



Commented [S1]: Elsevier to update with volume and page numbers.

3rd Global Conference on Business and Social Science-2015, GCBSS-2015, 16-17 December
2015, Kuala Lumpur, Malaysia

Performance of Microfinance Institution In Harmony Cultural Perspective in Bali

I PutuAstawa^{a*}, Tjokorda GdeRakaSukawati^b,

Ni NyomanTriyuni^c, I NyomanAbdi^d

^{a,c,d}State Polytechnic of Bali, Jalan Kampus Bukit Jimbaran, Badung 80364, Indonesia.

^bUdayana University, Jalan Kampus Bukit Jimbaran, Badung 80364, Indonesia

Abstract

This study aims to model the performance of Village Credit Institutions (LPD), which is one of the microfinance institutions in Bali, through cultural harmony. This culture aims to achieve happiness by maintaining a harmonious relationship with God, company with employees, and the company with the villagers. 120 manager of LPD is chosen as informant. Qualitative data are collected through in-depth interviews to managers and analyzed by the ethnomethodology method. The results show that the measurement of performance through CAMEL must be added the company's ability to support religious activities and culture that flourished in every village. Cultural harmony is applied in Bali and can be developed in other areas in accordance with the existing culture. Results of the study have implications for the performance of taking the measurements should pay attention to local culture and a new thing in microfinance institutions.

© 2016 The Authors. Published by Elsevier Ltd.

Peer-review under responsibility of the Organizing Committee of the 3rd GCBSS-2015.

Keywords: performance, micro finance institutions, cultural harmony

*Corresponding author: Tel: +62 361701981, 08123600431., fax: +62361701128

E-mail: putuastawa1@pnb.ac.id

1. Introduction

Microfinance institution aims to help poor people. This condition can be found in several countries such as Bangladesh, Indonesia, Kenya, Bosnia, Peru, Bolivia and so on. Muhammed Yusuf is the founder

of Grameen Bank in Bangladesh. The bank was established initially to help women who live in rural areas on their personal money (Courts, 2008). The bank has been developed and has given loan of \$8.7 billion since 1976 (Bruton et al. 2011). In addition, this type of micro finance has been developed in big cities in the world such as Los Angeles (Ahlin et al. 2011). The development in this type of bank is followed by the change in paradigm from social to commercial bank (Hamada, 2010). This condition is also found in Bali that was driven by Professor Ida Bagus Mantra, the Governor of Bali. He established microfinance institution in rural area similar to the one conducted by Mohammed Yusuf. The institution is Village Credit Institution (LPD) aiming to give loan and preserve culture at the village (Astawa, *et al.* 2013). In 2013, there was 1406 LPD in every *pakraman* village in Bali with total asset of 5.8 trillion (Regional Development Bank /BPD, 2013). Annual profit is determined as follow: 40% for capital, 20% for capital reserve, 20% for rural development, 10% production service, 5% for LPD building and 5% for social (Government of Bali Province, 2002).

LPD has specific characteristic in management where it uses customary rules, norms, social sanction and there is rural leader involvement in the selection process and agreement maintenance. This model tends to exploit comparative advantage in monitoring and capacity of sanction enforcement (Stiglitz, 1990). Customary rules conducted by LPD are based on harmony culture setting out harmonious relationship between company and God, company and employees and company and environment (Astawa, 2013). Harmony culture conducted well by LPD has impact on its performance (Astawa *et al.* 2012). At present, LPD's performance is measured by CAMEL (capital, asset, management, earning, and liquidity) approach (Ramantha, 2006). A healthy LPD can be achieved by applying integrated CAMEL based on company's ability (Ramantha, 2006). Another measure of health level is determined by customers' payment (Bhatt and Tang, 2002; Brehanu and Fufa, 2008).

The performance of microfinance institution is needed to solve various problems in rural levels that different from that of commercial banks. Microfinance institution in various countries is encouraged to improve their performance in order to give good services (Ashraf and Hassan, 2012). Achievement of performance through cooperation with general bank will lead both institutions to perform their function better and in fact they can be a substitute for each other (Ghate, 1988). Arsyad (2008) stated that good performance and sustainability of a microfinance institution depends on internal (credit mechanism and management) and external (social economy, environment, rules, information of imperfect market) factors. Other factors influencing the performance of microfinance institution are law, formal rules, customs, convention, social norm, and ethical code (Brinkerhoff, 1992). According to Khandker (1988), cost efficiency should be the main concern in achieving independency of microfinance institution. Yaron et al. (1977) explained that measurement of performance theoretically is conducted not only on independency factor but it will include range of services given to the society.

Various other performance measurements, such as *outreach, loan recovery and profitability, and financial performance* (Ashraf *et al.* 2014) are used to determine the success of microfinance institution. In addition, Fitzgerald *et al.* (1991) stated in a research on microfinance institution that performance can be measured by *financial performance competitiveness, resource utilization quality of service, and innovation flexibility*. Performance measurement of previous researches result was related to general banks and less from microfinance institution (Ashraf and Hassan, 2012, Mersland and Strom, 2009). Therefore, performance measurement of LPD in this research was conducted through different perspective, which is harmony culture. Harmony culture applied in LPD is based on religious faith, which is maintaining harmonious relationship with God (*parahyangan*), with others (*pawongan*) and with environment (*palemahan*). In Bali, those three harmonious relationships are called *Tri Hita Karana* (THK) means three reasons to happiness. In order to reach happiness, the three relationships should be in balance to improve LPD's improvement (Gunawan, 2009).

Harmony culture is a cultural concept growth and developed in the tradition of a society and has been determined as the basic of business philosophy, philosophy of tourism development, layout regulation and development strategic planning in Bali (Regional Regulation No. 16, 2002). Initially, harmony culture is used as guidance by *pakraman* village (traditional village) and farmers in irrigation system of *subak* (agriculture) in Bali. In its development, the concept has been used in tourism business started with the awarding of *THK Awards and Accreditation* for hospitality sectors. The program has received recognition from the *Pacific Area Travel Association* (PATA) and *World Tourism Organization* (WTO). Harmony culture is one of national cultures containing universal values. It concepts and implementation do not recognize any differences in tribe, race and religion (Windia and Ratna, 2007).

The approach used in this study was ethnomethodology to understand the implementation of culture by all people involved in LPD in daily practice (Burrell and Morgan 1979). The culture implemented was steeped in order to understand its implementation related to performance measurement. There was approximately 120 managers selected as samples and in-depth interview was conducted to them using stratified sampling method. LPDs were grouped into four groups based on standard determined by regional development bank from CAMEL analysis. The groups were, healthy LPD, fairly healthy LPD, less healthy LPD and unhealthy LPD each consisted of 30 LPD. Data collected was reduced through abstraction, which is an effort to summarize the core, process and statements that need to be maintained so it still in its context. Further, data was arranged in units and categorized. The final step of data analysis was an examination on data validity and synchronizing harmonious cultural values practiced in LPD related to performance measurement of capital, asset, management, earning and liquidity.

2. Theoretical Study

2.1 Village Credit Institution (*Lembaga Perkreditian Desa* (LPD))

One of microfinance institutions in Bali is Village Credit Institution (*Lembaga Perkreditian Desa* (LPD)), which is a unique microfinance institution. The uniqueness of the institution can be seen from the motive of establishment with orientation toward cultural maintenance. It is in line with statement from Mantra (1980) that LPD is a community financial institution with purpose to help *Pakraman* Village (customary village) in implementing its cultural functions. The basic of LPD establishment is Regional Regulation of Bali Province No. 2, 1988 and it is being renewed with Regional Regulation No. 8, 2002. The regulation is a legal source of LPD's life in Bali with following characteristics: (1) LPD is an enterprise; (2) it is belong to *pakraman* village (customary village); (3) it is established and managed by *pakraman* village; (4) it performs the financial institutional functions of the community of *pakraman* village, such as: receive or collect fund from *karma* (member) of the village, give loan only to *karma* and manage the institution only in *pakraman* village environment; and (5) it performs business function as internal financial business institution of *pakraman* village or as far as among *pakraman* villages (customary village).

Seibel (2008) clarified the existence of LPD in Bali by stating that it is able to give contribution to economy for the advancement of *pakraman* village related to infrastructure development, cultural preservation and ceremonial implementation. LPD has been experiencing a promising development that is related to various important factors such as PDRB (*Product Domestic Regional Bruto*/Gross Regional Domestic Product) (Izquierdo and Talvi, 2011; Ashraf *et al.* 2014), the development of economy in Bali that continues to grow above national average and conducive government policies through the issuance of law enforcement in form of regional regulation. The advancement of this type of microfinance institution is also influenced by macro economy, government regulation and company's competitiveness (Waweruet *al.*, 2004, Waweru and Spraakman, 2012).

2.2 Harmony culture and Performance

Astawa *et al.* (2012) has studied village credit institution related to the implementation of harmony culture. The result found that LPD that implemented good harmony culture summarized in the concept of *Tri Hita Karana* (THK) tended to have better financial performance. The concept of harmony culture implemented in LPD maintains harmonious relationship between LPD with God through a belief toward *karma phala* and *sradhha-bhakti* law, harmonious relationship with society where LPD established through the implementation of

harmonious cultural values, such as *olas asih* and harmonious relationship with LPD's employees and customers through the implementation of *tatwamm asi*. The implementation of harmonious cultural values in LPD conducted by LPD owner was that customary village has contributed to the increase in financial performance (Astawa *et al.* 2013). Harmonious values applied in LPD were understood qualitatively to confirm previous studies using ethnomethodology (Astawa, 2013). The result is that the implementation of harmonious cultural values stressing on harmonious relationship with God was conducted through prayer and understanding religious thought to be closer to God in giving service and by paying attention to society's complaint and giving death benefit and donation for ceremony to every *Banjar*. Harmonious relationship was also implanted among employees thus created comfortable and responsive atmosphere for customer services.

Harmony culture can be confirmed with Schein's (2004) culture as explained in Table 1.

Table 1: The Comparison of Schein's Culture (2004), Harmony Culture, and Harmony Sub-culture

Schein (2004)	Harmony Culture	Harmony Sub-culture
Basic Assumption	<i>Parahyangan</i>	Pray and honesty
Value System	<i>Pawongan</i>	Work hard, mutual cooperation (<i>gotongroyong</i> ,) and love each other (<i>tatwamasi</i>)
Artifact	<i>Palemahan</i>	Clean and Green

Source: Astawa and Sudika (2014)

Harmony culture is local culture impacting company's performance (Gunawan (2009); Riana (2010); Astawa *et al.* (2012); Astawa *et al.* (2013), and Astawa and Sudika (2014)). Harmony culture has been the basic guidance in managing a company especially in hospitality sector in Bali. There existed an annual competition on the implementation of harmony culture in hotels in Bali resulted in the culture as an organizational culture. Harmony culture was also implemented in village level and it gave impact on tourism in Bali (Astawa and Wriga, 2014).

2.3 Ethnomethodology Approach

Ethnomethodology aims to discuss social problems with qualitative approach and it is generally in line with ethnography (Coulon, 2008). Have (2004) stated that "*in fact, contrary to their reluctance to relay on interviews and documents, ethnomethodologists do use quite a lot of ethnography*". Ethnomethodology is a study of knowledge collection through logic and various procedures, ways and methods so it allows every member to understand each other (Ritzer and Goodman, 2003). Amal (2010) viewed ethnomethodology theory explained by Garfinkelb as a study of people's conversation in daily life setting. There are four concepts of the benefit of ethnomethodology in organizational and management function i.e.: practical implementation, reflectivity, knowledge and mind, and indexicality. Ethnomethodology develops concepts and principles that help in explaining how a common sense reality in a social society is built, maintained and change. The concepts consist of practice and the implementation of action, indexicality, reflexivity, accountability, membership and conversation analysis (Raho, 2007).

3. Method

The research started in April 2014 to May 2015 with 120 manager of LPD as informant. Research sampling was conducted with four categories of health standard of LPD that had been evaluated with CAMEL. The evaluation standard was determined by Regional Development Bank of Bali with criteria of healthy performance, fairly healthy performance, less healthy performance and unhealthy performance. Each category of LPD performance was represented by 30 manager LPDs as informant. Informant selection for each category was conducted in random. Data was collected through in-depth interview to LPD leaders on the implementation of harmony culture related to the quality of capital, asset, management, earning and liquidity. Analysis method used in the research was ethnomethodology on how people who involved in LPD implement the culture in their daily

practice (Burrell and Morgan, 1979). Research step was started with data collection through in-depth interview based on the following aspects: (1) How the harmonious culture activities are conducted in maintaining capital quality owned by LPD?; (2) How the harmonious culture activities are conducted in maintaining asset quality; (3) How the harmonious culture activities are conducted in developing governance in LPD; (4) How the harmonious culture activities are conducted in managing income; (5) How the implementation of harmonious culture activities related to the maintenance of LPD's liquidity. The next step was data reduction through abstraction, which is summarizing the core, process and statements that still in the context. Further, data was arranged in units and categorized. The final step of data analysis was examining data validity and synchronizing harmony cultural values implemented in LPD related to the measurement of performance of capital, asset, management, earning and liquidity.

4. Results and Discussion

4.1 Informant Characteristic

Of the 120 informants of LPD's leaders 104 hold bachelor's degree education, 5 master's degree, and 11 senior high school. Education encourages the creation of skill and professionalism (Ladkin, 2005); thus, based on educational level informant with bachelor's and master's degree education (90.83%) had professionalism in managing LPD. Working professionalism is a facility in achieving better performance (Airey and Tribe, 2005; King and Craig-Smith, 2005; Pearce, 2005; Ayres, 2006). The condition gave benefit for innovative credit service to rural society. Based on age characteristic, 86 percent was within productive age ranged from 25 to 59 years. It indicates that leaders/managers of LPD had high working spirit and gave opportunity for achieving better performance.

4.2 Capital Quality in Harmony Culture

The three aspects of harmony culture are *parahyangan* (harmonious relationship between man and God), *pawongan* (harmonious relationship with others) and *pelemahan* (harmonious relationship with nature). The harmonious interaction was the result of experience and understanding of actors in LPD and the reflexivity forms of harmonious cultural relationship and performance based on CAMEL analysis in the LPD. Capital quality of *parahyangan* aspect was reflected in the dialogue with manager: "...ketulusan lan kejujuran sane tiang tunas ring masyarakat sane nyelang tur nabung iriki, mangde sampunang nyelang jinah ring bank tiosan...(the LPD expect sincerity and honesty from the society that deposit and borrow money and that they do not use other banks)". *Pawongan* aspect was reflected through the dialogue with LPD leaders: "...tiang nunas mangde sami masyarakate uning indik pemargi LPD tur nabunglan nyelang iriki...(I ask the rural society to understand well about LPD operational and hope that they can use it to borrow and save money)....". *Palemahan* aspect was reflected through the dialogue: ".....LPD sane kasongkong antuk banjar adat mangde jati-jati nyarengin nyombehyang indik pemargi LPD kemasyarakat desa..(LPD supported by Banjar Adat is expected to have role in socializing LPD program to the society)....".

The meaning of those dialogues statement of performance measurement based on capital quality of harmony culture practice are (1) the level of society's sincere involvement in borrowing and saving in LPD is the basic in measuring the quality of capital owned by LPD, (2) the role of *Banjar Adat* in encouraging the society to utilize LPD. These meanings are the development of research results from Brinkerhoff (1992) and Yaron *et al.* (1977) stated that the role of custom is needed in the development of microfinance institution. In Bali, the development of custom is in *Banjar adat*; therefore its role is very strategic in developing LPD service to societies.

4.3 Asset Quality in Harmony Culture

Assets in this case were current and fixed assets. Both assets were viewed from the aspect of harmony culture consisted of *parahyangan*, *pawongan*, dan *palemahan*. *Parahyangan* aspect was reflected through the dialogue with LPD leaders "...sami sane wenten ring LPD duen ida dane sami, nike mawinang yen pet wenten karya ring pura patut ngewantu....(LPD gives assistance through its assets to the society related to ceremonies in *purasince* its assets is also owned by society)....". *Pawongan* aspect was reflected through the dialogue with leaders ".....duen LPDne dados keanggon

ngewantu ngaben, metatah, nganten...(LPD assets can be used to help in ceremonies of *ngaben*, tooth cutting and marriage that exist in society)...". *Palemahan* aspect resulted from in-depth interview with LPD leaders "...*aset LPD contoh mobil sampun memargi ngewantu angkut sampah ring pasar tur genah wargi sami...*(LPD assets in form of cars has been used for public interest to transport waste at the market or other places)...". The meaning of those dialogues statement is that the practice of harmony culture in the measurement of performance on owned assets should reflect: (1) the use of asset for religious ceremonial activities both related to God and human, (2) the use of asset in maintaining the cleanliness of rural environment. Assets that can be used for customers' interest was a way to strengthen the position of microfinance institution in customers. This is a unique way and gives strong competitiveness in global market. Assets quality supports green concept in developing harmonious environment (Waweru *et al.*, 2004, Waweru and Spraakman, 2012).

4.4 Management (governance) Quality in Harmony Culture

LPD management was performed in two perspectives: modern and traditional management. Modern management was seen in the adoption of the element of management function and performance measurement through CAMEL. Traditional management was seen from the use of custom as a basic for credit issuance and the application of sanctions for any violation conducted by society and employees. In order to find out about the quality of management performed in the implementation of harmony culture in-depth interview was conducted to LPD leaders. *Parahyangan* aspect was reflected from the statement "...*sedurung mekarya sami karyawane keaturin mebakti ring padme, pelangiran ring ruang suang-suang, tios nika rutin ngicen darmawacana, tirtayatra, ngayah ring pura. LPD ngelaksanayang suksmaning manah ring betari jinah, nikamawinang ngelaksanayang piodalan iriki* (employees are always pray before working in the determined praying room or in their own room. In addition, religious speech and tripis conducted. LPD hold ceremonies to celebrate the day of receiving prosperity (money) every six month)...". *Pawongan* aspect resulted from dialogue with LPD leaders "...*perikatan kewangun antuk sekeha tabuh, gaguritan, sekeha tari, sekeha olah raga...*(togetherness is built by management through such clubs as art, dance, sing (Balinese traditional song), *gamelan* and sports) ...". *Palemahan* aspect resulted from in-depth interview with LPD leaders "...*tiang lingkungan mangde asri, tur kedagingin bak sampah . Tiang nyarengin kebanjar-banjar ngicen tempat sampah tur ngewantu kebanjar mangde ten kotor...*(at LPD, the yard is arranged neatly and garbage can is available. In addition it also helps *banjar* in maintaining clean environment by giving garbage can and fund)..'. The meaning of those dialogues statement is that the performance of LPD related to management was measured by the implementation of harmony culture by: (1) building praying room, conducting ceremonies of prosperity God worship and conducting groups pray, religious discussion and spiritual trip; (2) creating clubs to strengthen culture; and (3) contributing in the maintenance of harmonious office environment and rural environment. The concept of performance measurement related to management is the development of non-financial performance of Kaplan and Norton (1996) consisted of learning and growth, customer and internal business process. In terms of service to custom village, the performance was conducted based on existed culture in LPD.

4.4 Income Quality in Harmony Culture

The income received by LPD in the practice of harmony culture was reflected in the dialogue with LPD leaders: "...*pendapatan LPD sane sampun keatur pemerintah 40 % nika modal, 20 % cadangan modal, 20 ngewangun desa, 10 % anggen namabah gaji karyawan, 5% anggen membina LPD, dan 5 % anggen kegiatan social sami sampun kelandasin antuk budaya harmoni. Parahyangan keanggen upacara keagaamaan, pawongan anggen mensejahterakan masyarakat, lan aspek palemahan anggen ngewangun tempat- tempat umum tur nyaga lingkungan mangdebecik...* (the income received by LPD has been arranged by the government, such as 40% for capital, 20% for capital reserve, 20% for village development, 10% for production service, 5% for LPD

development and 5% for social. *Parahyangan* aspect is aimed to support religious ceremonies, *pawongan* aspect is aimed to help society's prosperity and *palemahan* aspect is aimed to build public facilities and arrange better environment)...” The meaning for the interview result is that performance to be achieved should consider the support for performing religious ceremonies, society's prosperity, good environment and public facilities to be available to support the society.

4.5 Liquidity Quality and Harmony Culture

Result of in-depth interview to LPD leaders in terms of *parahyangan* aspect “...LPD siage antuk jinah di nuju rerainan jagat minekadi purnama, galungan, kuningan, nyepi tur piodalan-piodalan ring pura..(LPD should provide fund for society for religious ceremony activities such as full moon day, galungan,kuningan, nyepi and it even helps in every ceremonies at pura)...”. *Pawongan* aspect resulted from the dialogue “...kestiagaan niki sane akeh pisan, santukan keperluan warga akeh luwire; metatah, tigang sasih, nganten, kematian, pernikahan, ngaben...(the readiness of LPD in terms of harmonization with its customers are, among others, related to ceremonies of tooth cutting, three months, marriage, death and cremation)...”. *Palemahan* resulted from dialogue LPD leader “LPD siage antuk keperluan jinah sane kebuatang ring banjar-banjar tur punia kemasayarakat sane ten keni antuk ... (LPD should prepare fund for the need of each banjar at any time and for donation to society that unpredictable; therefore, appropriate planning for fund is necessary)...”. The meaning of the in-depth interview result is that the ability needed for LPD in liquidity in the perspective of harmony culture is in calculating fund needed for religious ceremonies, humanity ceremonies, *banjar* need and donation for society. This result is supported by Cassar *et al.* (2007), Hermes and Lensink (2007) stated that the trust of society and groups has impact on loan payment.

5. Research Implications

Harmony culture is a local culture that needs to be taken into consideration in developing LPD performance in addition to financial performance. This result gives impact on organizational culture of Schein (2004) and the development of research result of Cassar *et al.* (2007), Hermes and Lensink (2007). The research will be better by digging into another local culture thus more variety result will be gained and in turn, it will give color to other researches related to micro finance institution.

6. Conclusions

Indexicality result of harmony culture implementation in creating performance measurement will need the following components: level of society involvement as individual or as a group; level of assets use for society, numbers of art groups, support for religious implementation, society prosperity, environment and responsiveness toward society's will related to their belief to God, human and their surrounding nature.

REFERENCES

- Airey, D., and Tribe, J. (2005). Issues for the future. In D. Airey & J. Tribe (Eds.), *An international handbook of tourism education* (pp. 501–506).
- Amal, M.K., 2010. Anatomidan Perkembangan Teori Sosial Etnometodologi Harold Garfinkel, Pendahuluan Prof Ramlan Subakti, Ph.D., M.A. *Penerbit Aditya Media*.
- Anatomy and the development of Social-Ethnomethodology Theory of Harold Garfinkel, Introduction by Prof Ramlan Subakti*
- Arsyad Lincolin, 2008. *Lembaga Keuangan Mikro; Institusi, Kinerja dan Keberlanjutan*. Penerbit Andi, Yogyakarta
- Microfinance Institution; Institution, Performance and Sustainability*
- Ashraf A., Hassan M.K., Hippler William J., 2014. Performance of Microfinance Institution In Muslim Countries, *Humanomic*, Vol. 30, No.2, pp 162-182
- Ashraf, A. and Hassan K, 2012. “ Firm-level attributes and performance of micro-finance institutions”, McGraw-Hill/Irwin Outstanding Distinguished Paper Awards, Academy of International Business, U.S. *Southwest Chapter (AIBSW) Conference, New Orleans*.

-
- Astawa P. I., 2011. Local Culture Values and Agency Cost at Micro Financial (Institution in Bali). *Proceeding Seminar International The Economic Prospect Of Southeast ASEAN USM Malaysia*.
- Astawa P. I., Sudarma M., Aisjah S., Djumahir, 2012. Credit Risk and Harmonious Values Practice (Study at Village Credit Institution (LembagaPerkreditanDesa) Of Bali Province), *Journal of Business and Management, Volume 6, Issue 4, PP 16-20*
- Astawa P. I., 2013. Ownership in the Perspective of Ethnomethodology at the Village Credit Institutional in Bali, *Research Journal of Finance and Accounting, Vol. 4, No.8, pp 55-62*
- Astawa P. I., Sudarma M., Aisjah S., Djumahir, 2013. Institutional Ownership and Harmonious Values in Increasing Financial Performance of Village Credit Institution (LembagaPerkreditan Rakyat/LPD) in Bali Province, *Journal of Basic and Applied Scientific Research, Vol. 3, No. 6, pp 813-824*.
- Astawa P. I. and Sudika P., 2014. The Impact Local Culture On Financial Performance In Property Firms In Bali, *Asia Pacific Management and Business Application, Vol 3, No. 2, pp 106-115*
- Ayres, H.J. (2006). *Influence on career development in Australian tourism*. Doctoral thesis, University of Canberra, Australia
- Bank Pembangunan Daerah Bali, 2013. *Annual Report*, Provinsi Bali
- Bhatt, N. and Tang, S.Y., 2002. "Determinants of repayment in microcredit: evidence from programs in the United States", *International Journal of Urban and Regional Research, Vol. 26 No. 2, pp. 360-376*.
- Brehanu, A. and Fufa, B. 2008. "Repayment rate of loans from semi-formal financial institutions among small-scale farmers in Ethiopia: two-limit tobit analysis", *Journal of Socio-Economics, Vol. 37 No. 6, pp. 2221-2230*.
- Burrell, G. And Morgan, G., 1979. *Sociological Paradigms and Organisational Analysis*, Arena.
- Brinkerhoff, 1992. Promoting the Sustainability of Development Institutions : A Framework for Strategy. *World Development, 20 (3), 369-383*.
- Bruton, G.D., Khavul, S. and Chavez, H. (2011), "Microlending in emerging economies: building a new line of inquiry from the ground up", *Journal of International Business Studies, Vol. 42, pp. 1-22*.
- Cassar, A., Crowley, L. and Wydick, B. (2007), "The effect of social capital on grouploan repayment: evidence from field experiments", *The Economic Journal, Vol. 117, February, pp. F85-F106*.
- Coulon, A., 2008. *Entnometodologi. Ethnomethodology*. Published with Cooperation of Cultural Study Group Jakarta and Lengge Foundation Mataram
- Courts, A., 2008. *Small Loan, Big Dreams*, Wiley, Hoboken, Nj.
- GhatePrabu. 1988 Informal Credit Market in Asian Developing Countries. *Asian Development Review, 6(1):64-68*
- GunawanKetut, 2009. The Influence of Organizational Culture, Work Satisfaction and Work Motivation on Leadership Style and Organization Performance (Study in LPD Bali), *Journal of Management Application. vol.7, pp 441-449*

-
- Hamada, M. (2010), "Financial services to the poor: an introduction to the special issue on microfinance", *The Developing Economies*, Vol. 38 No. 1, pp. 1-14.
- Have, P.T., 2004. *Understanding Qualitative Research and Etnomethodology*. London: SAGE Publication Ltd.
- Hermes, N. and Lensink, R. (2007), "The empirics of microfinance: what do we know?", *The Economic Journal*, Vol. 117, February, pp. F1-F10.
- Kaplan, R. and D.P. Norton, 1996. *Balance Scorecard, Translating Strategy into Action*. Harvard Business School Press. Boston, Massachusetts.
- Khandker, Shaibur R. 1988. Micro-credit Programme Evaluation: A Critical Review. *Institute of Development Studies Bulletin*, 29(4):1-20
- King, B., & Craig-Smith, S. (2005). International tourism education: Australasia. In D. Airey, & J. Tribe (Eds.), *An international handbook of tourism education* (pp. 111–121).
- Ladkin, A. (2005). Careers and employment. In D. Airey & J. Tribe (Eds.), *An international handbook of tourism education* (pp. 437–450).
- Mersland, R. and Strøm, R.Ø. (2009), "Performance and governance in microfinance institutions", *Journal of Banking and Finance*, Vol. 33 No. 4, 662-669.
- Pearce, P.L. (2005). Australian tourism education: the quest for status. In C.H. Hsu (Ed.), *Global tourism higher education: past, present, and future* (pp. 251–267). NY: The Haworth Hospitality Press.
- Pemerintah Tingkat I Bali, 2002. *Peraturan Daerah No. 8 Tahun 2002 tentang Lembaga Perkreditan Desa Bali*
Level I Regional Government of Bali. Regional Regulation No. 8, 2002 on Village Credit Institution in Bali
- Peraturan Daerah No. 16., 2002. *Rencana Strategik Pembangunan Provinsi Bali*. Bali Regional Government No. 16, 2002. Development Strategic Plan of Bali Province
- Raho, B., 2007. *Teori Sosiologi Modern*. Jakarta. Penerbit Prestasi Pustaka Publisher *Modern Sociology Theory*
- Ramantha Wayan I, 2006. Menuju LPD Sehat. *Buletin Studi Ekonomi*. Vol 11. No. 1. pp 46-52
Toward Healthy LPD
- Riana, I. G., 2010. The Impact of Tri Hita Karana Culture Implementation on Entrepreneurship Orientation and Market Orientation and Its Consequences on Business Performance Moderating by Business Learning, *Dissertation*, Economic Faculty, Universitas Brawijaya.
- Schein, Edgar, H., 2004. *Organizational Culture and Leadership*, John Wiley and Sons.
- Stiglitz, Joseph E, 1990. Peer Monitoring and Credit Markets. *The World Bank Economic Review*, 4(3):351-66
- Waweru, N.M., Hoque, Z. and Uliana, E. (2004), "Management accounting change in South African: case studies from retail services", *Accounting, Auditing & Accountability Journal*, Vol. 17 No. 5, pp. 675-705.

Waweru N. and Spraakman G., 2012. The use of performance measures: case studies from the microfinance sector in Kenya, *Qualitative Research in Accounting & Management*, Vol. 9 No. 1, pp 44-65

Windia, W., dan Ratna K. Dewi. 2007. *Analisis Bisnis yang Berlandaskan Tri Hita Karana*, Penerbit Universitas, Udayana, Denpasar.

Yaron, Yacob, McDonald Benjamin & Gerda Piprek. 1977 Rural Finance: Issue, Design, and the Best Practice, *Environmentally and Socially Sustainable Development Studies and Monographs Series 14*. Washington D.C.: The World Bank.



