ABSTRACT

The research was conducted in Bina Alam Cooperation, Bandung. The phenomena occurred is the Loan and Savings Unit was not careful analyzing enough form of credit application and requirements that give rise to the excess of credit installment period exceed the pension period of a member and such problems result in failure in the pressing of credit due to the member was loss of his or her earnings. The aims of the research are to understand the extension of credit procedures, what are constraints for the extension of credit procedures, and how effort to be made to solve the problems.

The method used in this research is qualitative one. The analytical unit in this research is Loan and Savings Unit of Bina Alam Cooperation, Bandung. The data collection was made in field studies by means of direct field observations, interviews, documentation, and literature studies.

The results of the research shown that whole Extension of Credit Procedure at Bina Alam Cooperation was failing to right criteria, however, the Loan and Savings Unit is not careful analyzing enough Form of Credit Application and Requirements and even not paying attention to member work period as it is properly did in order to prevent credit installment period from the excess of member work period. This is resulting in impact on the return of credit due to the member have no longer earnings. Indeed, the Loan and Savings Unit ought to more carefully analyze requirements for the extension of credit to guard against such a problem.

Keywords: Extension of Credit Procedures, Loan and Savings Unit