



The competence of managers in growing the business of cooperatives in Pangandaran Regency, West Java Province Indonesia

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Abstract

The aim of this research was to find information relating to managers competencies of cooperatives in Pangandaran Regency and to compare the condition to the theory proposed by Spencer and Spencer (1993) to discover the extent of managers competencies of cooperatives in Pangandaran Regency. This research applied the qualitative method with the researcher as the instrument of research. Data were obtained from informants selected according to the need and purpose of the research or in another case it is called purposive sampling. Data collection was conducted through observation, literature review, in-depth interviews, and focus group discussion and subsequently data was analyzed by making reduction, presentation, conclusion, and verification. The research result indicated that regarding competencies the majority of managers of cooperatives in Pangandaran Regency have not yet been skillful in handling managerial aspects and techniques for managing cooperatives. It attracted the attention of the local government to participate in enhancing human resources of cooperatives; hence the government provided training assistance which has been conducted several times since the establishment of cooperatives in Pangandaran Regency. However, the enhancement of human resources competencies has not yet showed a significant result. The explanation above provides a conclusion that up to now managers competencies of cooperatives in Pangandaran Regency still need enhancement through training and provisioning of managerial and technical aspects.

Keywords: Competence, Managers, Cooperatives

1. Introduction

The word “cooperative” is derived from the Latin word “cooperari”. The word “co” means “with” and “operari” means “work”. It delineates the concept of “working together”. The definition of cooperative according to Law Number 25 Year 1992 [1] Article 1 on System of Cooperatives is business entities which consist of individuals or legal entities of cooperatives whose activities are based on the principles of cooperatives as well as the people’s economic movement which is based on the principles of the family system.

Furthermore, according to Law Number 25 Year 1992 [1] Article 16 types of cooperatives are based on the similarities in activities and the economic interest of the members. There are five types of cooperatives: 1. Savings and loans cooperative; 2. consumers’ cooperative; 3. producers’ cooperative; 4. marketing cooperative; 5. service cooperative.

Among the types of cooperatives above, Pangandaran Regency has made its own category as conveyed by Kania, an administrative staff of the Cooperative Section of the Office of Tourism, Industry, Trade, Cooperatives, and Micro, Small, and Medium Enterprises of Pangandaran Regency in *SwaraPangandaran.Com*, Tuesday 24/5 [2]. Pangandaran has its own classification of the operating cooperative groups based on the scope of work. They are as follows:

1. The village unit cooperative (KUD) is the merging of some village unit enterprises which is an economic institution of cooperative business which in its early stages of development may be the merging of joint business of farmer’s cooperatives/village cooperatives within a village unit area.
2. The savings and loans cooperative is a cooperative whose main activity or service is to provide the service of savings and loans for its members. The savings and loans cooperative is one of non-bank monetary institutions which have a duty to serve the public in providing loans and places for saving money.
3. The service cooperative is a cooperative which provides services needed by its members, such as savings and loans, insurance, transportation, and others. Here the members play a role as the owner and the user of the cooperative’s services.

When the new autonomy began to prevail in Pangandaran Regency in 2014, there were 37 active cooperatives turned over from Ciamis, in which Pangandaran then had a status of a district. At the moment, Pangandaran Regency is starting to increase the quantity of cooperatives. It has been recorded that during the period of 2014 to 2017, there has been an increase of 20 cooperatives. Based on the information from the Council of Cooperatives, Industry, and Trade of Pangandaran Regency, the ability of human resources of cooperatives in Pangandaran has not been as expected. In some conditions, there are still some boards of cooperatives that lack the understanding of managerial practices and con-

sequently there has been a lack of planning, monitoring, and evaluation. If it is allowed to prevail, it surely will affect the existence of cooperatives in Pangandaran Regency.

Based on the background, the researchers consider it is necessary to conduct a research on the enhancement of human resources competencies of cooperatives in Pangandaran Regency. It is intended to reveal what is actually occurring and which model is the most appropriate for enhancing human resources of cooperatives in Pangandaran.

2. Research methods

This research applied the qualitative method. The qualitative research is research that intends to comprehend the phenomenon experienced by the research subject holistically and descriptively in the form of words and language, in a specific natural context by using scientific methods [3].

The qualitative approach applied in this research has the following intention. First, it can be used for finding and understanding what is hidden behind the phenomenon of human resources competencies and activities for enhancing competencies which has been done. Second, it can produce findings that cannot be achieved (obtained) by using statistical procedures or other methods of quantification (measurement). Third, it enables related agencies (cooperatives, the office, and the public) to be checked and re-checked through observation and in-depth interviews.

The procedure of the qualitative method was conducted by the writer through the following stages:

- 1)the pre-field stage;
- 2)the data collection stage;
- 3)the data analysis stage;
- 4)the last stage, the writing of research report.

A research object can be stated as the social situation in which what is occurring examined. In this research object, the researcher can thoroughly observe activities of people (actors) in a certain place [4]. The object of this research was human resources competencies of cooperatives in Pangandaran Regency.

According to Sugiyono [5] a research instrument is a tool used for measuring natural and social phenomena being observed. Specifically, all of the phenomena are called research variables. The instrument in data collection in this qualitative research was the researchers themselves. Meanwhile, the equipment used by the researchers comprised writing instruments, voice recorders, photos, maps, and others.

Informants were selected by using the sampling technique of nonprobability sampling design, that is, by using purposive sampling. Purposive sampling is a technique of data source sampling with particular consideration [6].

The researchers determined informants purposively, in which informants were selected based on the suitability to the need and purpose of research. Informants in this research comprised board members of cooperatives, members of cooperatives, and the leader of the Sector of Cooperatives and Micro, Small, and Medium Enterprises of the Regency Government of Pangandaran.

This research applied the following data collection techniques:

a. Observation Marshall [5] proposed that through observation, the researcher learn about behavior and the meaning attached to those behaviors. It means through the observation the researcher studies behaviors and the meaning of the behaviors.

b. Literature Review

According to Sugiyono, the literature review relates to theoretical studies and other references related to values, culture, norms which develop in the social situation being studied. The literature review is important in research as it is inseparable from scientific literature [6].

c. In-Depth Interviews

According to Sugiyono⁵ interviews are one of the data collection techniques that can be conducted directly by meeting face-to-face with the interviewees. In-depth interviews are a process to obtain information for the purpose of research by using the method of

questions and answers conducted directly by meeting face-to-face between the interviewer and the respondent or the interviewee, with or without an interview guide, in which the interviewer and the informant are involved in a relatively long social life [7]

d. FGD (Focus Group Discussion)

Focus group discussion is a process to collect information on a very specific matter. FGD conducted in this research is intended to obtain comprehensive information on human resources competencies of cooperatives in Pangandaran Regency by inviting stakeholders of the management of cooperatives in Pangandaran Regency. A characteristic of the FGD method which is not owned by another qualitative research method (in-depth interviews or observation) is interaction between the researcher and the informant and between the informant and the research informant [7].

In this research data were validated by triangulation. Triangulation is a technique for examining the validity of data which uses something other than data for checking or as a comparative material to the data [3].

The triangulation conducted by the researcher is an examination technique that also uses the facts existing in the field for checking the result of field observation.

It is usually stated as triangulation of data sources. According to Patton, triangulating data sources means comparing and cross-checking the consistency of information derived at different times and by different means within qualitative methods [3]. Triangulation of sources was conducted in this research by comparing data sources, such as the result of interviews and library research of related documents.

3. Discussion

This research refers to Spencer and Spencer's theory [8] about how to enhance human resources based on their characteristics. The research result would be presented based on elements appropriate to the theory.

3.1. The knowledge possessed by human resources of cooperatives in Pangandaran Regency

Employees' knowledge also determines the success of the accomplishment of tasks assigned to them. Employees who have sufficient knowledge will increase the efficiency of the company. Meanwhile, employees who lack knowledge will not work smoothly. They will waste materials, time, and energy and also other factors of production. This squandering will increase the cost in achieving the organizational goal.

According to Spencer and Spencer [8], cited by Sutoto (2004), the knowledge cluster includes competencies of analytical thinking (AT), conceptual thinking (CT), and technical/professional/managerial expertise (EXP).

- a. Analytical thinking (AT) is the ability to understand the situation by breaking it into smaller pieces, or to see the implication of the situation in details. In essence, this competency enables a person to think analytically and systematically about a complex matter.
- b. Conceptual thinking (CT) is the ability to understand a situation or a problem by putting the pieces together, seeing the large picture. It includes the ability to the pattern or relationship among situations which are not clearly related to each other; to identify the basic or key issue in a complex situation. CT is creative, conceptual, or inductive.
- c. Expertise (EXP) includes the knowledge related to jobs (whether technical, professional, or managerial ones), and also motivation to broaden, utilize, and distribute the knowledge.

Based on things proposed above, it can be said that the knowledge possessed by human resources of cooperatives in Pangandaran Regency has not been sufficient. It appears in the findings of the field observation. The majority of the board members of coopera-

tives stated that human resources lacked of knowledge, particularly regarding administration, bookkeeping and financial accounting, and managerial and technical expertise. However, viewed from the aspect of analytical thinking (AT), the knowledge possessed by human resources can be categorized as good. They have been able to understand the condition, obstruction, problem, and even solution that should have been able to solve the occurring problem.

The ability of analytical thinking becomes the capital of changes in cooperatives in Pangandaran Regency. At the moment, managers of human resources of cooperatives in Pangandaran Regency have started their movement of changes by finding assistances from the third parties. For instance, to overcome the problem of the weakness in administrative and financial management, the managers ask the third parties to give training to cooperatives in Pangandaran Regency regarding the problem being faced. It does not only occur in administration and financial bookkeeping as the management started to feel that innovation in business development is very necessary but it is obstructed by limited capital. Therefore, the management made an attempt to ask the government to give more attention to the condition of cooperatives in Pangandaran Regency, particularly regarding financing.

3.2. Skills of human resources of cooperatives in Pangandaran Regency

Employees who have good working ability will accelerate the achievement of the organizational goal, and on the contrary unskilled employees will slow down the organizational goal. For new employees or employees with new tasks, an extra ability is needed in the accomplishment of tasks given to them.

According to Spencer and Spencer⁸, the skill cluster includes competencies of concern for order (CO), initiative (INT), impact and influence (IMP), and information seeking (INFO).

- a. Concern for order (CO) is the drive in one's self to reduce uncertainty in the surrounding environment, particularly relating to arrangement of works, instruction, information, and data.
- b. Initiative (INT) is the drive to act exceeding what is needed and demanded by the job and to do something without waiting for an order. This action was done to improve the work result or to avoid the problem or to create a new opportunity.
- c. Impact and influence (IMP) expresses an intention to persuade, convince, influence, or impress others, in order to get them to support their agenda.
- d. Information seeking (INFO) is how big the effort has been made to gather more information.

The situation in the field tends to result in a negative result if it is viewed from the theory proposed above. Cooperatives in Pangandaran Regency have not wholly had those skills of human resources. Some dimensions, such as CO and INFO, have been possessed by some human resources of a number of cooperatives in Pangandaran Regency. Some cooperatives intended to take steps to request a relief or exemption from taxes for members of retirees' cooperatives. It was surely done based on the understanding of human resources related to the uncertainty that someday would be experienced considering that the targeted members of cooperatives were retirees. Similarly, regarding INFO, the management of cooperatives seemed actively to find information to improve the quality of their cooperatives.

Then, the aspect of INT still resulted in a less positive thing. Although the management has given things that must be improved, such as administration, finance, and others, the related parties apparently have not given a proactive response by trying to find and to improve their ability. The next, IMP has not shown a positive result, and even some people complained that there were only a few retirees who became members of cooperatives. It explained why human resources of cooperatives in Pangandaran Regency

have not been skillful in influencing or inviting or persuading targeted members to be full members.

3.3. Self-Concept and values of human resources of cooperatives in Pangandaran Regency

Self-concept and values refer to attitude. Apart from employees' knowledge and skills, another thing that must be considered is employees' attitude or behavior. If employees' attitude supports the achievement of the organizational goal, automatically all tasks assigned to them will be conducted as best they can.

According to Spencer and Spencer [8], cited by Sutoto, this cluster includes developing others (DEV), directiveness: assertiveness and use of positional power (DIR), teamwork and cooperation (TW), team leadership (TL), interpersonal understanding (IU), and customer service orientation (CSO).

- a. Developing others (DEV) is a special version of impact and influence, that is, the willingness to develop other people. The essence of this competency is the serious willingness to develop other people and its impact rather than a formal role. It can be carried out by routinely sending people to training programs to meet the need of jobs and companies. Another method is by working to develop colleagues, clients, or even superiors.
- b. Directiveness: assertiveness and use of positional power (DIR) reflect the willingness to make other people align with one's wishes. Here the leaders tell people what to do.
- c. Teamwork and cooperation (TW) implies a genuine intention to work cooperatively, be part of a team, and cooperate to be more competitive.
- d. Team leadership (TL) is the intention to take a role as a leader of a team or other group. Therefore, it relates to the wish to lead other people. TL commonly appears in a formal authority position.
- e. Interpersonal understanding (IU) is the ability to hear accurately and understand the unspoken or partly expressed thoughts, feelings, and concern of others.
- f. Customer service orientation (CSO) is the wish to help and serve customers or other people. Customers are actual customers or end customers of the same organization.

Regarding self-concept and values of human resources of cooperatives in Pangandaran Regency, negative things that may cause the decline of the cooperatives have not been found. On the contrary, considering cooperatives in Pangandaran Regency are still in their young age, the management of cooperatives is looking for assistance in improving the quality of human resources of cooperatives in Pangandaran Regency. For instance, in early 2017, to be precise on 13 January, activists of cooperatives in Pangandaran Regency received training from academicians of a number of universities, related to the method to retain their existence in the economic competition (*Pikiran Rakyat*, 14/01/2017) [9].

Meanwhile, regarding leadership, teamwork, and others, both positive and negative impacts have not been found. Up to now, cooperatives in Pangandaran Regency are still in the development phase after the transfer of leadership from the Regency Government of Ciamis. The Section Head of Cooperatives explained that at the time of the transfer from the Regency Government of Ciamis 150 cooperatives have been inactive. Therefore, the management of cooperatives focused on the development of 27 active cooperatives.

The Head of the Office of Investment, One Gate Integrated Service, Cooperatives, Micro, Small, and Medium Enterprises, and Trade of Pangandaran Regency, Tedi Garnida said, it was momentum of enhancing existence for cooperatives in Pangandaran. The reason for this is that the Regency Government of Pangandaran was focusing on intensifying the tourism sector. Therefore, products of cooperatives in Pangandaran would be uplifted if their

action was related to some tourist activities. However, to do so, professionalism became a nonnegotiable requirement [9]. Based on the opinion cited from the official website of *Pikiran Rakyat* on 14 January 2017, the government intervention in developing cooperatives has appeared. It explains that the activists of cooperatives have applied the dimensions of IU and DIR.

3.4. Personal characteristics of human resources of cooperatives in Pangandaran Regency

Personal characteristics reflect how an employee is/is not able to carry out an activity and task easily/arduously and successfully/unsuccessfully. According to Spencer and Spencer [8], this cluster comprises competencies of self-control (SCT), self-confidence (SCF), flexibility (FLX), and organizational commitment (OC).

- a. Self-control (SCT) is the ability to control self-emotion in order to prevent negative actions when trials come, particularly when facing challenges or rejection from other people or when working under pressure.
- b. Self-confidence (SCF) is a person's belief in his or her own capability to accomplish a task or challenge.
- c. Flexibility (FLX) is the ability to adapt to and work effectively with a variety of situations, individuals, or groups; the ability to understand and respect differences and opposing views on an issue.
- d. Organizational commitment (OC) is the ability and willingness to align his or her own behavior with the needs, priorities, and goals of the organization; to act in ways that promote organizational goals or meet organizational needs; and put the organizational mission above his or her own desires or professional role.

Some human resources of cooperatives in Pangandaran Regency still have weakness in SCT. According to Ibu Tati Sugiharti, the treasurer of the Savings and Loans Cooperative of "Warga Silih Asih", the prevailing obstruction was members' lack of awareness of their obligation. Low awareness of members' obligation surely would incite negative effects on the existence of cooperatives. Regarding FLX, it can be said that activists of cooperatives in Pangandaran Regency have had jobs that need adjustment to different conditions. It appeared in informants' position and their information which seemed to have different interests, such as a treasurer who had to criticize or foster the management of members or a secretary who had to be in charge of financing. Under such circumstances, cooperatives which are still developing, flexibility in work is very necessary in order that the jobs and their tasks can support to each other.

3.5. Motives of human resources of cooperatives in Pangandaran Regency

Motives are the driving force that will bring about a behavior in order to achieve self-satisfaction. According to Spencer and Spencer⁸, this cluster comprises organizational awareness (OA), relationship building (RB), and achievement orientation (ACH)

- a. Organizational awareness (OA) refers to the individual's ability to understand the power relationships or the position in his or her organization.
- b. Relationship building (RB) is working to build or maintain friendly, warm social relationships or social networks with people.
- c. Achievement orientation (ACH) an employee's degree of awareness of his or her job which is a concern for working well or for competing against a standard of excellence.

Cooperatives in Pangandaran Regency have had human resources with quite good OA. FLX became one the reasons of OA of human resources of cooperatives in Pangandaran Regency. With a quite high flexibility in work, it is very likely that the management

of cooperatives has understood and has been aware of their role in cooperatives or in taking up a certain job position.

Relationship building among human resources of cooperatives in Pangandaran Regency naturally occurs as an impact of the working environment because there has been no specific program or specific policy that requires that human resources of cooperatives regularly gather through a program. However, this natural treatment has been sufficient to make human resources of cooperatives in Pangandaran Regency harmonious.

4. Conclusion

Based on the research result, the researchers conclude that the condition of human resources of cooperatives in Pangandaran Regency has not been good when it is viewed from the theory proposed by Spencer and Spencer. To overcome it, the Local Government, in this matter the Office that is in charge of cooperatives must be more active in making every effort to enhance human resources of cooperatives in Pangandaran Regency. The necessary activities based on the findings above include training and renewal of facilities.

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