resilience is also a core component of sustainable economic development. Economic resilience emphasizes the ability to deal with shocks in an unstable external environment and the ability of the economy as a whole to adapt and change itself and achieve a "breakthrough path". threats, obstacles, and obstacles,

Economic development is directed at how to achieve economic resilience through

the creation of a healthy business climate and the utilization of science and technology, availability of goods and services, maintenance of environmental functions and increasing competitiveness in the scope of global competition. (Lili Marlinah, 2017) Therefore, the Provincial Government must continuously maintain and maintain the resilience of the regional economy so that it can realize holistic social welfare in Indonesia. In the nomenclature of Regional Government organizations, the implementation of coordination and monitoring of the maintenance of economic, social and cultural resilience, and handling of socio-economic conflicts in the provincial area is the duty and authority of the OPD of the Agency for National Unity and Politics.

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