THE NECESSITY AND TRUST CITIZENS OF BOGOR TO SHARIA MICROFINANCE INSTITUTION

A Alhifni[1a], Z Mukhlish[2], B Ahwarumi[3], F Fadhilah[4]
[1a]Faculty of Islamic Economic Djuanda University, e-mail: alhifniui@gmail.com
[2]Faculty of Islamic Economic Djuanda University
[3]Sunan Drajat Institute
[4]Airlangga University

ABSTRACT

The interest of the public to put their money in the financial sanctuary is an important thing to note, especially for sharia microfinance institutions that are generally still less desirable public. The objective of this research is to analyze the needs, expectation, challenge, and belief of the community toward SMI in Bogor city. The method used in this research is the Structural Equation Modeling (SEM AMOS 22) population of Bogor city community with 200 samples. The results of data analysis show that the community simultaneously has the needs, expectations, challenges, and beliefs of SMI. As with the statistical necessity with expectations, challenges with beliefs and expectations with trust have significant relationships and only variable needs with challenges that have no real relationship because of the value of both above the value that is 0.506≥0.05.

Keywords: Society, Necessity, Trust, Sharia Microfinance Institutions

INTRODUCTIONS

Necessity is the aspects that must be fulfilled by humans to survive in various ways, their essential needs are divided into three types: primary such as eating, drinking, clothing and shelter, then secondary which includes education, vehicles, television and others, from luxury homes, jewelry and other aims to sustain a lifestyle in the community. Similarly, the above theory in Islam according to IbnKhaldun needs categorized into three parts namely daruriyyah, hajiyyah and tahsiniyyah (Riyanto, 2010: 3-5). The institution expected by the community is banking, but unfortunately the procedures implemented by this institution are such as the assessment of character, capacity, capital condition of economy and collateral (analysis 5C), the consideration of the efficiency of credit distribution and the complicated administrative requirements make banking only affordable for middle and upper economic communities. In response to this, on December 7, 1995, the government made Sharia microfinance institutions (SMI) as the regional economic equity (Priantono, 2014: 64-65; Alhifni& Huda, 2015: 598; Ayogi, 2014: 2). This institution is incorporated as a cooperative law which is responsible for providing welfare to members and low economic community by conducting coaching based on sharia laws as well as amil who manage zakat fund, infaq also shadaqah. SMI also receives small nominal financing and applies the active method to facilitate the

public in transacting with the institution (Mi'raj, 2015: 850; Hidayatullah & haspari, 2015: 799; Sudarsono, 2012: 107; Muhammad, 2000: 177).

LITERATURE REVIEW
Concept of Necessity

Abraham Mashlow states that everyone has a fundamental need that must be met before finally comes another higher level of need and is known as a Mashlow hierarchy consisting of physiological, security, social, self-actualizing and self-actualizing needs (Boone & Kurtz, 2007: 445-446). ClyntonAlderfer also stated that this category is divided into three namely the needs of circumstances, relation and growth (Chatab, 2007: 114).

Sharia Microfinancial Institutions

SMI is an integrated independent business zone that develops productive businesses, invests and raises public funds in the form of zakat, infaq and shadaqah also contributes in the form of commercial and non-commercial financing as an effort to empower marginal economy in accordance with Sharia law (Khadijah, dkk 2013: 74, Ahmad, dkk, 2011: 292, Salidin, 2000: 71). This institution conceptually combines two operational activities ie profit with the principle of sale and purchase (murabahah, salam, isthisna), the principle of lease (ijarah, ijarahmuntahiabitamlik), and the principle of profit sharing (mudharabah, musyarakah) and non-profit with tabarru basis (helping each other) whose orientation activities channel social funds to low economic communities or those in need (Ridwan, 2004: 149-184).

The main objective of this institution is to keep society away from economic practices that contradict the provisions of Islamic religion, to achieve equity in the regional economy and to provide a model of productive and consumer financing to the small people, this is done because Sharia bank involvement in the micro sector is still low, the complexity of the requirements on financing making this institution a hope to be able to overcome the difficulties of the low community (Umar, 2005: 40; Pratiwi, 2010: 15-17; Ginting&Sudarjat 2013: 675; Sudarsono, 2012: 108).

Theory of Challenge

Specific challenges can come from three factors: external, organizational or internal challenges, and professional challenges. The challenge to develop SIM among the public is the aspect of competition with similar companies, the economic aspect is the increase or decrease of the country's economic rate and the rise in domestic prices that can affect public relations with financial institutions, then the aspects of government, demography, technology and aspects of capital and human resources Nofiawati, 2015: 101-104). Theory of Trust.

Trust is the most important principle prior to the establishment of a relationship between a prospective customer and a financial institution. The willingness of a person to save his money in the bank is because of the foundation of the belief that their money will be recovered whenever the customer requires with an agreed agreement and accompanied by rewards. (Hardiawan, 2013: 26-27; Usman, 2003: 16).

Previous Research

Mulyo Budisetiawan and Ukudi in 2007, conducted a study entitled the influence of service quality, trust, and commitment to PD study customer loyalty. BPR Bank Pasar Kendal, population, and sample used are customers who have used banking

services at the institution at least three times. Using Structural Equation Modeling (SEM) technique of research result show that to increase customer loyalty can be done through direct improvement to commitment and trust, while service quality can increase customer loyalty directly.

Furthermore, the research of Rinda Asytuti, Dewi Anggraeni and M.Nasrullah (2013) with the title of the influence of trust, satisfaction to loyalty with the leadership of board as moderating variable with a study of BMT Bahtera, BMT Pekalongan, and Kospin Pekalongan Sharia Services. Population and sample amounted to 100 people divided proportionally using multiple linear regression with the result of research showed trust have positive influence to loyalty, an interest of loyalty have a positive effect to satisfaction and leadership of board have a positive effect to customer loyalty in sharia financial institution of Pekalongan.

METHODS

The type of research used is descriptive with quantitative approach. Data analysis technique using structural equation modeling model (SEM), population and sample of Bogor city society, determination of sample using nonprobability sampling method of ease (convenience sampling). The types and sources of data in the study consisted of primary and secondary, data collection through questionnaires or questionnaires (Sugiyono, 2016: 11; Santoso, 2015: 1).

RESULTS AND DISCUSSION

200 respondents spread in six districts is known that the majority of respondents are men totaling 103 people and women 97 people, with an average age of <20 years 50 respondents, 21-30 years of 90 people, 31-40 years 22 people and age> 40 years 38 respondents. Descriptive analysis of respondents' educational backgrounds were divided into three clusters: 3 primary graduates, 12 first middle junior high school, upper middle class 134 respondents, Diploma (D1-D3) 20 people, and last undergraduate education (S1-S3) amounted to 31 respondents with the profession of civil servant / TNI / Police 15 people, private employees 64 people, 32 entrepreneurs, students 69 respondents, teachers 9 people, farm workers 1, and farmers 1 respondent.

As for the monthly income of 200 sample communities, there were 64 people earning> RP.1.000.000, income RP.3.000.000 77 respondents, 52 people earning RP.3.100.000-RP.5.000.000 / month and> RP.5.000 As many as 7 people, all of them are Muslim majority of 197 respondents followed by 2 people Catholic religion and 1 Christian.

Structural equation modeling (SEM)

The structural model is the relationship between the construct that has causal linkage, which serves to know the correlation between the indicators with other indicators and variables with variables (Santoso, 2015; 144). This step aims to test the hypothesis and see the various assumptions required for subsequent decisions must be made to modify the model or not. The maximum likelihood estimate results on amos22 are as follows:

Table 1. Goodness Of Fit Model Evaluation

GOF	Cut Off	Note
Chi-Square p-value	268.065 P=(0.000)	Marginal Fit
RMSEA	0,056	Goodfit
RMR	0,035	Goodfit
NFI	0,812	Goodfit
CFI	0,917	Goodfit

Table 1 shows that there are nine sizes with a good fit (good) and one size with a match marginal fit on chi-square p-value. Since the majority of measurement results fit into good fit criteria and supported by a degree of freedom with a value of 166, it can be concluded that the overall model test has been considered fit with existing sample data.

The basis of the hypothesis is that if the probability value (P) (regression weights) <0.005, or if the value of CR (regression weights) is greater than the

critical value then there is a relationship that can be said to be valid. Reliability measurement if all factor loading estimate shows numbers above 0.5 then reliable data (Alhifni & Huda, 2015: 604). Formulation of hypotheses on structural research model is:

H1:The people of Bogor need the existence of SMI

H2: Bogor city people have hope for SMI

H3: Bogor city community has a challenge for SMI

H4: The people of Bogor city have trust in SMI

H5:Bogor city communities simultaneously have the needs, expectations, challenges, and beliefs of IMFI

The result of Table 8 shows the indicators used to measure and explain latent variables needs, expectations, challenges, and beliefs are valid and reliable because Cr values of their critical values are accompanied by probability (P) values below 0.05. all data are in significant category, can be seen from the first hypothesis of Cr (4,837)> from the critical value 1.96 and P 0.00 <0.05, meaning that the people of Bogor have a need for LKMS, because of their difficult access to the banking world especially the middle to low society which the majority of transactions with small nominal, this

problem becomes a great opportunity for LKMS to be known and reliable so that in the future expected all the needs of groups that can not be accessed by banks can be taken LKMS in order to create prosperity of members, the community and the realization of regional economic equity, as well as the loss of lending practices that are detrimental to the borrower. (Mulyaningsih, et al 2015; 183; Obaidullah, 2008: 49).

The second hypothesis is also accepted with Cr (4,316) ≥ 1.96 with the weight of P 0.00 ≤ 0.05 indicating that the citizens of Bogor have hope for SMI, the expectation of the consumer is the evaluation of the service provider's service. The process is evaluation stage to compare their expectation with reality received from the company. ranges of public expectation that is the equal distribution of services in all classes of customers, fast process in transactions, easy terms and low margins on productive and consumptive financing (Umar, 2005: 40; Rioririn&Gunawan, 2011: 21; B.Sundari& B. Linakuslina, 2013: 125).

The hypothesis of the three challenge variables shows good results with Cr (5,545) ≥1.96 and the value of P 0.00 ≤0.05, the lexical challenge is the object of inspiration to improve the ability to solve the problem. The main problem of the community is accessibility to financial institutions such as banking, one of the procedures that require the analysis of character, capacity, capital, the condition of economic and collateral become constraints on the middle-class economy down (Alhifni& Huda, 2015: 598). In addition, the high margin level in the loan contract also influences the community's ability to fulfill it. The challenge from the community to SMI in this research is to obtain low margin on the loan contract,

human resources discipline, to understand the difficulties of society and institutions apply cutting-edge technology for customers to feel comfortable, security in transactions.

The hypothesis of the four confidence variables with the result of Cr (5,027) ≥1.96 and P value 0.001.05 is accepted because it has fulfilled the terms and conditions of the structure equation modeling, meaning that the people of Bogor have a trust in SMI with credibility indicator, concern, secrecy, and compensation losses if SMI carries out negligence. Trust is the most important factor that should be established financial institutions to grow and get customers,kepercyaan is also the most important variable to form loyalty and customer satisfaction of financial institutions (Rahmat & Haryono, 2013: 157; Ningtyas & Rachmad, 2011: 55).
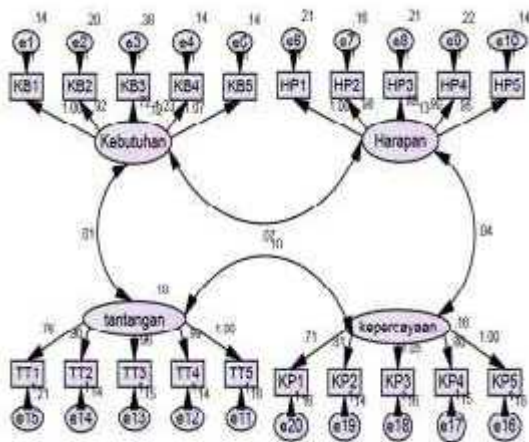

Figure 1 Measurement Research Model

Since all hypothesis 1 through 4 is accepted or significant, the fifth hypothesis that simultaneously shows Bogor urban community has the need,

expectation, challenge, and trust in SMI. As for the picture, can be seen in the

The diagram above shows KB1 with P 0.00 ≤ 0.05 has an estimate value of 1.00, KB2 with P 0.00 ≤ 0.05 has an estimate of 0.92, KB3 with P 0.00 ≤ 0.05 has an estimate value of 0.72, KB4 with a value of P 0.00 ≤ 0.05 has an estimate value of 1.23, KB5 with a value of P 0.00 ≤ 0.05 has an estimate of 1.07, the expected variable for HP1 construct with P 0.00 ≤ 0.05, HP2 with P 0.00 ≤ 0.05 has an estimate value of 0.98, HP3 with P 0.00 value of 0.05 has an estimate value of 0.89, HP4 with a value of P 0.00 ≤ 0.05 has an estimate value of 0.90, HP5 with a value of P 0.00 ≤ 0.05 has an estimate of 0.95.

Furthermore, for the challenge variables, the construct TT1 P 0.00 ≤ 0.05 has an estimate value of 0.76, TT2 with a value of P 0.00 ≤ 0.05 has an estimated value of 0.90, TT3 with a value of P 0.00 ≤ 0.05 has an estimate of 0.96, TT4 with P 0.00 ≤ 0.05 has an estimated value of 0.99 and TT5 with P 0.00 ≤ 0.05 and an estimated value of 1.00, whereas in the trust variable symbolized by KP1 with P 0.00 ≤ 0.05 has an estimated value of 0.71, KP2 with P 0.00 ≤ 0.05 has an estimated value equal to 0.81, KP3 with value P 0.00 ≤ 0.05 has an estimated value of 1.05, KP4 with a value of P 0.00 ≤ 0.05 has an estimated value of 0.80, and KP5 with a value of P 0.00 ≤ 0.05 has an estimate of 1.00.

After performing various tests with positive results, further analysis of covariance and correlation of models was performed. Covariance model is a test of the relationship between exogenous variables (independent variable) is two-way, the basis of decision-making that is based on the value of P with a cut off of 0.05 (Santoso, 2015: 151-152). In this model there is four covariance that is an

exogenous variable relation with expectation variable, requirement and challenge variable, challenge variable with trust and relation between expectation variable with trust in the following table:

Table 2. Model Covariance

	P
Needs <_> Hope	0.000
Needs <_> Challenge	0.506
Challenge <_> Trust	0.000
Hope <_> Trust	0.002

Covariance results of the test in the table above shows the weight of the variable needs with the variable expectation value P 0.00 ≤ of 0.05 means there is a real relationship between the two variables, the need to challenge the challenge, the acquisition of P 0.560 is much larger than the specified limit of 0.05, meaning there is no real relation between requirement with challenge, challenge variable and trust variable with P value 0,00 ≤ from 0.05, this indicates that there is real relation between challenge and public trust to SMI.

The expectation variable and trust variable with P value 0.02 ≤ from 0.05 explain that there is a real relationship between the two constructs. In other words, the fulfillment of hope in research is to get consumptive and productive financing with the requirements easy, good service, and get service and transaction procedures in accordance with the promise of promotions that have been exposed will make the institution trusted by the community.

The next test on the correlation analysis model aims to see how significant relationships between variables. The basis of the decision of the correlation model test is if the latent

variable loading factor ≥ of 0.5 then there is a very significant relationship on the variable, but if the loading factor value ≤ of 0.5 then the relationship variable is not very significant (Santoso, 2015: 138-139). The correlation model test results are:

Table 3. Model Correlation

	Estimate
Needs <_> Hope	0.550
Needs <_> Challenge	0.048
Challenge<_> Trust	0.560
Hope <_> Trust	0.250

The results of the correlation model test show the very close relationship between the need construct and the expectation construct with the loading factor value of 0.550 ≥ from 0.5, indicating the relationship of the two constructs is unidirectional therefore it can be said that the higher the need will be heightened by the high public expectation towards SMI and vice versa.

Obtaining the value of construct needs and challenge constructs with a loading factor of 0.048 ≤ from 0.5 means that the relationship between the two constructs is not very significant or high and the low public demand for SMI is not very influential to the large and small community challenges to SMI in Surabaya, with the test results on the covariance model which states that there is no real relationship between the need construct with the challenge challenge, then on the relationship of challenge construct with the construct of the acquisition value of 0.560 loading of loading factor value, and the value of positive or unidirectional relationship, therefore, can be said that the greater the challenges that the SMI can meet the Bogor community's confidence. Finally, a construct relationship of expectation with a trust

that has a factor loading value of 0.250 ≤ from 0.5, although the value of both constructs is positive but the relationship is not very significant because the value is under the criteria specified, and it can be said that no matter what the public expectation of SMI, it has no significant effect to the belief of Bogor city community towards SMI. The most indicators can describe the latent variables can be seen in the following squared multiple correlation table:

Table 4. Squared multiple correlation

Variable	Estimate
KB1	45.6%
KB2	33.2%
KB3	13.5%
KB4	55%
KB5	49.2%
HP1	38.4%
HP2	45%
HP3	33,5%
HP4	32.9%
HP5	46.1%
TT1	33.5%
TT2	49.9%
TT3	51.9%
TT4	55.3%
TT5	53.4%
KP1	33.8%
KP2	31.8%
KP3	52.5%
KP4	40.5%
KP5	43.7%

The above table shows the variables needs of indicators that most can describe the latent variable needs of the KB4 (growth needs) with a percentage of 55% or the community desperately need SMI to advance its standard of living through productive financing in accordance with the principle mudharabahie if there is a loss caused by business risk then mudharib and shahibulmaal share the risk of loss unless the loss occurs due to negligence of the customer then shabibulmaal as the owner of the fund does not need to share the loss, the profit sharing must be in accordance with the agreement and no party is harmed and there must be openness and honesty of both sides (Sholihin, 2013: 555). The second indicator that dominantly describes the need variables KB5 (environmental factor) with the percentage of 49.2% indicates the community need SMI provide easy saving and loan transaction procedures, low administrative costs and aim to promote the community economy, then KB1 (security needs) with a percentage of 45.6%, KB2 (social needs) 33.2%, last KB3 (self-actualization needs) 13.5%.

The result of Squared multiple correlations on the most dominant expectation variable describes the construct is HP5 (recommendation) with 46.1% percentage indicates community expectation will be greater to the institution recommended by family, siblings or people closest to SMI customers. The second variable of the dominant expectation describes the construct is HP2 (temporary service intensity) of 45%, the third position of HP1 (linkage) 38.4%, and last is HP3 (perceived service alternative) with 33.5% percentage.

Furthermore, the challenge variables, the test results indicate the TT4 indicator (internal challenge) ranked first can explain the construct with a percentage of 55.3%, meaning that the community wants the implementation of a disciplined and innovative work culture starting from the service and products provided by the institution as an effort to improve the quality and fulfillment needs of society. In

the second position, the indicators that illustrate the community challenge of TT5 (professional challenge) have the meaning of the people wanting the human resources. SMI has a deep understanding of the management of financial institutions and is able to handle customer difficulties. Then TT3 (external challenge) 51.9% is the willingness of the community so that SMI can follow and take advantage of technological developments for security, convenience and ease of transaction, then TT2 (aspect of capital and human resources) with 49.9% percentage and TT1 indicator (economic aspect) SMI is able to provide cheap margin financing with a percentage of 33.5%.

The last squared multiple correlation test is the trust variable, the indicator that most describes the variables is KP3 (concern) that is the real action of SMI as the form of attention to the public with the percentage 52.5%, after which KP5 (loss compensation) is the guarantee from SMI when making a harmful mistake the community with the percentage of 43.7%, KP4 (confidentiality system) is a guarantee of data confidentiality, type, and nominal transactions made presentasenya is 40.5%, then KP1 (credibility) is the ability of the company to trust the public value of 33.8%, the last is KP2 (seller reliability) with percentage 31.8%. These results illustrate that of 20 variables, which has good value is 19 indicators with a percentage of more than 30%.

Modified model

Modification of research model is a way to reduce the value of chi-square so that the model more fit with existing data (Santoso, 2015: 159). Therefore, the researcher does not stop analyzing and find a series of alternatives to get better results than before in the hope of being

able to produce better chi-square weight by remaining theory-based. Modified this model using amos22 as a tool to simplify the analysis process. The recommendations of amos22 are:

Table 5. Recommended model modification

Covariances	M.I.	Par Change
Hope <--> Challenge	11,979	0,036
e8 <--> e20	17,592	-0,061
e8 <--> e16	14,000	0,060
e5 <--> Ho[e	7,772	0,029
e3 <--> e5	10,075	0,058
e1 <--> e2	12,815	0,048

The six points in the table above are the variable of choice that has the highest value to be able to lower the chi-square. The results obtained after modification are as follows:

Table 6. Modified Goodness of fit model

GOF	Cut Off	Note
Chi-Square value	p-184,863 (0,087)	Goodfit
RMSEA	0,028	Goodfit
RMR	0,023	Goodfit
NFI	0,870	Goodfit
CFI	0,980	Goodfit
IFI	0,980	Goodfit
RFI	0,846	Goodfit
Hoelter	206	Goodfit
GFI	0,918	Goodfit
AGFI	0,893	Goodfit

After modification of the research model, there was a better chance in the goodness of fit model which showed a decline in the chi-square value of 265,065 at the beginning with a probability of 0.000, down to 184.863 with the probability of 0.087. This value makes the chi-square in the criteria research to be "Good Fit" because it is in accordance with the basic rules of decision making in amos22 that is said to be fit with existing data if the value of x^2 counts chi-square <of the value x^2 table, in this case, x^2 count is 184,863 and x^2 table 190,516 and probability value 0,087> from the provision that is 0,05.

The value of RMSEA, RMR, NFI, CFI, RFI, IFI, Hoetler, GFI and AGFI are also in good criteria or "Good Fit" because they have exceeded their respective provisions, and supported by the degree of freedom with a positive value of 160 that it can be said that the modified model of research done as a whole is fit with the existing sample data. Furthermore, an analysis of the modified research model measurements was conducted to see what changes and what SMI should do to meet the needs of expectations, challenges and gain more trust from the community. The result of the modification diagram is as follows:
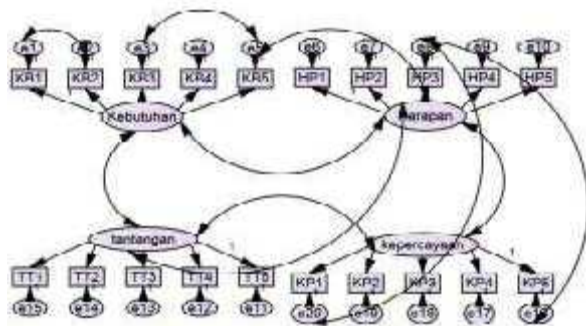

Figure 2.Measurement Model Modification

The picture is a measurement diagram of a research model that has been modified by the researchers showed better results than before. Based on the output of this modification, the researcher can clearly state that when KB1 (security needs) associated with KB2 (social needs) can decrease the chi-square value of 12.815, it means that when SMI improves the security of the financial management system it will be able to increase the public trust to store its assets institution and run the social function of the institution to promote the middle economic community downwards in accordance with the goal of the SMI provided by the government as an alternative to empowerment and equity of the economy of society by distributing zakat and qardh financing, it will decrease the weight of chi-square by 12,815.

Then when KB3 (self-actualization needs) with KB5 (environmental factors) is linked it can decrease the value of chi-square 10,075, from both constructs can be interpreted that the community wants LKMS can facilitate the needs of self-actualization (consumptive financing) accompanied by the policy of the institution to advance economic community and implementing low administration and easy procedures in the process of filing such funding. The results are in line with the Arifin (2014: 157-172) study that LKMS has to do to develop its market share is to innovate savings products as well as consumptive and productive distribution to facilitate customers in financing or lending in accordance with the wishes of the community.

Furthermore, the KB5 construct (environmental factor) is associated with the expectation variable, lowering the chi-square of 7,772, this result indicates that

the company policy factor described above besides the requirement variable also becomes an important factor in the community expectation variable in LKMS, as known the main constraint of the lower middle class is the accessibility of the financial institutions due to the general requirements applied by financial institutions difficult to reach the community in the segment. Therefore, it is important that environmental factors or regulations from internal parties of LKMS provide ease of financing requirements while maintaining prudential principles and prioritizing the economic progress of the community.

The correlation of HP3 construct (perceived service alternative) with the KP5 construct (loss compensation) shows that there is a desire from the community to get compensation for possible risk in SMI, if it is applied will have a positive impact to public trust to the institution. Both these constructs decrease the chi-square value by 14,000. The next model modification result is between HP3 (perceived service alternative) and KP1 (credibility) able to reduce chi-square equal to 17,592. Demonstrates that public confidence will increase to institutions if SMI is able to provide, implement excellent services such as other financial institutions such as banking.

Last is the expectation variable with the challenge variable to decrease the weight of chi-square equal to 11,979. From these modifications can be interpreted that the expectations and challenges of the community are an important factor that must be considered by SMI to its customers. As in Purnomo's research (2015: 62), the expectations and challenges of the society that can be met by the institution will produce an output of satisfaction about the use of the goods or services they use. It also deals with the purchase or reuse and invites others to use products and services produced by the agency. Overall after chi-square modification steps down to 184,863, with probability 0,087 and degree of freedom 160, it can be concluded that the modification of this research model output is better when compared with previous results.

Optimization of research variables

Based on the modification of the above model, there are several indicators that need to be considered by SMI in the effort to fulfill the need, expectation, challenge and gain more trust from Bogor city community especially:

1. Security Needs: The SMI authority body must establish a guarantor institution of savings in order to protect the customer funds that will be managed by SMI.
2. Social needs: SMI should be more active in collecting and channeling social funds from surplus units to deficit units in order to create economic equity.
3. Self-actualization needs: in this study, self-actualization is more directed towards consumer fulfillment, meaning that the institution must provide a variety of product providers with low margin requirements.
4. Environmental factors: policies or procedures established by SMI should provide the community with ease, both become customers, financing, institutional bureaucracy, and mission to improve member economics as well as society.
5. Community expectations: The SMI should respond to community expectations for the institution, as this will result in trust from them to SMI.

6. Service alternatives perceived: SMI must provide the best service to customers.
7. Loss compensation: SMI needs to provide the community with socialization of the guarantee or compensation they will get in the event of loss of customer funds caused by SMI negligence.
8. Credibility: SMI should demonstrate its ability and seriousness in conducting its activities in Islamic microfinance such as, having a business license, legal entity, and applying standardization in employee recruitment in order to gain the trust of the community.
9. Community challenge: the desire or challenge of the community as much as possible the SMI should be fulfilled in order to arise satisfaction, loyalty, and recommendations made voluntarily by customers to their families or relatives.

CONCLUSIONS AND IMPLICATIONS

The result of the research shows that the people of Bogor city need SMI that able to give transactional security, get consumptive and prudic financing with low margin and implementation procedure which facilitates the society. The result of the research shows that the limitations of access to the pest are one of the triggers of the community's expectation towards SMI, and with it arises the desire or challenge so that the institution has competent resources, able to overcome the difficulties of customers, professional, discipline and innovative in making products in microfinance sharia. The results indicate that the community has a trust that should be improved by SMI in order to generate satisfaction, loyalty, and community voluntarily recommend the institution to their families and relatives.

Steps to be able to realize the above exposure is to have support from the government through the Financial Services Authority and the Ministry of Cooperatives through the provision of training so that SMI actors deeper understanding of the rules of state and religious law on the implementation of micro-sharia institutions, and create institutions that can guarantee public funds in SMI.

BIBLIOGRAPHY

Ahmad dan Rima, D. 2011.Optimalisasimenciptakan market value LKMS untuk pemberdayaan usaha kecil mikro (UKM) melalui pendekatan Resource base view. *Jurnal Coopetition*. 2(1): 292

Alhifni A dan Huda N. 2015. Kinerja LKMS dalam mendukung kegiatan ekonomi rakyat berbasis pesantren (studi pondok pesantren Darut Tauhid dan BMT Darut Tauhid). *Jurnal Aplikasi Manajemen,* 13(4): 598.

Asytuti R. Anggraini M. dan Nasrullah M. 2013. Pengaruh kepercayaan, kepuasan, terhadap loyalitas dengan kepemimpinan pengurus sebagai variabel moderating. *Jurnal penelitian*. 10(2)

Ayogi D, V dan Kurnia T. 2015. Optimalisasi BMT dalam upaya penghapusan praktik rentenir. Syarikah: *Jurnal Ekonomi Islam* 1(1):2

Putra Z. Sholeh M. dan Widyastuti, N. 2014. Analisis kualitas layanan website BTKP-DIY menggunakan

metode webqual 4.0. J*urnal Jarkom*. 1(2):178.

Bahruddin E. dan Hamdi A.S. 2014. *Metode penelitian kuantitatif aplikasi dalam pendidikan.* Deep Publish. Yogyakarta.

BPS kota Surabaya. 2015. Kota Bogor dalam angka. BPS kota Surabaya. Surabaya Chatab, N.2007. *Diagnostic management.* PT. Serambi musemesta. Jakarta.

B. Sundari dan B. Lina K. 2013. Sistem pelayanan jaminan kesehatan daerah, kendala dan harapan masyarakat kurang mampu kabupaten Bogor. *Procedding PESAT*. 15(2):125

Dinar I. P. 2010. Analisis pengaruh harapan pelanggan, kualitas produk, kepuasan pelanggan terhadap loyalitas pelanggan internet flash unlimited di semarang. *Jurnal Coopetition* 15-17

Hapsari, M. dan Hidayatullah. 2015. Peranan pembiayaan produktif BMT mandiri Mulia terhadap peningkatan kesejahteraan anggota perspektif maqashid syariah. *JESTT*. 2(10):799

Khadijah. dan Kara, M. 2013. Kontribusi pembiayaan perbankan syariah terhadap pengembangan usaha mikro, kecil dan menengah. *JurnalAkham.* 13(2):74

Hardiawan, A.C. 2013. Pengaruh kepercayaan, kemudahan, dan kualitas informasi terhadap keputusan pembeli secara online. *Jurnal Ekonomi dan keuangan* 26-27

Isma I. H. Gintingdan I. Sudrajat. 2013. Analisis strategi pengembangan BMT di kota Medan. *Jurnal Ekonomi dan keuangan*. 2(11):675

Kurtz, L dan Boone. 2007. *Comtemporary business* pengantar bisnis

kontemporer. Edisi II. Salemba Empat. Jakarta.

Mi'raj, D. A. 2015. Linkage program bank syariah dengan BMT (tinjauan kritis bagi pengembangan system keuangan Islam yang kaffah*). JESTT.* 2(10): 850

Muhammad. 2000. *Lembaga-lembaga keuangan umat kontemporer*. UII Press. Yogyakarta.

Mulyaningsih Y. Nuryantono N,.Oktavia R., dan Firdaus C,. 2015. Analisis jangkauan (*Outreach*) LKMS bagirumahtanggamiskinsektorpertanian di pedesaan Bogor, Jawa Barat. *Jurnal Ilmu Pertanian Indonesia*. 20(3):183

Ningtyas F. dan Basuki R. 2011. Pengaruh kepercayaan komunikasi, penanganan masalah dan kepuasan nasabah terhadap loyalitas nasabah bank Muamalat Indonesia di Surabaya. *Junral of bussiness and banking*. 1(1):55

Nofiawati. 2015. Baitul Maal WaTamwil: Peluang dan tantangan pengembangan LKMS di kota Padang Sidimpuan. *Jurnal Ekonomi dan keuangan* 2(11):101-104

Obaidullah M. 2008. *Role of microfinance in povetry alleviation*. Lesson from experiences selected IDB member contriesislamic research and training institute of member of Islamic development bank grup PP.

Prianto.2014. Peran bank dan pegadaian syariah dalam pemenuhan kebutuhan ekonomi rumah tangga. Jurnal khatulistiwa-*Journal of islamic studies*. 4(1): 64-65

Rahmat dan Haryono. 2013. Analisis pengaruh *servqual*, kepuasan dan kepercayaan terhadap loyalitas nasabah pengguna layanan *internet banking* dengan menggunakan

metode SEM (studi kasus bank X). *Jurnal penelitian*. 2(2):157

Ridwan M. 2004. *Manajemen baitul maal watamwil* (BMT). UII Press.Yogyakarta.

Riyanto, W.F. 2010. Peningkatan kebutuhan dalam maqasyid asy-syariah. J*urnal hokum Islam.*:3-5

Santoso S. 2015. *Amos22 untuk structural equation modelling*.PT.Elex Media Komputindo. Jakarta.

Sri V. Rioririn dan Andreas W. Gunawan. 2011. Harapan masyarakat pada tanggung jawab social perusahaan, kualitas pelayanan yang dirasakan dan pengaruh merk pada *retail banking* di Indonesia. *Jurnal media riset bisnis dan manajemen*. 11(1):21

Sudarsono H. 2012. *Bank dan lembaga keuangan syariah deskripsi dan ilustrasi*. Edisi ketiga. Ekonosia. Yogyakarta.

Sugiyono. 2016. *Metode penelitian kombinasi* (*mixed methods*). Alfabeta. Bandung.

Umar, D.Husen. 2005. Riset sumberdaya manusia dalam organisasi. PT. Gramedia Pustaka Utama. Jakarta.

Usman R. 2003. *Aspek-aspek hokum perbankan di Indonesia*.PT. Gramedia Pustaka Utama. Jakarta Widodo P,B. 2006. Realibilitas dan validitas konstruks kala konsep diri untuk mahasiswa Indonesia. *Jurnal Psikologi Universitas Diponegoro*. 3(1):3