



The impact of “Pinjaman Online” e-commerce services on through micro, small, and medium enterprises (umkm) financial management in Cawang village

Yusuf Rombe M Allo*, Lenny Panggabean

Department of Vocational, Indonesian Christian University, Jakarta, Indonesia

Abstract

Along with the rapid development of technology which is followed by the tremendous growth of startups from various business fields, especially with the development of startups in the financial sector, especially online loans, which we usually call pinjol, many people are flocking to take advantage of loan facilities. online, without having a clear purpose of use, and the public also cannot differentiate between legal startups in the sense of the word that have been legally registered with the OJK and illegal startups, namely loans that have not been registered with the OJK. In connection with the conditions above, this research tries to study the benefits of online loans for UMKM actors in communities around Cawang Village, East Jakarta, so that people are wiser in using online loans and understand how to choose startups that are valid and legal and have been registered at OJK. The problems faced by this community are one of the important things to highlight. Because it is one of the things that needs to be improved so that people understand more about online loans, so that in the future it can have a good impact, especially on the welfare of the community, especially the Cawang community. The problem that this research wants to solve is providing education and increasing literacy of online loan financial service institutions so that people are wiser in using online loans, people understand and choose online loan providers that are valid and legal and have been registered with the OJK.

Keywords: Technology, financial, star-up, loan, legal, illegal

Introduction

The community in Cawang Village, East Jakarta, which is 1-2 km from the campus of Universitas Krisiten Indonesia Jakarta, where the Cawang village community and its surroundings are the fostered community of Universitas Kristen Indonesia itself. Cawang Village consists of 12 RW and 114 RT with an area of 179.04 Ha. With this area, Kelurahan Cawang has a population of 40,734 people consisting of 13,855 family cards (Anonimous, 2023). The people of Kelurahan Cawang are generally small business owners and some are civil servants/private sector workers and manual laborers. The income level of the people of Kelurahan Cawang is generally conditioned in the middle and lower middle economic strata.

One of the electronic transactions related to e-contracts that is currently developing is information technology-based money lending and borrowing services or better known as fintech lending, which offers various conveniences in borrow money/credit. FinTech operates in the field of money-based lending and borrowing services information technology. Information technology-based money lending and borrowing services are regulated in Financial Services Authority Regulation no. 77/POJK.1/2016 concerning information technology-based money lending and borrowing services. According to the National Digital Research Center (NRDC), financial technology is a term used to refer to innovation in the field of financial services, where the term comes from the words financial and technology which refers to financial innovation with a touch of modern technology. Information technology-based money lending and borrowing services are the provision of financial services to bring together lenders and loan recipients in order to carry out loan and borrowing agreements in rupiah currency directly through an electronic system using the internet network. 4 The concept of fintech

adapts technological developments that combined with the financial sector in banking institutions, so that it is hoped that it can facilitate a more practical, safe financial transaction process as well as 4 Article 1 number 3 of Financial Services Authority Regulation Number 77/POJK.1/2016 concerning Information Technology-Based Money Lending and Borrowing Services. Supplement to the State Gazette of the Republic of Indonesia Number 6005 4 modern, includes digital-based financial services that are currently developing in Indonesia, namely payment channel systems, digital banking, online digital insurance, peer to peer (P2P) lending, and crowd funding (Services Authority Regulations Finance Number 77/POJK.1/2016).

Along with the rapid development of technology which is followed by the tremendous growth of startups from various business fields, especially with the development of startups in the financial sector, especially online loans which we usually call pinjol, this has made some people flock to take advantage of loan facilities. online, without having a clear purpose of use, and the public is also unable to differentiate between official loan startups in the sense of the word that have been legally registered with the OJK and illegal startups, namely loans that have not been registered with the OJK. Not a few people are entangled in large amounts of debt from Pinjol, and there are even some people who have never used Pinjol, but are registered as Pinjol users.

In connection with the conditions above, this in research Research is trying to make it literal to the people around Cawang Village, East Jakarta, so that people are wiser in using online loans and understand how to choose a startup that is valid and legal and has been registered with the OJK The problems faced by this community are one of the important things to highlight. Because it is one of the things that needs to be improved so that people understand more about online loans, so that in the future it can have a good

impact, especially on the welfare of the community, especially the Cawang community. This research will be carried out to increase literacy which focuses on the general public around Cawang. The target of this activity is to provide and increase information about online loan literacy (pinjol).

The problem that research wants to solve is increasing the literacy of online loan financial service institutions so that people are wiser in using online loans, people understand and choose online loan providers that are valid and legal and have been registered with the OJK. The approach used to solve this problem is to use several methods. The method used is the lecture method, demonstration method

The activity of borrowing and borrowing money directly based on written or unwritten agreements is a practice that has been going on in people's lives. Direct lending and borrowing is in great demand by parties who need fast funds or parties who for some reason cannot be provided with funding by conventional financial services industries such as banking, capital markets or financing companies. (Basyr, A.A. 7: 2009). This is characterized by the use of the internet as a transaction medium when carrying out banking activities. The internet has brought the world economy into a new phase which is more popularly known as digital economics. In the era of digital economic development, society continues to develop innovations in providing services in lending and borrowing activities, one of which is characterized by the existence of information technology-based money lending and borrowing services which are considered to contribute to development and the national economy. Information technology (IT) has changed society, has created types and opportunities. Next Indrajit, R.,E. (2015 : 33) states that new businesses create new types of jobs and careers in human work. From this, the term electronic contract or commonly known as e-contract emerged.

The number of research sampel who attended was 110 sample from users of online loan facilities (pinjol) to develop their UMKM in the Cawang sub-district, East Jakarta. Of the 110 sampel who attended, most of the sample were dominated by women, namely 84 sample or (76%) while men were 26 sample or (24%) who attended. While the attendance of participants based on age groups consisted of teenagers to young adults, aged 20 - 40 years of 28 sample or (25,45%), the age group 41-56 years consisted of 62 sample or 56,37% while the age group >56 sample of 20 people who attended or (18,18%). While participants based on education level are elementary school 5 sample (4,55%), junior high school 14 sample (12,73%), high school 74 sample (67,27%) while under graduate 17 people or 15,45%, Of the 110 sample, 105 people or 95,45% were UMKM actors and the remaining 5 sample or 4,55% were ordinary people or not UMKM actors. And of all the sample present, 108 sample or 98,18% have done online loans and 2 sample or 1,82% have never done online loans. Furthermore, 97 sample or 88,18% have additional income and 13 participants or 11,82% do not have additional income. In this era of rapid technological development, *online loan star-up* facilities can be *accessed* easily through *gadgets* that are connected to the internet network. Currently, many people are discussing about *fintech*, and the government in this case the Otorisasi Jasa Keuangan (OJK) targets at least 75% of the millennial population in Indonesia to access financial institution services, so that the

wider community will rush to use services to achieve their financial goals.

The Financial Services Authority (OJK) is one of the financial services transaction supervisory institutions established by the government in Indonesia, with the aim that all transactions in the financial services sector can: 1) organized in an orderly, fair, transparent, and accountable manner, 2) able to realize a financial system that grows sustainably and stably, and 3) able to protect the interests of consumers and the public (Priskilasari, E., 2019.). The Financial Services Authority (OJK) has the function of organizing an integrated system of regulation and supervision of all activities in the financial services sector. OJK carries out important tasks in regulating and supervising every financial service transaction both in the Banking sector, Capital Market, and in the Non-Bank Financial Industry (IKNB). The current condition fintech of *online* lending is a serious problem due to the lack of financial literacy in the community. This will certainly be risky because the possibility of *online* loan customers can be trapped in debt traps whose value is quite high, making the customer unable to return the loan facility.

(<https://finansial.bisnis.com/read/20190326/89/904586/viral-danger-pin-online-lending-personal-data-secrecy-is-the-highlight>)

To reduce the number of victims of illegal pinjol, the Financial Services Authority (OJK) is back *Fintech peer to peer (P2P) lending* or *online* lending is certainly not a bad and scary product that should be avoided, because the purpose of *fintech* is actually to make money The goal of fintech is to make it easier for the general public to access financial products and simplify the transaction process, with the use of technology. *Fintech* is very helpful to improve and accelerate the banking and financial industry through the treatment of partnership patterns, and provide alternative business models and solutions that can help the government and other financial institutions to expand the reach of providing adequate financial services.

(<https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/20636>)

Generally, borrowing is facilitated by online-based financial institutions or Peer-to-Peer (P2P) Lending which is an Information Technology Based Money Lending and Borrowing Service (LPMUBTI). Existing loans must follow OJK regulations in POJK No. 77/POJK/.01/2016.

Pinjol type:

After knowing what pinjol is, next we need to know what types of pinjol there are. This will make it easier for us to choose online loan products. Online Loans (Pinjol) are divided into 3 types

1. Online cash loans

Credit that offers direct cash loans to private banks. Without guarantees or collateral and can be used for various types of needs.

2. Online installment loans without a credit card

This is an online loan without a credit card specifically for purchasing electronic goods such as refrigerators, washing machines, cellphones, laptops, etc.

3. Online loans for business funds

Online loans specifically for business financing or as capital. Usually used for MSMEs or for entrepreneurs who have difficulty applying for capital loans from banks.

The Financial Services Authority (OJK) reminds the public to only borrow from online loans or pinjol for productive purposes, not consumptive purposes. Head of the OJK's Department of Supervision of Other Financial Services Institutions, Triyono Gani, revealed that of the 102 peer-to-peer (P2P) lending platforms registered with the OJK, the TKB90 level was at 2.78%. This figure is far lower than the 2020 pandemic level which reached 8.8% so it is considered still safe. OJK continues to encourage Pinjol to maintain the number of bad loans in P2P Lending by strengthening the precautionary principle. Online loans (pinjol) have now become an alternative loan service for people who need funds to be disbursed quickly. What happens if Pinjol is not paid?

When you cannot pay your online loan on time, your status on the OJK SLIK service will automatically change. If when paying the loan smoothly you will get the status of good credit, you will get the status of bad credit if you don't pay the loan online

In POJK 10/2022, as the legal basis for online loans, it does not explicitly regulate the collection deadline for loan organizers or the provision that loan providers can only collect within 90 days and the rest is forfeited.

The following is an explanation of each way to pay off loan debt.

1. Prioritize debt with high interest and short terms.
2. Manage Expenses.
3. Sell used goods.
4. Use Savings.
5. Increase sources of income.
6. Selling Assets.

Naughty debtors who do not pay or fail to pay loans may not be able to take out loans again. The only solution is to pay off debts or arrears to creditors.

Don't panic, this is a smart way to pay off mounting debts

1. Rearrange Expenditure Posts.
2. Reduce expenses
3. Hold a Yard Sale
4. Carry out Debt Recapitulation
5. Pay off debt with large interest first
6. Don't go into debt to pay off debt
7. Use Savings
8. Save the change.

How to Distinguish Legal and Illegal Loans Do you know what pinjol is? Furthermore, we need to know that not all existing loans are legal loans. Legal loans not only offer fast, easy loans with large limits. But it also offers security for your personal data. Below is the difference between legal and illegal loans.

Pinjol Legal

Reporting from the official website of the Financial Services Authority (OJK), the characteristics of legal loans are as follows

1. Registered with the Financial Services Authority (OJK)
2. There is a clear identity of the management and office address
3. Existing loan applications will be selected first
4. Interest and loan costs (fees) are transparent
5. Borrowers who cannot pay according to the existing time limit (maximum 90 days) will be blacklisted by the Fintech Data Center. So you cannot apply for a loan on other fintech sites, applications or platforms.

6. Have a complaint service
7. On the borrower's device, the application only access-es the camera, microphone and location
8. Debt collectors are required to obtain collection certification from AFPI (Indonesian Joint Funding Fintech Association)
9. Do not offer via private communication channels. For example via SMS, WhatsApp.

So that *online* loan *star-ups* do not become a disaster for the wider community, here are some suggestions summarized from various sources

1. Determine your financial goals first

Make sure that prospective pinjol borrowers know the purpose of borrowing whether it is for consumptive or productive, whether for working capital or just using the installment facility to buy the items we want, or for medical expenses and education.

2. Debt ratio not exceeding 30 percent

The debt ratio of prospective *online* loan *star-up* customers does not exceed 30%, which means that the monthly obligation for the loan does not exceed 1/3 of the prospective customer's total income. For example, a private employee with a salary of Rp. 5,000,000 then the debt ratio or obligations that must be completed every month is no more than Rp.1,670,000, - / month or 30% of income.

3. Make sure the *online* loan is registered and supervised by the OJK

Make sure that the *online* loan company or *star up* to be used is a legal *star up* and has been registered and supervised by OJK.

4. Recognize fraud through *online* lending?

Here are the characteristics of the *Online* Loan fraud mode via SMS

- a. SMS comes from an unknown public
Number usually, fraudulent SMS can come from regular cellular numbers that consist of a large number of digits. Whereas a genuine SMS from each operator consists of 3-6 digits.
- b. No requirementsIt offers loans that are quickly disbursed without any special requirements or the specified requirements are very easy, for example, only providing KTP, NPWP, and salary slip.
- c. Invalid company information Illegal *online* loans usually conceal company information. For example, the office address is not clear. Therefore, always ensure the completeness deta.

5. Tips to avoid illegal online loans via SMS

Prospective loan debtors should always be careful and not be tempted by online loan offers whose origins are unclear. If you really need it, prospective loan debtors can take advantage of loans from legal Fintech P2P Lending, where the management is certified, the office location is clear and registered/licensed with the OJK.

<https://www.wartaekonomi.co.id/read326160/bahaya-terjebak-pinjaman-online-cek-3-hal-ini-sebelum-meminjam>
The Financial Services Authority (OJK) released 102 financial technology (fintech) companies with peer to peer lending or online loan (pinjol) business models under supervision. OJK reminds the public to only use loan

services that are licensed by the OJK. OJK urges the public to always use the services of fintech lending providers that have permission from the OJK," according to the OJK. Furthermore, OJK has also prepared a number of channels from telephone numbers to WhatsApp. According to OJK, these channels have been prepared so that the public can contact and check the status of product permits they receive. "Contact OJK Contact 157 via telephone number 157 or WhatsApp service 081 157 157 157 to check the status of the permit for the financial service product offer you received," explained OJK. OJK provides a warning that using Pinjol is only for productive purposes. It cannot be denied that loan services are available in Indonesia. more and more varied, this is because more and more Indonesian people are using this loan service.

The activity of borrowing and lending money directly either based on a written or unwritten agreement is a business activity that has been going on for a long time in the midst of community life. Direct lending and borrowing is in great demand by parties who need quick funds or parties who for some reason cannot be given funding by conventional financial services industries such as banking, capital markets, or finance companies. (Basyr, A.A. 7: 2009)". This is characterized by the use of internet media as a medium of transaction when conducting banking activities. The internet has brought the world economy into a new phase that is more popularly known as the digital economy. "In the era of digital economic development, people continue to develop innovations in the provision of services in lending and borrowing activities, one of which is characterized by the existence of information technology based money lending services which are considered to contribute to development and the national economy. Information technology (IT) has changed society, has created types and opportunities. Furthermore, Indrajit, R., E. (2015: 33)" states that new businesses, as well as creating new types of jobs and careers in human work. From this emerged the term electronic contract or commonly known as *e-contract*.

In connection with the above conditions, this PkM tries to literalize the community around Cawang Village, East Jakarta, so that people are wiser in using online loans and understand choosing a legitimate and legal startup that has been registered with the OJK.

The problems faced by this community are one of the important things to highlight. Because it is one thing that needs to be improved so that people understand more about online loans, so that in the future it can have a good impact, especially on the welfare of the community, especially the Cawang Community. This research will increase literacy focusing on the general public around Cawang.

Methods

1. Issues faced by Partners

The problem faced is that there is not an optimal understanding of literacy in finance, specifically about *online* loans (pinjol) in the general public of the Cawang area. So that with this activity, it can provide knowledge in increasing literacy about *online* loans (pinjol).

2. Problems to be solved in research

Increase the literacy of *online* lending financial services institutions so that they can

1. People are wiser in using online loans

2. The public understands and chooses online loan providers that are legitimate and legal and have been registered with OJK.

3. Activity Plan

- a. Provide an understanding of financial literacy, especially about *online* loans
- b. Open and provide consultation space on Online Lending
- c. Measuring the level of understanding of the material presented
- d. Measuring the level of satisfaction of participants who participated in the activity questionnaire

4. Partner Participation

Inviting the *community offline* through Cawang Village officials, such as LKMD, PKK administrators, Karang Taruna and RT/RW heads to attend activities.

5. Method of approach

The method used in solving this problem is to carry out several methods. The methods are as follows:

a. Lecture Method

The lecture method was used to convey basic theories and concepts that the community should know about *online* lending.

b. Demonstration Method

This method is carried out as a training stage in this activity. With the demonstration and real practice from the resource person, the people of Cawang can actually observe and understand the problems faced.

c. Data Collection Methods

The data collection method used is in this research by distributing questionnaires via G-form to each participant who is present and has filled in the attendance.

The problems faced by this community are one of the important things that need to be highlighted. Because it is one of the things that needs to be improved so that people understand more about online loans, so that in the future it can have a good impact, especially on the welfare of the community, especially the Cawang community. This research will be carried out to increase literacy which focuses on the general public around Cawang. The target of this activity is to provide and increase information about online loan literacy (pinjol).

6. Performance of Vocational Faculty Institutions in Community Service activities

Banking and financial education activities have often been carried out for UMKM actors in Cawang Village, East Jakarta, Vocational Schools in Cawang Village, as working partners of the Indonesian Christian University. For this research activity, the expected partners are UMKM actors and some are residents/general public. We will convey knowledge to our partners about the nature and treatment of online loans, by means of lectures and interactive discussions between partners and resource persons.

7. Type of expertise required

Activities carried out by UKI Financial Analysis Study Program lecturers and Tax Management Study Program lecturers who are also Banking Academics and

Practitioners, who have knowledge of Financial Management of Companies and Financial Services and Banking Institutions.

Results and Discussion

The current sample research is the community in Cawang Village, East Jakarta, which is 1-2 km from the campus of Universitas Kristen Indonesia Jakarta, where the Cawang village community is the fostered community of Universitas Kristen Indonesia itself. The people of Cawang Village generally have the status of small business actors and some are civil servants / private sector and manual laborers. The income level of the people of Kelurahan Cawang is generally at the middle and lower middle level.

The number of sample research who attended was 80 people from the estimated invitation of 70 people from the Cawang village community. The expected attendance of more than 13% or 10 people is a sign that the community's interest in participating in research activities on *online* loans is quite large.

The research sample who attended can be classified with the following conditions

Table 1: Number of sample research by age

Age (year)	Total (person)	(%)
25 - 40	28	25,45
41 - 56	62	56,37
> 56	20	18,18
Total	110	100,00

Source: data processing, 2024

Table 3: Number of Sample Research based on Education Level

Education	Total (Person)	Percentage (%)
Not in School	-	-
Elementary	5	4,55
Junior High School	14	12,73
Senior High School	74	67,27
Under graduate / Postgraduate	17	15,45
Total	110	100,00

Source: data processing, 2024

The education level of research partners consists of high school education 74 sample (67,27%), Bachelor / Postgraduate 17 sample or 15,45%, junior high school as many as 14 sample (12,73%), and elementary school as many as 5 sample or (4,55%). This shows that the research

From the data above, it can be concluded that the sample who attended were residents who were in the productive age category, namely at the age of 41-56 years with 62 sample or 56,37%. Followed by the the last age group 25-40 years as many as 28 people or 25,45%. > 56 year old group as many as 20 participants or 18,18% and This can be indicated that *online* loan *startups* are more in demand by people of productive age, where this facility can be used for productive activities.

Sample research who attended based on gender are as follows

Table 2: Number of Sample Research by Gender

Gender	Total (Person)	Percentage (%)
Men	26	24,00
Women	84	76,00
Total	110	100,00

Source: data processing, 2024

From the data above, it can be concluded that the sample who attended were more dominated by women, namely 84 sample (76%) while men consisted of 26 people or (24%). This shows that women or mothers are more dominant at home to run their home businesses (UMKM) such as grocery stores, rice stalls, *laundry* kilos, etc.

Furthermore, the classification of research sample based on education level is as follows.3

pinjol partners are sample with a fairly good education, which is dominated at the high school level.

Classification of sampel research based on the employment status of UMKM actors

Table 4: Number of Sample Research based on UMKM actors

UMKM players	Total (person)	Percentage (%)
UMKM Players	105	95,45
More	5	4,55
Total	110	100,00

Source: data processing, 2024

Of the total sample partners who attended, most were UMKM actors as many as 105 sample or (95,45%) and others or not UMKM actors consisted of 5 or (4,55%).

Furthermore, the classification of sample partners based on additional income status

Table 5: Number of Sample Research based on additional income

Additional Income	Total (person)	Percentage (%)
Additional Income	97	88,18
Do not have	13	11,82
Total	110	100,00

Source: data processing, 2024

Of the 80 sample, 97 sample or (88,18%) are partners who have additional *income* or *double income*.

Classification of research based on the use of *online* loan facilities:

Table 6: Number of Sample Research Based on Use of Online Loan Facilities

Online Loans	Total (person)	Percentage (%)
Ever	108	98,18
Never	2	1,82
Total	110	100,00

Source: data processing, 2024

Of the 110 sample present, most have used *online* loan facilities (pinjol) consisting of 108 sample or (98,18%) and 2 sample or (1,82%) who have never used *online* loan facilities (pinjol). This shows that the majority of the sample has used funds from the Starup Pinjol loan to develop their UMKM actors.

Sample research based on knowledge of legal pinjol and illegal pinjol.

Table 7: Number of Sample Research Based on Partners' knowledge about legal and illegal pinjol

Legal / Illegal Pinjol knowledge	Total (person)	Percentage (%)
Knowing	11	10,00
Not knowing	99	90,00
Total	110	100,00

Source: data processing, 2024

Of the total sample of 110 sample, most partners can not distinguish between legal and illegal pinjol, namely 90,00% or 99 sample and only 11 sample people or 10,00% who can distinguish legal pinjol from illegal pinjol.

Classification of sample research who feel the impact / benefit to partner finances for the use of *online* loan startups who feel the impact / benefit to partner finances for the use of *online* loan startups f

Table 8: Number of Sample Research Based On Benefits of Pinjol on partner finances

Pinjol Helps with Financial Aspects	Total (person)	Percentage (%)
No Effect	2	1,82
Little Help	16	14,54
Very Helpful	92	83,64
Total	110	100,00

Source: (data processing, 2024)

Most of the sample research partners really felt the benefits of pinjol on partner finances, namely 92 sample or (83,64) and 16 sample or 14,54% who felt a little financial improvement and 1,82% or 2 sample who did not feel the benefits of pinjol on partner finances at all.

Of the 110 samples, the majority of Starup Pinjol users felt the benefits in developing their UMKM. I think the benefits of this pinjol startup will be felt more if the sample can use a legal pinjol startup, so that interest costs can be reduced.

What do partners use the funds from the online loan facility for?

Table 9: Number of Sample Research Based on Use of online loan funds

Use of Funds from Online Loans	Total (person)	Percentage (%)
Pay off debts	1	0,91
Consumption	3	2,73
Children's School	8	7,27
Business	98	89,09
Total	110	100,00

Source: (data processing, 2024)

In using the proceeds from online loans, most partners use it as additional business capital, namely 98 sample or (89,09%), for school fees 8 sample (7,27), for things that are consumptive 3 sample (2,73%) and 1 sample or (0,91) who use pionjol funds to pay debts. From data such as the table above, it can be seen that the majority of the sample has used Startup Pinjol funds for their intended purpose, namely developing their UMKM. Only a small percentage use Pinjol startup funds for consumer purposes.

In the process of returning the pinjol facility to *its startup* company, some partners experience obstacles / difficulties and some partners also have no difficulty at all in the return process.

Table 10: Number of Sample Research Based On Online Loan Facility Return Process

Repayment Status of Pinjol Facility	Total (Person)	Percentage (%)
Current	98	89,09
Special Mention	8	7,27
Less Current	2	1,82
Doubtful	2	1,82
Traffic jam	-	-
Total	110	100,00

Source: data processing, 2024

From the data above, it can be seen that the majority of loan funds from Starup Pinjol can be returned well, such as smooth returns / collectibility 1, there are 98 samples or (89.09%), special mention / collectibility 2, consists of 8 samples or (7.27%), next with less current / collectibility 3 and doubtful collectibility 4, status for 2 samples each. Meanwhile, there are no missed payments or collectibility 5. This shows that most of the samples that used online Starup loan funds which were used to develop their MSMEs were able to run well, it appears that debtors were able to return their loan funds, while the samples that used Starup Pinjol loan funds experienced obstacles in returning their loans.

Conclusions

The problem faced is that there is not an optimal understanding of *online* loans (pinjol) in the general public of the Cawang area. So that with the benefit activities at this research event, it can provide knowledge in increasing benefit about online loans (pinjol).

The need for this research of *online* loan financial service institutions so that people can

1. People are wiser in using online loans
2. The public understands and chooses *online* loan providers that are legitimate and legal and have been registered with the OJK.
3. Avoid using *online* loans for consumptive purposes.
4. Avoid using *online* loans to cover other debts.

5. From the results of this research, it can be seen that the online loan startup facility provides quite good benefits for UMKM players, so that their businesses can develop.

Suggestion

1. It is necessary to educate the people of Cawang sub-district, so they can differentiate between legal and illegal online loans.
2. Use online loan facilities for productive businesses, not consumptive ones.

Acknowledgments

First of all, we as the implementers of research activities give thanks to the Almighty God, because with His grace and guidance, this research activity can run and succeed well.

Furthermore, we thank

1. Mr. Dhaniswara K. Harjono, SH, M.H., MBA as the Rector of Universitas Kristen Indonesia who has provided a lot of *support*, motivation and invaluable immaterial assistance.
2. Prof. Dr. Hotmaulina Sihotang, M.Pd. as the Head of the Institute for Research and Community Service (LPPM) who has provided a lot of direction and guidance so that this PKM can run and succeed well.
3. Dr. Maksimus Bisa, S.St. FT., SKM., M.Fis as the Dean of the Faculty of Vocational Studies, Universitas Kristen Indonesia.
4. Friends of the lecturer team, educational staff, and students of the Financial Analysis study program and Tax Manajemen program study at the Faculty of Vocational Studies who have helped and encouraged and channeled positive energy to the implementation of this research activity.
5. To my two late parents and my two late in-laws who have educated me and your spiritual advice I still keep and carry out that keep doing good even if you are hurt and betrayed and do not take revenge because revenge is not your right but God's right.
6. To my wife Gloria Gemini, SE, and my two little angels Otniel Edwina Priscilla Yusuf and Olivia Gladys Prastika Yusuf who continue to *support* even though the time to play with their papas is decreasing.

With all gratitude and respect, the authors would like to thank all parties involved in the preparation of this national journal. Finally, the author hopes that this journal will be useful and add knowledge and insight for readers for the development of science in the field of banking and finance studies.

References

1. Priskilasari, E., 2019. Pentingnya Perlindungan Data Pribadi Dalam Transaksi Pinjaman *Online*, Majalah Hukum Nasional Vol. 4 Bo. 2 tahun 2019, Jakarta.
2. Basyr, A., A., 2009. Asas-asas Hukum Muamalat, (Yogyakarta: Perpustakaan Fakultas Hukum UII, 2009), h. 7
3. Indrajit, R., E., 2015. E-Commerce: Kiat dan Strategi Bisnis di Dunia Maya, (Jakarta: PT. Elex Media Komputindo, 2015), h. 33.
4. Peraturan Otoritas Jasa Keuangan Nomor 77/POJK.1/2016 tentang Layanan Pinjam Meminjam Uang Berbasis Teknologi Informasi. Tambahan

- Lembaran Negara Republik Indonesia Nomor 6005, 4 Pasal 1 angka 3
5. Suryo Riyanto, 2019. Bahaya pinjaman online kerahasiaan
 6. Data pribadi jadi sorotan
 7. <https://finansial.bisnis.com/read/20190326/89/904586/verbal-bahaya-pinjamanonline-kerahasiaan-data-pribadi-jadi-sorotan>
 8. Dewani, T., 2019. Menyikapi Pinjaman Online
 9. <https://sikapiuangmu.ojk.go.id/FrontEnd/CMS/Article/20636>
 10. Ransingi, S., 2021. Bahaya Terjebak Pinjaman Online
 11. Cek 3. Hal Sebelum Meminjam. <https://www.wartaekonomi.co.id/read326160/bahaya-terjebak-pinjaman-online-cek-3-hal-ini-sebelum-meminjam>
 12. Tanti, D., 2021. Menyikapi Pinjaman *Online* Anugerah atau Musibah, Kementerian Keuangan Republik Indonesia, Jakarta.