



Risk management of using online loan start-ups in Javanese Christian church Congregations Bekasi West Region

Yusuf Rombe M Allo^{1*}, Edison Siregar¹, Lenny Panggabean²

¹ Department of Vocational, Financial Analysis Study Program, Indonesian Christian University, Jakarta, Indonesia

² Department of Vocational, Tax Management Study Program, Indonesian Christian University, Jakarta, Indonesia

Abstract

The current Community Service Partner has been carried out at the Bekasi Javanese Christian Church West so that of the existing congregations, there are several congregations who are entangled with these online loans and find it difficult to repay the online loans, and not a few of the congregations end up in contact with debt collector officers. With conditions like this, it is deemed necessary to educate about pinjol star-ups. Globalization is a word that we often hear in everyday life, both in official statements and in casual activities and conversations, technological developments cannot be avoided. This word implies a concept that is both exciting and worrying for human civilization, where psychological thinking and living patterns change over time. In today's world where more and more people are materialistic and self-centered, those who only think about life so as not to be rivaled. The Community Service Team targets the outcomes to be achieved, among others, the congregation of the Bekasi Javanese Christian Church in the Western Region understands the ins and outs of loan sharking so that they can avoid unhealthy and harmful loan sharking practices. Following the results of this Community Service, the team will make scientific papers in the form of national or international journals. The method of implementing community service activities is by using the counseling and education approach to the congregation of the Bekasi West Java Christian Church, which previously conducted a pre-test and post-test. Meanwhile, the problem faced by the Bekasi West Bekasi Javanese Christian Church congregation is that there is still a lack of understanding of the use of pinjol star-ups and their consequences.

Keywords: Literacy, education, technology, star-ups, online loans

Introduction

With the development of technology and the influx of foreign cultures into the Republic of Indonesia, it is clear that lifestyles at all levels of our society are changing. One example is the ease of getting a loan quickly from an online loan company. Start-ups in the financial services sector, including online lending (fintech), are flourishing like mushrooms in the rainy season due to the rapid advancement of technology and the high cost of living caused by a consumptive culture. In an article titled "Millennials and Gen Z Owe Rp 43 Trillion in Loans and Rp 1.4 Trillion in Bad Debts", katadata.co.id mentioned that millennials and gen Z have the highest debts or loans managed by online loan companies. It is possible that technology or fintech startups have channeled loans and absorbed by the community with a large enough amount.

This community service was carried out at the meeting hall of the Javanese Christian Bekasi West Region located in the Harapan Indah Bekasi housing area, which consists of 128 households or 412 people. Some of the congregants of the Javanese Christian Church Bekasi West Region are entangled with online loan star-up facilities and it seems that they are quite difficult to extricate themselves from the online loan trap. Thus, the Javanese Christian Church tries to partner with Universitas Kristen Indonesia to work together to educate about the benefits and risks of using online loans. The development of information and communication technology has brought significant changes in various aspects of life, including in the world of finance. The emergence of online lending services (fintech) has provided easy access for people to obtain funds. However, this convenience is also accompanied by various risks that need to be managed properly, especially for religious institutions such as the West Bekasi Javanese Christian

Church, which is often involved in various social and community development activities.

The church as a religious social institution has the responsibility to ensure that its resources are used effectively and efficiently. In an effort to support church programs, good financial management is very important. The use of assets and finances of the Bekasi West Java Christian Church used to support various church activities can be a solution, however, off-target use can bring risks that must be identified and managed properly. These risks include but are not limited to financial, reputational, and legal risks. Not many studies have examined risk management specifically in the context of the use of online loans by church institutions and individual congregations. Therefore, there is a need for research and development that focuses on identifying and mitigating risks that may be faced by the Bekasi West Java Christian Church in the use of online lending services. Through this approach, it is expected that the church can optimally utilize financial resources, while still maintaining the integrity and sustainability of its operations.

Thus, the report on the results of the Community Service aims to convey an in-depth analysis of the risk management of the use of online loans at the Bekasi West Java Christian Church and is expected to provide practical and applicable recommendations for risk management, as well as increase the understanding of all related parties of the importance of risk management in financial decision making. This community service will also contribute to the development of risk management practices in religious institutions in Indonesia, and encourage awareness of the importance of wise financial management in the context of church services.

In classifying humans based on their year of birth, humans can generally be classified into five main groups consisting of:

1. The baby boomers generation (1946- 1964)

Unlike its young-sounding name, people born in this generation were born between 1946 and 1960. It is not surprising that people born in this generation may now be grandparents, generally people born during this period were born after World War II.

2. Generation X (1965-1980)

Generation "X" or also often abbreviated as Gen X is the children of parents from the previous generation, the baby boomers. Generation X who grew up in the 60s and 80s also began to recognize new types of technology such as telephones or TVs, which did not exist in their parents' time. The children of this generation also began to develop various techno that would later be used by the next generation, such as the pager (radio dial), handy talky (HT), which is a two-way handheld communication device using radio waves.

3. Generation Y (1981-1995)

Generation Y is often referred to as millennials. The technological sophistication that began to advance in society at that time made people from this generation adept at using technology and social media. These millennials can also be said to be the generation that felt so many significant changes in technology and the economy.

4. Generation Z (1996-2010)

This generation was born in the period between 1996 and 2010 so most likely, they are currently still in school or just starting to look for work. In Indonesia, people born at the beginning of Generation Z actually experienced a monetary and political crisis in 1998. With the advancement of technology and the rapid growth of the internet, Generation Z has experienced many conveniences in terms of facilities, access and family financial stability. This generation is also called the i-generation, which is the internet generation. The positive thing is that Generation Z is growing up to be open-minded children, like diversity, like new things, think critically and want to be different or bring change.

5. Generation alpha (2011-present)

As the youngest generation, the children of this alpha generation are most likely still in elementary school or even kindergarten. Born to parents who are much more modern and economically stable, the alpha generation is a critical generation that has been overwhelmed by technology from an early age. Umam, getting to know the Baby Boomers, X, Y, Z and Alpha Generations Gramedia Blog: <https://www.gramedia.com/literacy/generation-baby-boomers-x-y-z-alpha/>.

5.1 Theoretical framework

Online lending is a financial service that allows individuals or businesses to borrow money through a digital platform without the need to meet directly with financial institutions, such as banks or financing institutions. The process is usually done through an app or website, which makes it faster and easier compared to traditional loan procedures.

How online loans work

1. Registration and application

- Borrowers fill out a registration form on the online lending platform. This form usually includes personal information, financial data, and the purpose of the loan.

2. Data verification

- After the application, the lender will verify the information provided. This may involve identity, credit history, and income checks.

3. Loan approval

- If all the information is verified and meets the criteria, the lender will approve the loan. On some platforms, this decision can be made in a short period of time, even within minutes.

4. Disbursement of funds

- Once approved, the loan funds will be disbursed to the borrower's account. The disbursement process is usually quick, often within 24 hours.

5. Repayment

- Borrowers are required to repay the loan within a predetermined period of time. Payments can be made in installments or all at once, depending on the agreed terms.

6. Interest and fees

- Online loans are usually subject to interest and administration fees. Interest rates may vary depending on the platform, loan amount, and risk profile of the borrower.

Advantages of online loans

- **Speed and convenience:** The process is quick and does not require a lot of physical documents.
- **Accessibility:** Accessible to anyone with an internet connection, including those without bank accounts.
- **Flexibility:** Various loan options that can be tailored to the borrower's needs.

Risks of online loans

- **High costs:** Higher interest rates compared to traditional loans.
- **Fraud:** Risk of unreliable loan providers.
- **Over-indebtedness:** Ease of access can cause borrowers to get trapped in a cycle of debt.

People's lives are greatly influenced by the times, especially in terms of technology. With technological advances, many social activities have become easier, such as bank needs, business needs and even personal needs can be done without leaving the house, only by using the internet network all needs can be resolved properly. Therefore, some people rely heavily on technology in their daily, social, business and financial activities. The field of finance or financial technology is currently developing very rapidly. Today, financial technology, also known as online lending, is prevalent in society from Gen Alpha to Gen Baby Boomers.

According to the National Digital Research Center (NDRC), financial technology (fintech) is innovation in the financial sector that involves non-bank financial institutions that use technology to provide services. Information technology is one way to bring bank providers closer to their customers. In addition, Bank Indonesia as the banking industry regulator has prepared a legal umbrella regarding financial technology providers as stated in article 1 number 1, 2 and 3 of Bank Indonesia Regulation Number 19/12/PBI/2017 concerning the Implementation of Financial Technology, financial technology (Fintech) is defined as:

1. Financial Technology is the use of technology in the financial system that produces new products, services, technology and/or business models and can have an impact on monetary stability, financial system stability, and/or the efficiency, smoothness, security and reliability of payment systems.
2. Financial Technology Provider is any party that organizes Financial Technology activities.
3. Payment System Service Provider is a payment system service provider as referred to in Bank Indonesia regulations governing the implementation of payment transaction processing.

With the development of technology and the influx of foreign culture, our society's lifestyle is starting to change as it becomes easier for people to get loans quickly from online loan startups. The rapid development of technology and the high cost of living due to the influence of consumer culture means that start-ups in the financial services sector, including online loans (fintech), are increasingly mushrooming like bamboo shoots in the rainy season, both legally and illegally. (R. J. Belgrado son & Widodo, H. (2019).

According to katadata.co.id, in an article entitled "Millennials and Gen Z Owe Loans of IDR 43 Trillion and Bad Credit worth IDR 1.4 Trillion", Millennials and Gen Z are said to have loan debts managed by online financial institutions. It can be said that technology startups or fintech have distributed loans and been absorbed by the public in quite large amounts.

The definition of fintech is innovation created by the financial services industry with the help of the use of technology known as fintech lending or fintech peer-to-peer lending, or information technology-based money lending and financing services (LPMUBTI) is an innovation owned by the financial sector which Of course, using advanced technology, you can use the applications available on the Playstore or website so that lenders and loan recipients don't have to bother determining a time to meet, which of course has a legal umbrella, namely Financial Services Authority Regulation (POJK) Number 77/POJK.01/2016

The characteristic of fintech is the ease of obtaining loan facilities where lenders and borrowers do not need to bother determining a meeting date, just by using a smart phone and internet network along with an ID card, the loan facility can be received in a matter of minutes.

Situation Analysis

Nowadays, the internet is so widespread and easy to access, this has made children from the alpha generation to the baby boomer generation, increasingly skilled and active in interacting in cyberspace. So sometimes this generation is also called the i-generation, which is the internet generation.

Gen Z is very adept at using social media and browsing without anyone teaching them.

The characteristics or characteristics of i-generation are as follows:

1. Technology Proficient. Gen Z is a generation that lives in the technological age.
2. Active in communicating
3. Indulging in privacy
4. Be more independent
5. Be more tolerant
6. Full of ambition

This is because the number of people in the i-generation group is the largest in Indonesia. Based on the results of the 2020 Population Census conducted by the Central Statistics Agency, there are 74.93 million i-generation in Indonesia. Based on the data obtained, currently the millennial generation and generation Z have recorded loan debts of IDR 43 trillion with bad credit of IDR 1.4 trillion. It can be stated that the millennial generation and generation Z have the largest online loan debts managed by financial technology startups. Or it could be said to be a fantastic fintech lending.

With conditions like those stated above, so many people are not yet able to use the internet or their smart phones responsibly. There are still many people in our society who misuse the internet or their smartphones, such as: accessing pornographic links, using the internet for gambling (online gambling), accessing online loans where the loan is actually not needed, and quite a few of our people, especially lower middle economic communities, are become a victim of this online loan. For this reason, the community service Team from the Study Program. Financial analysis and Study Program. UKI Vocational Faculty Tax Management took the theme of online loans to educate and educate the congregation of the Javanese Christian Church Bekasi in the West Region with a total of ± 87 members.

Implementation methods

The method for implementing Community Service activities with the theme Risk Management for Using Star-Up Online Loans to the Javanese Christian Church congregation in Bekasi, West Region, is as follows:

1. Approach method that will be used:

- a. Counseling and education to partner congregations of the Javanese Christian Church, Bekasi, West Region.
- b. Questionnaire, Pre test and post test

2. Problems

The problems faced by the congregation partners of the Bekasi Javanese Christian Church in the West Region are:

- a. There is a lack of understanding of the partners of the Bekasi Javanese Christian Church in the West Region regarding the use of online loan start-ups and the consequences they have, so it is necessary to provide continuous education.
- b. The egocentric social impact of excessive gadget use.

3. Activity Plan

Carrying out education, sharing experiences and socializing offline on the topic of literacy material and education on the risks of using online loan start-ups as well as educating on the calculation of flat interest on online loan ceilings obtained by the congregation of the Bekasi Javanese Christian Church, West Region.

4. Problems to be resolved in this Community Service

Increasing the i-generation's understanding of the risks of using online loan start-ups and being able to differentiate between legal and illegal online loan star-ups. The rapid growth of online loan star-ups is targeting the majority of Indonesian society, especially less well-educated people and middle economic communities. Downwards, it is quite disruptive to their lives because in general loan debtors cannot repay their loan facilities, which results in a high level of non-performing loans (NPL), and they will be in contact with credit collectors or debt collectors.

This Community Service activity was originally to be carried out among the congregation of the Javanese Christian Church, Bekasi, West Region, numbering around 87 people. The Community Service team targets the outcomes to be achieved including:

Increasing the understanding of the Bekasi West Bekasi Javanese Christian Church congregation of the risks of using online loan star-ups and being able to distinguish between legal and illegal online loan star-ups.

Results and discussion

The current Community Service partner is i-generation, which is a congregation of the Javanese Christian Church Bekasi West Region is located in the Harapan Indah Housing area in Bekasi, West Java, which is ± 40 km from the Krisiten Indonesia University Jakarta campus.

The Javanese Christian Church Bekasi West Region is one of the churches under the Christian church organization in Indonesia, specifically serving the Christian community in the Bekasi, West Java area. This church usually focuses on spiritual services, faith formation, and social activities for its congregation. The church is often involved in various programs, such as worship, Bible teaching, social services, and community activities to reach the surrounding society. The aim is to spread Christian values and provide support to the congregation in their daily lives. Each church may have different characteristics and programs, depending on its vision and mission.

The number of Community Service Partner participants who attended was 87 participants from the number of registered participants of 70 participants or 24.28% more than the prediction that would attend this Community Service Partner event.

Community Service Partner participants who attended can be classified with the following conditions:

Table 1: Number of Community Service Partener Participants by age

Age (years)	Number of (people)	Percentage (%)
20 – 40	17	19,55
41 – 60	47	54,02
> 60	23	26,43
Amount	87	100,00

Source: Data Processing, 2024

From the data above, it can be concluded that the participants who attended the Bekasi West Bekasi Javanese Christian Church congregation were in the productive age category group, namely generation X and generation Z,

aged between 41 years and >60 years with a total of 70 participants or 80.46%. This shows that most of the participants who attended were in the productive age group. So that this age group can still run their business well if they have a business and or fulfill their function needs through their smartphones.

Community Service Partner participants who attended based on gender are as follows:

Table 2: Number of Community Service Partner Participants by gender

Gender	Number of (people)	Percentage (%)
Pria	38	43,68
Wanita	49	56,32
Amount	87	100,00

Source: Data Processing, 2024

From the data above, it can be concluded that the Bekasi West Bekasi Javanese Christian Church congregation who attended the Community Service Partner event was dominated by women, namely 49 people or (56.32%) while men consisted of 38 people or (43.68%). This shows that the congregation of the Javanese Christian Church Bekasi West Region who attended the Community Service Partner event was dominated by women as much as 56.321%.

Furthermore, the classification of the Bekasi West Bekasi Javanese Christian Church (WEST BEKASI JAVANESE CHRISTIAN CHURCH) congregation who attended the Community Service Partner event based on the level of education is as follows:

Table 3: Number of Community Service Partner Participants by Education Level

Education level	Number of (People)	Percentage (%)
No School	-	-
Elementary Scholl	-	-
Junior High School	5	5,74
Senior High School	33	37,93
Bachelor	45	51,73
Postgraduate	4	4,59
Amount	87	100,00

Source: Data Processing, 2024

Community Service Partner participants who attended based on the group / level of education were mostly at the Bachelor's education level as many as 45 participants or 51.73%, followed by participants with high school education as many as 33 participants or 37.93% and finally participants with junior high school education as many as 5 participants or 5.74% and the last was the group of participants with postgraduate education as many as 4 people with a presentation of 4.59%. This shows that partners are generally highly educated so that partner interest in knowing more about pinjol can be neglected.

In accordance with the topic of this Community Service Partner, regarding online loan literacy, before conducting education and socialization about online loans, it is deemed necessary to conduct a pre-test first to all partners present to measure partner knowledge about online loans. The pre-test that was conducted was as follows.

Table 5: Pre Test questions to measure partner knowledge about online loans before participating in community service partner activities

No.	Question	Answer		Participant
		Correct	Wrong	
1	Do you know what is meant by Online Loans? Do you know what is meant by Online Loans?	34	53	87
2	What are the main advantages of online loans compared to conventional bank loans?	42	45	87
3	What is usually required to apply for an online loan	39	48	87
4	What is the biggest risk you might face when using an online loan?	21	66	87
5	How to know whether an online loan platform is trusted	50	37	87
6	The application of interest rates on online loans uses what interest technique	23	64	87
7	What is meant by tenor in a loan?	21	66	87
8	What should you do if you can't pay back your online loan on time?	40	47	87
9	What is meant by installments in the context of online loans?	45	42	87
10	Why is it important to read the terms and conditions before applying for an online loan	42	45	87

Based on the answers of 87 participants, it can be concluded that the participants' knowledge about online loans is relatively low. This is because the interest of partners to find

out more about online lending is still relatively low or they do not want to know more because they already know the impact.

Table 6: Post test questions to measure partner knowledge about online loans online loans after participating in community service partner activities

No.	Question	Answer		Participant
		Correct	Wrong	
1	What is the main meaning of online loans?	63	24	87
2	One of the provisions of online loans is the ease of applying and disbursing funds	60	27	87
3	What is one of the documents generally needed to apply for an online loan?	60	27	87
4	What are the main risks that may be faced when using online loans? Fraud and misuse of personal data	69	18	87
5	How to ensure the reliability of an online loan platform: Checking licenses and operational permits	70	17	87
6	What is an interest rate in the context of online loans: The additional percentage that must be paid on a loan	75	13	87
7	What is meant by loan tenor: Loan repayment period	59	28	87
8	If you cannot pay back an online loan on time, the best solution is: Immediately contact the online loan provider to find a solution.	55	32	87
9	What is meant by installments in the context of online loans? The additional amount that must be paid is beyond the principal loan	33	54	87
10	Why it is important to read the terms and conditions before applying for an online loan: To understand the costs and obligations involved in the loan	65	22	87

From the data above, which is a response from 87 participants from the Javanese Christian Church Bekasi West Region who attended online loan risk management activities, it is clear that partners' knowledge about online loans began to increase after attending education about online loans.

Conclusions and Suggestions Conclusion

From the implementation of Community Service Partner with the topic of online loan risk management in the Javanese Christian Church Bekasi West Region congregation, it can be concluded that:

1. This Community Service explains that online loans are a financial solution that is increasingly popular in society. With easy access and fast processing, online loans offer an alternative for individuals and small businesses who need funds in a short time. However, it must be remembered that these loans also come with risks, such as high interest and the potential for debt to accumulate. Therefore, it is important for borrowers to understand the terms and conditions before making a decision.
2. There is no proper understanding about online loans, so they receive loans based on "desire" or trial and error rather than on the needs of the community itself.

Suggestion

1. Applicant education, it is important to provide clear and detailed information about online loan products, including interest, tenor and additional fees, so that borrowers can make the right decision.
2. Strict Regulations, stricter regulations from the government are needed to protect consumers from irresponsible lending practices.
3. Technology Improvement, Online loan providers should continue to develop technology to ensure data and transaction security, as well as improve user experience.
4. **Feasibility Analysis:** There should be a more in-depth feasibility analysis to prevent excessive borrowing which can burden borrowers.
5. Payment Alternatives, offering flexible payment options so borrowers can better manage their financial obligations.

With these steps, it is hoped that online loans can become a safe and beneficial financial solution for society.

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