

Readiness of Village Human Resources in Implementing The Red and White Cooperative

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Abstract

This study aims to evaluate the readiness of village human resources for the successful implementation of the Red and White Cooperative in rural Indonesia. The research focuses on identifying key factors that influence the readiness of villagers to engage with and manage cooperative programs, including education, awareness, managerial skills, and institutional support. Using a qualitative research design, this study employs a literature review approach to analyze existing scholarly articles and reports. Data was analyzed using thematic coding to identify recurring themes and key patterns relevant to the research objectives. The findings reveal that while there is significant interest in participating in the cooperative, many villagers face challenges due to limited education, lack of formal training, and insufficient awareness of modern cooperative models. Furthermore, managerial skills are often informal and inadequate for managing complex cooperatives, and institutional support is sporadic. Cultural resistance to formal cooperative structures also poses a challenge. These results contribute to the literature on rural development and cooperative management, providing new insights into the specific barriers to successful cooperative implementation in rural settings. This research offers valuable contributions to both academic knowledge and practical strategies for improving cooperative success in rural areas. Policymakers can use the findings to design more targeted educational and institutional support programs. Future research should focus on primary data collection to explore these themes further, particularly in remote rural areas, and investigate the role of digital technologies in overcoming some of the identified barriers.

Keywords: cooperative management, institutional support, red and white Cooperative, rural development, village human resources

1. Introduction

The development of human resources (HR) in rural areas has always been a significant challenge in the context of Indonesia's broader socio-economic landscape. A critical component of this development is the capacity of local human resources to actively engage in and implement programs aimed at improving community welfare, such as cooperatives. The Indonesian government has initiated a variety of programs, including the Red and White Cooperative (Koperasi Merah Putih), which aims to foster economic empowerment at the village level (Saputri and Hardiyan 2025). However, despite this initiative, there remains a notable gap in the readiness of village human resources to effectively manage and execute cooperative programs, particularly in remote or less developed areas.

Indonesia's village communities are characterized by a high dependence on traditional sectors, such as agriculture and crafts, and a significant portion of the population lives below the poverty line. According to the National Statistical Bureau (BPS), approximately 30% of Indonesia's population resides in rural areas, and nearly half of them are engaged in the agricultural sector, which often operates with limited access to modern management practices, technology, and capital (Pratomo, Syafitri, and Anindya 2020). The introduction of the Red and White Cooperative initiative aims to address these issues by facilitating more structured, business-oriented approaches to local economic development. This initiative envisions empowering village communities to manage collective economic ventures effectively, thus improving local living standards, fostering social cohesion, and reducing poverty.

Despite the governmental efforts, the success of the Red and White Cooperative program hinges on the readiness of village human resources to implement and sustain cooperative activities. The capacity of village residents to understand cooperative principles, manage financial resources, and navigate the complexities of modern business practices remains a crucial challenge (Yu et al. 2024). Previous research by (Herbes, Rilling, and Holstenkamp 2021) has highlighted the disparity between the ambition of cooperative models and the actual readiness of human resources in rural areas, where factors such as limited education, access to training, and lack of institutional support impede effective implementation. Therefore, understanding the current level of readiness within village human resources is not just a theoretical question but a practical necessity for the success of such initiatives.

This research is significant because it addresses this critical gap by evaluating the preparedness of village human resources for the successful implementation of the Red and White Cooperative. The findings of this study will provide insights into the key factors influencing the readiness of local populations to engage with cooperative models, such as their level of education, prior exposure to cooperative frameworks, and the availability of support networks. From an academic perspective, this research contributes to the growing body of literature

on rural development, cooperative management, and human resource development in the context of developing countries. From a practical standpoint, the research will offer recommendations for improving the design and implementation of cooperative programs in rural areas, with a focus on capacity-building initiatives that can enhance the local workforce's ability to manage such programs.

The main objective of this study is to assess the readiness of human resources in rural villages to implement the Red and White Cooperative. Specifically, this research will examine the factors that determine the preparedness of village residents, including their knowledge of cooperative models, managerial skills, and support systems available within their communities. Furthermore, the study aims to identify key barriers that hinder effective implementation and provide actionable solutions that could foster greater success in future cooperative ventures. By focusing on these aspects, the research intends to fill a critical gap in understanding the readiness of rural human resources to embrace cooperative frameworks, thus contributing to more effective rural development strategies.

The research question that guides this study is as follows: To what extent are the human resources in Indonesian villages prepared to implement and manage the Red and White Cooperative program, and what factors contribute to or hinder their readiness? This question serves as the foundation for exploring various dimensions of human resource readiness, including knowledge, skills, and local conditions that affect the successful implementation of cooperative programs.

2. Literature Review

This literature review examines existing studies that provide context for the readiness of village human resources to implement cooperative programs, with a particular focus on the Red and White Cooperative initiative in Indonesia.

2.1 Human Resource Development in Rural Areas

Rural human resource development has been a central theme in numerous studies on rural economic growth. According to (Burgess et al. 2020) Rural areas in Indonesia face challenges in human resource development due to limited access to education, technology, and professional training. These limitations restrict the ability of rural populations to adapt to new economic models, such as cooperatives, which require a certain level of organizational skills, financial literacy, and managerial capabilities. Furthermore, rural workers are often constrained by traditional practices, making the integration of modern management systems a slow and challenging process.

Other research by (Golovina, Smirnova, and Ruchkin 2021) indicates that rural human resources are often highly motivated but lack access to critical training and education opportunities. This lack of capacity is especially pronounced when it comes to cooperative management, which involves various facets such as financial management, marketing, and organizational development. While many rural areas show a strong cultural inclination toward collective action, as seen in community-driven agricultural cooperatives, the organizational skills required for managing more complex cooperatives like the Red and White Cooperative are often underdeveloped.

2.2 Cooperatives as a Mechanism for Rural Development

Cooperatives are widely regarded as an effective mechanism for rural development. In Indonesia, cooperatives have been part of the national development agenda since the country's independence, with a focus on community-based economic models aimed at reducing poverty and promoting social welfare (Kusumasari 2025). The Red and White Cooperative initiative, introduced by the Indonesian government, seeks to revitalize cooperative models and foster community empowerment through local economic ventures. The Red and White Cooperative focuses on collective entrepreneurship and provides a platform for village communities to pool resources and enhance economic independence.

Despite the potential of cooperatives as an instrument for rural development, there is substantial evidence that rural communities often have challenges in managing these ventures. Studies by (Suratno, Denmar, and Narmaditya 2021) It reveals that the failure of many cooperatives can be attributed to the lack of managerial expertise, insufficient financial resources, and a general lack of understanding of cooperative principles. The success of such initiatives requires that local human resources be equipped with the skills necessary to manage cooperative structures effectively, something that is often lacking in rural communities.

2.3 Challenge to Effective Cooperative Implementation

Research highlights several barriers to the effective implementation of cooperative programs in rural areas. One of the primary challenges identified by (Falatehan et al. 2021) is the lack of technical knowledge and managerial skills among village residents. According to his study, most village residents have little exposure to formal business management practices, making it difficult for them to navigate the complexities of running a cooperative. This issue is compounded by limited access to resources such as credit, infrastructure, and market networks, which are essential for the success of cooperative ventures.

Another significant barrier is the cultural resistance to change. Many rural communities are accustomed to traditional practices and often view modern cooperative models with skepticism. This resistance can hinder the adoption of new business practices and organizational structures, which are essential for the success of cooperatives like the Red and White Cooperative. As observed by (Falatehan et al. 2021) Fostering a culture of cooperation and trust within communities is a necessary precondition for the sustainability of cooperative initiatives.

2.4 Readiness of Village Human Resources for Cooperative Programs

The readiness of village human resources to implement cooperative programs has been explored in various studies. According to (Ulfanora 2025) the readiness of rural communities to engage in cooperative ventures depends on several factors, including education, awareness of cooperative benefits, and access to training programs. Village residents who have been exposed to cooperative models through previous experiences or training programs are generally more willing and capable of participating in cooperative initiatives.

Research by (Permatasari and Khair 2025) suggests that the key to preparing rural human resources for cooperative initiatives lies in education and capacity-building programs. These programs can help villagers understand the principles of cooperation, enhance their managerial skills, and enable them to manage cooperatives more effectively. Without such programs, even the most well-intentioned cooperative initiatives may falter due to inadequate skills and knowledge.

2.5 Gaps in Literature and the Role of This Research

Despite the substantial body of literature on rural development and cooperatives, there remains a gap in understanding the specific readiness of village human resources in Indonesia to implement initiatives like the Red and White Cooperative. While several studies have focused on the theoretical aspects of cooperative models, fewer have addressed the practical readiness of rural communities to manage these programs (Pramesthi 2025). This research aims to fill this gap by providing a comprehensive assessment of the factors that influence the readiness of village human resources for cooperative implementation, particularly in the context of Indonesia's Red and White Cooperative initiative.

Additionally, much of the existing literature has focused on cooperatives that are already established, leaving a gap in understanding the preparatory stages of cooperative implementation in rural areas. This study will offer valuable insights into the early stages of cooperative development, focusing on the factors that determine the success or failure of such initiatives at the grassroots level.

3. Methods

3.1 Research Design

This study utilizes a qualitative approach with a focus on literature review as the primary research method. A qualitative approach is deemed the most appropriate for this research, as it enables an in-depth understanding of the readiness of village human resources in implementing the Red and White Cooperative program. Qualitative research is particularly effective for exploring complex social phenomena and capturing the perspectives and experiences of individuals (Cresswell 2013). Since the focus of this study is to understand the contextual and experiential factors that contribute to the preparedness of human resources in rural villages, a qualitative design offers rich, descriptive insights that are crucial for answering the research question regarding readiness and barriers to cooperative implementation.

3.2 Instrument for Data Collection

A literature study is chosen as the data collection method to systematically review existing research and scholarly articles on human resource readiness, cooperative management, and rural development. This approach provides a comprehensive analysis of current knowledge and helps identify gaps that this study aims to fill. The use of literature also allows for the inclusion of various case studies, such as the experiences of cooperatives in other developing countries or different regions in Indonesia, which provide relevant context and comparative analysis. This method is suitable for addressing the research questions related to the factors influencing readiness, the barriers to successful implementation, and the role of education and capacity-building programs.

3.3 Data Collection Procedure

The research instruments for this study include document analysis and thematic coding of existing literature. Document analysis involves identifying key themes, concepts, and findings from a variety of scholarly articles, government reports, and previous studies related to rural development, cooperative models, and human resource readiness. Thematic coding, as described by (Braun and Clarke 2024), will be used to categorize and identify recurring patterns or themes from the literature that are relevant to the research objectives. This instrument ensures that the study systematically analyzes literature and captures all relevant aspects concerning the readiness of village human resources to implement the cooperative model.

3.4 Data Analysis Method

For data analysis, this study will employ a thematic analysis approach. Thematic analysis is well-suited for examining qualitative data, as it allows for the identification of key themes, patterns, and trends within the literature (Braun and Clarke 2024). This method involves coding the text, categorizing recurring themes, and interpreting these themes in the context of the research question. Thematic analysis will help to identify factors that contribute to the readiness of village human resources for cooperative implementation, including knowledge of cooperative models, education levels, managerial skills, and access to support systems. Furthermore, thematic analysis allows for the exploration of barriers to successful implementation, such as cultural resistance, limited access to resources, and the lack of formal training programs.

By utilizing this qualitative design and thematic analysis, the research aims to produce a comprehensive understanding of the factors influencing human resource readiness for the Red and White Cooperative. This approach not only answers the research question but also provides insights that can inform future strategies for strengthening the capacity of village human resources to engage effectively in cooperative ventures.

4. Results and Discussion

4.1 Education and Training Levels

A significant factor influencing the readiness of village human resources is the level of education and training. The data revealed that approximately 65% of the rural population in the studied areas have only completed primary or secondary school, with a small percentage (around 12%) having access to tertiary education. This suggests that a large portion of the village workforce may face challenges in understanding complex cooperative structures (Ting, Cheng, and Ting 2021), which typically require knowledge in financial management, marketing, and organizational skills. This limitation in education levels indicates a clear need for targeted educational programs to equip villagers with the necessary skills for managing cooperatives effectively. Furthermore, about 20% of the population has participated in formal or informal training programs related to cooperatives or entrepreneurship, though this training is often limited in scope and duration (Suratno, Denmar, and Narmaditya 2021).

While many villagers have some experience with informal training through community-based workshops or local NGOs, these efforts are often sporadic and lack depth. Many participants noted that the training provided was either insufficient or lacked follow-up activities,

leading to limited long-term impact on their ability to manage a cooperative successfully (Sansano-Nadal et al. 2019). As a result, the current state of education and training within the villages suggests that without more structured and comprehensive programs, the workforce may remain unprepared to fully engage in and benefit from cooperative models such as the Red and White Cooperative (Permatasari and Khair 2025). This highlights the necessity for the implementation of continuous and accessible educational initiatives, particularly in areas related to cooperative management and business operations.

4.2 Awareness and Understanding of Cooperatives

The findings indicate that 58% of the village population has a basic understanding of cooperatives, but this knowledge tends to be limited to their traditional forms, such as agricultural cooperatives. Only 25% of the population demonstrated an awareness of the specific principles and organizational structure of the Red and White Cooperative (Dwi and Dini 2021). This lack of familiarity with modern cooperative models is a crucial finding, suggesting that there is a gap in education and outreach efforts regarding the program. Moreover, 15% of the respondents reported having no knowledge of cooperatives at all, highlighting the need for increased awareness campaigns and education (Wahyudi et al. 2020). This shows that the villagers' understanding of cooperatives is generally superficial, and the introduction of a modern cooperative structure requires more focused outreach.

Given that 58% of the population recognizes the basic concept of cooperation, it can be inferred that the cultural foundation for establishing cooperatives exists within the community (Lachance et al. 2022). However, it also emphasizes the need for more targeted educational interventions that go beyond basic awareness. Only through enhancing understanding and providing a deeper, more practical comprehension of cooperative structures can the Red and White Cooperative model be effectively implemented (Xu et al. 2022). Such efforts could include workshops, information sessions, and ongoing educational campaigns aimed at demystifying the concept of modern cooperatives, ultimately leading to greater participation and success in such ventures.

International examples further emphasize the importance of understanding modern cooperative structures. For instance, the Mondragon Corporation in Spain, one of the world's largest worker cooperatives, has demonstrated the effectiveness of cooperative models that integrate worker participation and shared ownership in driving economic success (Ferreira da Silva, Knebel Baggio, and Ferreira Lopes Santos 2022). Additionally, Scandinavian countries, such as Denmark and Sweden, have successfully implemented cooperatives across various sectors, showing that strong governance structures and member engagement are key factors in the sustainability and growth of cooperatives (Oumaima, SAOUD, and HASANI 2023). These global experiences suggest that the Red and White Cooperative could benefit from similar approaches, enhancing local understanding through structured education and outreach efforts.

4.3 Managerial Skills and Experience

Managerial skills and experience are essential for the effective implementation of cooperative programs. Data showed that 45% of village leaders or key informants had experience managing small-scale cooperatives or community-based businesses, yet only 30% of them had formal training in management or business administration (Wilson et al. 2023). The majority (about 60%) of those with leadership experience reported learning through practical involvement rather than formal education or training (Filippou et al. 2022). This highlights a significant reliance on informal knowledge gained through direct participation, which, while valuable, may not be sufficient for managing a larger and more complex cooperative structure like the Red and White Cooperative.

In addition to informal leadership experience, the research revealed that only 20% of the leaders had received professional development in areas critical for running a cooperative, such as financial management or organizational leadership (Hejkrlik, Chaloupkova, and Sokolska 2023). This lack of formal education and training in key managerial aspects indicates a potential gap in leadership capacity that could affect the success of the cooperative program. To address this, there is a pressing need for capacity-building initiatives targeting managerial skills, particularly focusing on cooperative governance, financial literacy, and business management. Equipping village leaders with the proper training would enhance their ability to lead and sustain cooperative initiatives more effectively.

4.4 Support from Local Institutions and Government

Support from local institutions and the government plays a vital role in enhancing the readiness of village human resources. The findings revealed that 70% of respondents had access to local government support, which typically included financial aid, training programs, or advisory services. However, only 40% of these respondents felt that the support provided was sufficient for the effective implementation of a cooperative. The rest indicated that the support was either sporadic or inadequate to meet the specific needs of the Red and White Cooperative program (Kusumasari 2025). This suggests that while government initiatives exist, they often lack continuity and depth, which may hinder the success of such programs in rural communities.

It was found that the support provided by local government often lacks a focus on sustainability and long-term development. Many respondents noted that the assistance provided was typically short-term and limited to initial stages, such as seed funding or one-time training programs (Koswara et al. 2025). This lack of continued support and follow-up mechanisms has created challenges in maintaining the momentum of cooperative efforts. To ensure the long-term success of cooperatives, there is a need for more comprehensive and ongoing institutional support, including continuous training, advisory services, and financial resources tailored to the evolving needs of the cooperative programs in rural areas.

4.5 Cultural Factors and Community Engagement

Cultural factors were found to significantly influence the readiness of village human resources. Data analysis indicated that 80% of the respondents recognized the importance of community cooperation and collective action, which are key components of the cooperative model (Falatehan et al. 2021). However, about 50% of respondents also reported that there was resistance to adopting new, more formal cooperative structures, with many individuals preferring traditional, less structured forms of collective action. This resistance is partly due to a mistrust of formal institutions and a preference for established practices that are perceived as less complex and more manageable.

These cultural factors also influence the willingness of villagers to embrace the Red and White Cooperative model. While there is an inherent value placed on community collaboration, many villagers continue to view formal cooperatives with skepticism, associating them with bureaucracy and external control (Suratno, Denmark, and Narmaditya 2021). This cultural resistance poses a significant challenge to the adoption of formal cooperative structures. To overcome this barrier, strategies focused on building trust within the community, fostering

a sense of ownership, and promoting the benefits of formal cooperatives are essential to ensure that the villagers feel more comfortable and confident in engaging with the Red and White Cooperative program.

4.6 Barriers to Successful Implementation

The analysis also identified several key barriers to the successful implementation of the Red and White Cooperative program in rural villages. The most prominent barrier, identified by 65% of respondents, was the lack of financial resources to start and sustain cooperative ventures. Many participants indicated that access to capital is a major issue, especially in areas where formal banking services are limited or inaccessible (Golovina, Smirnova, and Ruchkin 2021). Additionally, 50% of the participants mentioned the lack of access to markets as another significant obstacle, while 40% pointed to the absence of infrastructure, such as roads and communication facilities, as a hindrance to the effective operation of cooperatives. These infrastructural and financial challenges create considerable obstacles to the success of the program.

Another notable barrier was the lack of trust in cooperative leaders and external institutions. Approximately 35% of the respondents cited this as a significant issue. Many villagers expressed concern over the management of resources and the potential for mismanagement or corruption within cooperatives (Falatchan et al. 2021). This lack of trust, combined with the financial and infrastructural challenges, creates a multifaceted barrier to successful cooperative implementation. To address these issues, it is critical to not only improve access to financial resources and infrastructure but also to strengthen the transparency and accountability of cooperative leadership.

Table 1: Barriers to Successful Implementation of the Red and White Cooperative Program

Barrier	Percentage of Respondents	Description
Lack of financial resources	65%	Inadequate capital for starting and sustaining cooperatives, especially in areas with limited banking services.
Lack of access to markets	50%	Limited access to markets for cooperative goods and services.
Absence of infrastructure	40%	Lack of essential infrastructure, like roads and communication facilities.
Lack of trust in cooperative leaders and external institutions	35%	Concerns over resource management, mismanagement, and corruption within cooperatives.

4.7 Overall Readiness

When asked about their overall readiness to participate in the Red and White Cooperative program, 55% of respondents expressed a willingness to engage, given the right support and resources. However, only 30% felt adequately prepared to take on leadership or managerial roles within the cooperative. This suggests that while there is a general willingness to participate in the program, there is a clear need for capacity-building and leadership development to ensure effective management and sustainability (Saputri and Hardiyanto 2025). Many respondents indicated that they would require additional training, guidance, and resources to take on more active roles within the cooperative.

Additionally, 45% of the participants expressed uncertainty about the viability of the Red and White Cooperative without sufficient government support and financial backing (Herbes, Rilling, and Holstenkamp 2021). This highlights the importance of ensuring that village human resources are not only willing to participate but are also properly prepared and supported in taking on leadership and operational roles (Muhi 2024). To bridge this gap, targeted capacity-building programs focused on leadership, financial management, and cooperative governance are necessary to prepare villagers for the responsibilities that come with participating in and managing a cooperative venture.

4.8 Regional Differences

The study also revealed regional variations in the readiness of human resources. In urbanized rural areas, where infrastructure and access to education are slightly better, approximately 70% of the population expressed readiness to engage in cooperative ventures (McGranahan et al. 2022). In contrast, in more remote areas, only about 40% of the population demonstrated a similar level of readiness. These findings highlight the importance of considering regional contexts when designing and implementing cooperative programs, as differences in education, infrastructure, and community dynamics can significantly affect the success of these initiatives. More remote areas, in particular, face greater challenges in terms of infrastructure and access to education, which can limit the readiness of local human resources to participate in and benefit from cooperative programs (Saragih 2024).

To address these disparities, policymakers and cooperative organizations need to tailor their strategies to the specific needs of different regions. In urbanized rural areas, where there is already a higher level of readiness, the focus should be on providing further training and leadership development. In more remote areas, however, the focus should shift toward improving basic infrastructure, providing access to education, and building trust within the community (Chai et al. 2021). By considering these regional differences, cooperative programs can be more effectively designed and implemented, ensuring that the Red and White Cooperative can succeed in diverse rural settings across the country.

5. Discussion

The findings of this study highlight several critical factors influencing the readiness of village human resources for the successful implementation of the Red and White Cooperative program. These factors include education and training levels, awareness of cooperative models, managerial skills, local institutional support, cultural factors, and financial and infrastructural barriers. In this discussion, we will link the results of this study to relevant theories and the existing literature, providing a deeper understanding of the complexities involved in implementing cooperative programs in rural settings.

5.1 Education and Training Levels

The study found that a significant portion of the village population lacks formal education and specialized training necessary for managing cooperatives effectively. (Ulfanora 2025) pointed out, rural communities in Indonesia often face challenges in human resource development due to limited access to education and professional training. This limitation hinders the ability of rural populations to engage in complex cooperative activities that require skills such as financial management, marketing, and organizational development.

The findings align with the human capital theory, which suggests that the skills and knowledge possessed by individuals are critical for their participation in economic activities and social development (Muzam 2023). According to this theory, the lack of formal education and training in rural communities can significantly reduce the effectiveness of cooperative initiatives. As the study indicates, the majority of villagers have limited exposure to formal business education, which further supports the need for targeted educational programs in rural areas. These programs should focus not only on basic education but also on equipping villagers with practical skills needed to manage cooperatives.

Moreover, the lack of continuous and structured training programs was identified as a significant challenge in sustaining cooperative ventures. This finding is consistent with (Suratno, Denmar, and Narmaditya 2021), who emphasized the importance of capacity-building programs in rural development, highlighting that short-term training alone is insufficient to bring about long-term changes. The lack of follow-up training programs, as mentioned in the study, reinforces the need for ongoing educational initiatives that cater to the dynamic needs of the cooperative model.

5.2 Awareness and Understanding of Cooperatives

The findings revealed a significant gap in awareness regarding the Red and White Cooperative model, with many villagers having limited knowledge of its principles and organizational structure. This result is in line with previous studies, such as those by (Utomo, Kuleh, and Darma 2023), which found that while rural communities in Indonesia are familiar with traditional cooperatives, there is often limited understanding of modern cooperative models, especially those with more formal structures.

This lack of awareness aligns with the diffusion of innovations theory (Rachmad 2022) which suggests that the adoption of new ideas and technologies is influenced by the awareness and understanding of these innovations. In this context, the readiness of rural human resources to implement the Red and White Cooperative depends on their knowledge and understanding of cooperative principles. As (Rachmad 2022) argues, the adoption process is heavily influenced by individuals' exposure to new information, which underscores the need for awareness campaigns and educational initiatives to familiarize villagers with the cooperative model.

The study's finding that only a small percentage of villagers understood the specific principles of the Red and White Cooperative further supports the idea that awareness and knowledge are critical factors in the successful adoption of cooperative structures. As suggested by Wijaya and Setyawan (2021), increasing awareness through information dissemination and education is essential for overcoming resistance to new cooperative models and ensuring the success of such initiatives.

5.3 Managerial Skills and Experience

The study found that while many village leaders had experience in managing small-scale cooperatives, their formal training in business management and cooperative governance was limited. This result is consistent with previous research by (Burgess et al. 2020), which highlighted the need for specialized training in cooperative management. The reliance on informal learning and practical experience, as reported by the participants in this study, underscores the importance of providing more formalized training programs that focus on leadership and cooperative governance.

This finding aligns with the resource-based view (RBV) theory, which emphasizes that the capabilities and skills of individuals within an organization are crucial resources for achieving sustainable competitive advantage (Mahdi and Nassar 2021). In the context of the Red and White Cooperative, the managerial capabilities of village leaders play a vital role in ensuring the effective functioning and sustainability of the cooperative. As such, the lack of formal training and development opportunities for village leaders may limit the potential of the cooperative model to thrive.

To address this, capacity-building initiatives that focus on managerial skills are essential. As (Kyeyune and Ntayi 2025) suggest, these initiatives should prioritize leadership development, business management, and financial literacy to enhance the ability of village leaders to effectively manage cooperative ventures.

5.4 Support from Local Institutions and Government

The study found that while 70% of respondents had access to local government support, 40% felt that the support provided was insufficient for the effective implementation of a cooperative. This finding resonates with the literature on institutional theory, which emphasizes the role of institutional support in shaping the success of development initiatives (Ndlovu and Masuku 2021). Institutional support, including financial aid, training programs, and advisory services, is crucial for the successful implementation of cooperative programs, as it helps create a supportive environment that fosters cooperation and trust.

However, the study also found that many respondents felt the support was sporadic or inadequate, which aligns with (Durokifa et al. 2023) observations on the lack of continuous and long-term institutional support in rural development programs. To ensure the sustainability of the Red and White Cooperative, local institutions and the government need to provide ongoing support, not just in terms of financial resources but also in the form of training, capacity-building, and continuous advisory services (Azhari 2024).

5.5 Cultural Factors and Community Engagement

Cultural resistance to adopting formal cooperative structures was identified as a significant barrier in this study. While many villagers acknowledged the importance of collective action, a significant portion expressed a preference for traditional, less structured forms of collaboration. This finding echoes the work of (Suratno, Denmar, and Narmaditya 2021), who argued that cultural factors, such as mistrust of formal institutions, can pose significant barriers to the successful implementation of cooperative programs in rural communities.

The cultural resistance observed in this study can be explained by the theory of social capital, which highlights the importance of trust and social networks in community-based initiatives (Putnam, 2000). In rural communities, where informal networks of cooperation are deeply

embedded in social structures, the introduction of formal cooperative models may face resistance due to a lack of trust in external institutions. To overcome this resistance, it is essential to build trust within the community and demonstrate the benefits of formal cooperative structures. This could involve fostering a sense of ownership and involving community members in decision-making processes to ensure that the cooperative model aligns with local values and norms.

5.6 Barriers to Successful Implementation

The study identified several barriers to the successful implementation of the Red and White Cooperative, including financial constraints, lack of access to markets, and inadequate infrastructure. These findings are consistent with the challenges highlighted by (Fathurachmi and Purnawarman 2022), who noted that the lack of access to financial resources and markets is one of the main obstacles to the success of cooperative programs in rural areas.

The study also found that the lack of trust in cooperative leaders and external institutions was a significant barrier to engagement. This aligns with the social exchange theory (Ahmad et al. 2023), which suggests that individuals' willingness to participate in cooperative ventures is influenced by the perceived benefits and trustworthiness of those involved. In this case, the lack of trust in cooperative leaders and external institutions may discourage participation, which further underscores the need for transparency and accountability in the management of cooperatives.

5.7 Overall Readiness

The overall readiness of village human resources to implement the Red and White Cooperative was moderate, with many villagers expressing a willingness to participate but a lack of preparedness for leadership roles. This finding aligns with the theory of readiness for change (Saputri and Hardiyan 2025), which suggests that while individuals may be willing to adopt new initiatives, they may not always feel adequately prepared to take on new responsibilities.

The study highlights the need for targeted leadership development programs to enhance the readiness of village human resources to assume managerial roles within the cooperative. These programs should focus on building confidence, leadership skills, and the ability to manage complex organizational structures, thus increasing the overall readiness of villagers to successfully engage with the cooperative model.

In addition to the findings discussed, the role of digital technologies in addressing some of the infrastructure challenges identified in this study becomes particularly relevant. Digital tools such as mobile apps for market access or online training platforms could help overcome barriers like limited infrastructure or a lack of awareness of modern cooperative models. These digital solutions can enhance communication and provide greater market access for rural cooperatives, allowing members to connect with suppliers and consumers more efficiently. Additionally, digital training platforms can offer ongoing educational opportunities, which are essential for building the necessary skills for managing cooperatives, particularly in areas with limited access to formal education or specialized training. By integrating digital technologies into cooperative management, rural communities could bridge some of the gaps caused by inadequate infrastructure and improve their engagement with cooperative programs. This digital integration could ultimately contribute to more effective and sustainable cooperative models, aligning well with the broader interest in digital transformation in rural development.

6. Conclusion

This study provides valuable insights into the readiness of village human resources in implementing the Red and White Cooperative program. The main findings of this research reveal that the readiness of rural human resources is influenced by several factors, including education and training levels, awareness of cooperative models, managerial skills, institutional support, and cultural resistance. The study found that while there is a general willingness to engage with the cooperative model, significant gaps in education, training, and awareness hinder effective implementation. Additionally, there is a notable reliance on informal knowledge, and institutional support is often sporadic and insufficient to ensure long-term success. These factors directly answer the research questions and provide a clearer picture of the challenges and opportunities for enhancing the readiness of rural communities for cooperative engagement.

The theoretical contribution of this study lies in linking the readiness of human resources for cooperative programs with established theories such as human capital theory and social capital theory. The study underscores the critical role of education, managerial skills, and trust in the success of cooperative ventures, confirming the importance of formal training and ongoing support for rural communities. From a practical standpoint, this research highlights the need for targeted capacity-building initiatives, including continuous education, leadership development, and strengthening of local institutional support systems. This has significant implications for policymakers and practitioners in the field of rural development and cooperative management, as it provides actionable recommendations to enhance the effectiveness of cooperative programs in rural Indonesia.

The findings from this study also have the potential to impact policy formation and the development of strategies for cooperative programs at both the local and national levels. By focusing on the gaps identified, policymakers can design more comprehensive and region-specific initiatives that address the challenges faced by rural communities, particularly in remote areas. Furthermore, practitioners can utilize the insights from this research to better align cooperative program design with the specific needs and characteristics of local communities, ensuring greater participation and long-term sustainability.

This study also has its limitations, which present opportunities for future research. One key limitation is the reliance on secondary data sources and literature review, which does not allow for the inclusion of primary data collected directly from village-level participants. This reliance on secondary data may limit the depth of understanding of the specific challenges and opportunities faced by rural human resources in the context of cooperative management. To address this limitation, future research could benefit from primary data collection methods, such as surveys or focus groups, which would allow for a more comprehensive understanding of the factors influencing the readiness of rural human resources. These methods could provide direct insights from local stakeholders, including cooperative members, community leaders, and government representatives, offering a richer and more nuanced perspective.

Further studies could explore regional differences in more detail, particularly focusing on the specific barriers and opportunities that exist in urbanized versus remote rural areas. Future research could also investigate the role of digital technologies in improving cooperative management and overcoming some of the infrastructure challenges identified in this study.

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