

Development of Cooperatives in Increasing Cooperative Business (Case Study in Mojokerto Kota)

Joko Priyono

Fakultas Ekonomi dan Bisnis,
Universitas 17 Agustus 1945 Surabaya
Jl. Semolowaru No.45, Menur Pumpungan,
Kec. Sukolilo, Kota Surabaya, Jawa Timur, Indonesia
jokopriyono@untag-sby.ac.id

ABSTRACT

The existence of cooperative units, both in the wider community and in private and government institutions or agencies, is very much needed and contributes significantly to its members in meeting their needs and economic activities. In order for cooperative units to maintain their existence and continue to develop, supporting rules and policies are needed, professional and optimal management as well as active and maximum member participation. This research is of a qualitative type, which aims to provide an overview of what factors influence the development of cooperatives to increase business in cooperatives in Mojokerto City. The sampling procedure in a survey is representative of the population. The basis for taking samples for surveys can be divided into at least three, namely systematic, random, or purposive sampling. The population in this study are all cooperatives in the administrative area of Mojokerto City in 2021. The total population is 175 cooperatives. The sampling technique used in this study was Stratified Random Sampling. Stratified random sampling was carried out because the population was not homogeneous. The development of cooperatives in the City of Mojokerto seen from membership has increased the number of members. This is very beneficial, because one of the indicators for the advancement of cooperatives is that more and more people become members of cooperatives. The Municipal Government of Mojokerto through the Office of Cooperatives & UKM has carried out coaching aimed at increasing cooperative business and strengthening cooperative institutions so that cooperatives function according to their objectives.

Keywords: *Work Ability, Coordination, Work Environment and Performance.*

INTRODUCTION

The development of an increasingly globalized economy requires the readiness of business actors to face competition and respond appropriately to the market. Considering that global competition is characterized by competitive and complex competition, good and proper business management is needed.

The increasingly high level of business competition is also faced by cooperatives, bearing in mind that cooperatives are also business actors. In addition to cooperatives facing competition from other forms of business outside of cooperatives, competition also occurs between cooperatives. Competition between cooperatives that is often encountered, among others, in the savings and loan business, provision of daily consumption needs, transportation services, telecommunications.

The main cooperative values are honesty and togetherness. These values have not been fully embedded in each member. Honesty is absolutely necessary as a controller to maintain the responsibility of each member of the cooperative in carrying out joint actions to achieve goals.

Cooperatives are established by members for the benefit of members. Thus what the members want and need, the members themselves seek, not other parties. Cooperative values can be divided into two, namely ethical values and fundamental values. Cooperative ethical values start from the values introduced by the pioneers of cooperatives, namely honesty and openness. Meanwhile, the fundamental values of cooperatives are more universal, meaning that they originate from the spirit to improve one's own livelihood based on the principle of mutual help. Fundamental values include self-help, self-responsibility, democracy, justice, and solidarity.

Through instilling cooperative values, cooperative goals will be easily achieved. Because cooperatives are formed with the similarity of the desires and needs of members, in trying to do so, the seriousness of the members is needed. Cooperatives were established with the intention of having long-term survival, while the wants and needs of members also develop and increase, so continuous business improvement is needed.

The city of Mojokerto, which has great potential in the form of human and economic resources, is the right basic capital for developing its business through cooperatives. The City of Mojokerto has 182 cooperatives with 14,790 members and 110 pre-cooperatives (Mojokerto City Office of Cooperatives and SMEs, 2022). The capital of cooperatives in the City of Mojokerto is relatively large, but the share of own capital is only 46% of the total capital, the remaining 54% is third party capital (Mojokerto City Office of Cooperatives and SMEs, 2022)

Based on the general condition of cooperatives in Mojokerto City, it is necessary to develop cooperatives in order to increase cooperative business. Increasing cooperative business based on improving the welfare of members is expected to have a positive impact on internal cooperatives, members and society in general in the City of Mojokerto.

LITERATURE REVIEW

Cooperative Principles and Principles

The cooperative principle is the principle of kinship, this principle is in line with the affirmation of paragraph (1) of Article 33 of the 1945 Constitution (Fourth Amendment). Indonesian people believe that they will not be able to develop properly if they do not cooperate with other members of society. Such awareness then encourages the growth of a mental attitude that leads to a family spirit. By raising the spirit of kinship as the principle of cooperatives, it is hoped that it will raise awareness for each person involved in the cooperative organization to always work together with other cooperative members, with a high sense of friend loyalty [1].

Cooperatives in carrying out their activities must be based on cooperative principles. Cooperative Principles according to Law Number 25 of 1992 concerning Cooperatives. As a guideline, cooperatives in carrying out their business are to fight for the interests and increase the economic welfare of their members in particular, and society in general. Orientation to members in particular and society in general is not just a difference between cooperatives and other forms of business, but is the essence of the cooperative itself [2].

As a characteristic of cooperatives, cooperatives do not only regulate internal cooperative problems, namely the working mechanism within cooperative organizations and the relationship between cooperatives and their members who are involved in cooperative management. But it also regulates the relationship between cooperatives and other business entities.

Functions and Roles of Cooperatives

Based on history, the establishment of cooperatives was intended to help the poor as a result of the industrial revolution which started in Europe in the 18th century. Here are some views on the function of cooperatives:

First, the Yardstick view. Yardstick said that cooperatives are neutralizers or antidotes to the evils caused by the capitalist economic system. Second, in the view of the socialists, cooperatives function and play a role as a tool to create a socialist society. Third, the commonwealth view, calling itself the middle way view. Cooperative is an alternative business entity.

The function of cooperatives can also be seen from an economic and social perspective. Economically, cooperatives have functions including; cultivating the business motive, developing a more equitable method of distributing the rest of the profits, combating monopoly and concentration of capital, offering cheaper goods and services, and increasing the income of its members. Socially, cooperatives

function to create a more humane social order, encourage a more democratic social order, and create a peaceful and peaceful society.

Indonesian Cooperative Environment

The resilience of Indonesian cooperatives is largely determined by the strengths and weaknesses of the cooperatives themselves. The condition of Indonesian cooperatives is influenced by ideal and constitutional foundations, as well as the strategic environment [3].

The State of Indonesian Cooperatives

In an effort to develop Indonesian cooperatives, based on the existing strategic environment, strengths, weaknesses, opportunities and obstacles are inseparable. It is natural that in every effort apart from strengths and opportunities there are also weaknesses and threats.

More technically, besides being influenced by strengths and opportunities, the condition of Indonesian cooperatives is also influenced by external and internal problems of the cooperative itself [3].

The Importance of Cooperatives

The background to the establishment of cooperatives cannot be separated from the desire of the economically weak to improve their economic situation. This was not only the case when the first cooperatives were established in England, but also in many other countries throughout Europe. By struggling through cooperatives, the socio-economic conditions of workers and peasants in various countries have improved quite drastically. Fulfilling their economic needs, which previously depended heavily on the efforts of middlemen, can then be met by themselves.

The establishment of cooperatives cannot be separated from the awareness of the benefits of cooperative business. Considerations for establishing cooperatives are seen from various perspectives, including: historical reasons, sociological reasons, economic reasons, and juridical reasons [1].

Cooperatives and Business Activities

Cooperatives in Indonesia based on business sector, grow and develop very rapidly. Cooperatives in Indonesia based on business fields include: multi-business cooperatives, which are generally engaged in meeting the needs of daily life and savings and loans; saving and loan cooperative; production cooperatives; and service cooperatives [4].

The growing number and business of cooperatives encourages the government to make regulations or rules. Government regulations are made to anticipate that the development of cooperatives remains focused. For example, the Decree of the Minister of Cooperatives for Small and Medium Entrepreneurs

Framework of Thinking

The framework for thinking in this study can be explained through the following figure:

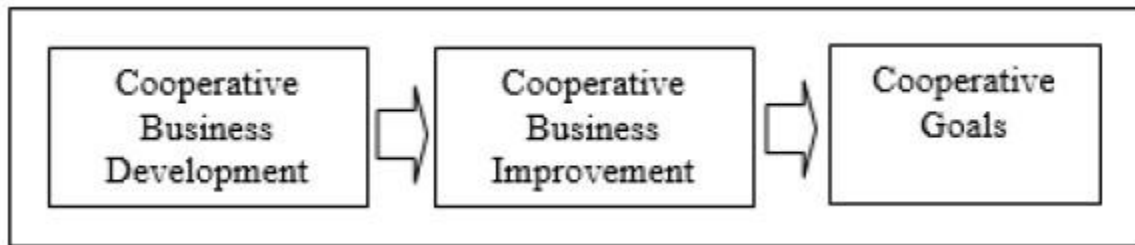


Figure 1. Thinking Framework

Based on Figure 1. the framework for thinking in cooperative development research in improving cooperative businesses is; identification of internal factors and external factors.

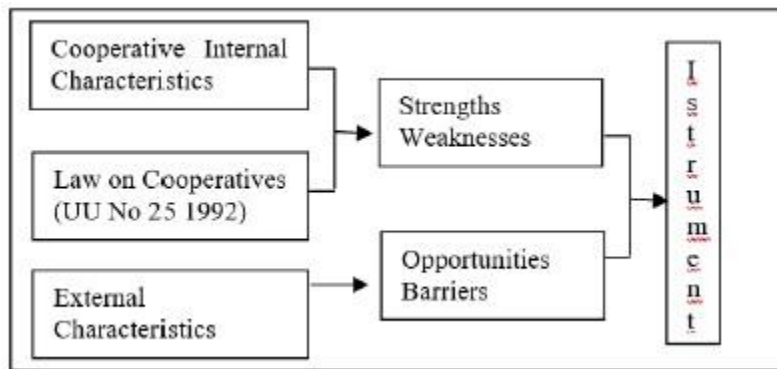


Figure 2. Cooperative Development Framework

Figure 2. shows the model for making cooperative development factors in improving cooperative business.

The results of the distribution of research instruments to selected respondents based on stratified random sampling were then processed by descriptive analysis using the strength, weakness, opportunity, and threat analysis (SWOT Analysis) [5].

RESEARCH METHODS

This research is of a qualitative type, which aims to provide an overview of what factors influence the development of cooperatives to increase business in cooperatives in Mojokerto City [6]. The sampling procedure in a survey is representative of the population. The basis for taking samples for surveys can be divided into at least three, namely systematic, random, or purposive sampling [7]. The population in this study are all cooperatives in the administrative area of Mojokerto City in 2021. The

total population is 175 cooperatives. The sampling technique used in this study was Stratified Random Sampling. Stratified random sampling was carried out because the population was not homogeneous.

In this study as material for analysis besides using secondary data, it also uses primary data. Primary data was collected using structured questionnaires and interviews with respondents. The research instrument was developed from theories and phenomena faced by Indonesian cooperatives in general. The following is the basis for reducing the research instruments used.

Based on the measurement instrument framework (figure 2.), the formulation of the instruments used in the study is as follows: a) advantages, 12 instruments, b) weaknesses, 12 instruments, c) opportunities, 5 instruments, and d) threats, 5 instruments. Measurement of the instrument uses the following interval scale (Strongly Agree = score 2, Agree = score 1, Simply Agree = score 0, Disagree = score -1, Strongly Disagree = score -2).

Data analysis in this study used descriptive analysis of secondary and primary data as well as the analysis of strengths, weaknesses, opportunities, and threats (SWOT Analysis) [5]. Respondents in this study were cooperative administrators or cooperative executives, and cooperative members.

RESULTS

Mojokerto City Cooperative Development

Cooperatives as people's economic institutions in the City of Mojokerto have experienced significant developments. In general, all matters related to cooperatives have increased. The increase referred to, for example, is in capital accumulation, business scale, and fulfillment of cooperative principles.

Cooperative Institutions and Members

In terms of the number of institutions and the number of membership experienced fluctuating developments. The following data is the development of the number of institutions and the number membership.

Table 1. Development Number of Institutions and Membership of Cooperatives

No	Year	Cooperative	Member		
			Male	Female	Total
1	2019	179	5438	8893	14331
2	2020	178	7260	7866	15126
3	2021	175	7215	7800	15015

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Table 1. shows that in the last three years the development of the number of cooperative institutions and the number of cooperative members has fluctuated. The number of cooperative institutions tends to decrease, in 2019 there were 179 institutions recorded to 178 and 175 in 2020 and 2021. In terms of membership there has been an increase, although in 2021 there was a decrease from the previous year. In 2019, 14,331 members were recorded, becoming 15,126 and 15,015 in 2020 and 2021.

Type of Cooperative

The development of the types of cooperatives according to the business sector in the City of Mojokerto is shown in Table 2. below.

Table 2. Development of Mojokerto City Types of Cooperatives

No	Business fields	Year					
		2019		2020		2021	
		Active	Not Active	Active	Not Active	Active	Not Active
1	KUD	2	1	3	-	3	-
2	Koptan Pangan	6	-	6	-	6	-
3	KSP	25	-	27	1	28	1
4	Kopkar	15	7	14	7	14	7
5	KPRI	18	1	18	1	18	1
6	Kop. TNI & POLRI	1	1	2	1	2	1
7	Koptren, Mhs, & Pmd	4	2	4	2	4	3
8	Kop. Wanita	8	-	8	-	8	-
9	KSU	29	10	29	12	29	11
10	Koppas	-	2	1	1	1	1
11	Kopinkra	3	-	3	1	3	1
12	Kop. Pensiunan	5	1	4	2	3	2
13	Others	26	9	19	11	19	11
Total		144	35	138	40	136	39

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Types of cooperatives according to the business sector and profession of its members in Table 2. show that in addition to a decrease in the number of cooperative institutions, there has also been a decrease in the number of cooperatives that are actively operating. In 2019, out of 179 cooperative institutions, 35 were inactive and in 2020 and 2021 each of 178 cooperative institutions, 40 cooperative institutions were inactive and out of 175 cooperative institutions, 39 cooperative institutions were not active.

Cooperative Capital

The main capital of the cooperative is from the members of the cooperative itself. Cooperative capital sourced from members takes the form of principal savings, mandatory savings, and voluntary savings. In addition to capital collected from members, cooperatives also collect capital from third parties.

Third party capital comes from individuals in the form of deposits, from financial institutions in the form of cooperative loans, and from government and private institutions.

Table 3. Mojokerto City Cooperative Capital 2019-2021 (in thousands of rupiah)

No	Business fields	Year					
		2019		2020		2021	
		Owner's equity	3rd Party Capital	Owner's equity	3rd Party Capital	Owner's equity	3rd Party Capital
1	KUD	183.375	560.402	504.803	1.138.123	504.803	1.138.123
2	Koptan Pangan	441.245	81.692	422.305	522.192	422.305	522.192
3	KSP	1.784.703	1.074.652	2.701.316	5.348.219	2.701.316	5.348.219
4	Kopkar	2.675.352	560.430	3.268.469	2.566.646	3.268.469	2.566.646
5	KPRI	7.143.108	2.402.488	6.649.664	3.088.88	6.659.639	2.974.244
6	Kop. TNI & POLRI	297.339	281.966	702.448	754.976	702.448	754.976
7	Koptren, Mhs, & Pmd	72.205	-	135.053	259.950	118.050	256.500
8	Kop. Wanita	94.245	1.242.397	172.951	437.734	172.951	437.734
9	KSU	610.480	100.000	1.212.004	1.656.793	1.584.999	1.574.293
10	Koppas	-	-	15.000	5.000	15.000	5.000
11	Kopinkra	86.669	915	99.571	18.756	99.571	18.756
12	Kop. Pensiunan	245.819	38.921	248.355	122.375	249.355	122.375
13	Others	561.216	164.485	858.733	1.206.231	829.144	1.182.759
Total		16.991.673	17.125.084	17.357.669	16.925.290	14.225.345	5.393.748
			19.619.093		34.116.757		34.282.959

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Cooperative capital for the last three years (2019-2021) has experienced significant development. Although the number of cooperative institutions decreased, capital continued to increase. In 2019 the total cooperative capital is IDR 19,619,093,000.00 consisting of IDR 14,225,345,000.00 own capital and IDR 5,393,748,000.00 third party capital. Furthermore, in 2020 and 2021, respectively IDR 16,991,673,000.00 own capital and IDR 17,125,084,000.00 third party capital and IDR 17,357,669,000.00 own capital and IDR 16,925,290,000.00 third party capital.

Cooperative Membership

In general, there has been an increase in the number of cooperative members (Table 4.4). In 2019 there were 14331 members of the cooperative and in 2020 and 2021 there were 15126 and 15015 members of the cooperative. Cooperatives that have a large number of members are Village Unit Cooperatives. Types of Cooperative KUD have an average number of members of 320 people (Mojokerto City has 3 KUD).

Table 4. Mojokerto City Cooperative Membership 2019-2021

No	Business fields	Year					
		2019		2020		2021	
		Male	Female	Male	Female	Male	Female
1	KUD	976	1156	976	983	976	983
2	Koptan Pangan	36	53	111	75	111	75
3	KSP	610	733	1106	646	1106	646
4	Kopkar	540	810	823	725	823	725
5	KPRI	1099	2200	1774	1471	1774	1471
6	Kop. TNI & POLRI	245	368	433	572	433	572
7	Koptren, Mhs, & Pmd	63	103	118	115	118	154
8	Kop. Wanita	5	656	1	769	1	168
9	KSU	844	1246	1106	1093	1095	1079
10	Koppas	16	24	24	17	24	17
11	Kopinkra	36	54	56	56	56	56
12	Kop. Pensiunan	281	430	303	430	303	430
13	Others	687	1.060	429	883	375	829
Total		5438	8893	7260	7866	7215	7800
			14331		15126		15015

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Cooperatives are seen from the characteristics of membership, for example functional cooperatives, cooperatives consisting of people who are members of the organization, for example KPRI and Kopkar the number is the most compared to cooperatives consisting of people in general. Functional cooperatives in the data from the Mojokerto City Cooperatives and UKM Service consist of Kopkar, KPRI, Koptren, Kopma, and Youth Cooperatives with a total of 5528 people in 2019 and in 2020 and 2021 there are 68445 and 6884 members.

Implementation of Cooperative Principles

Cooperative principles, which are none other than cooperative principles, are the basic principles of cooperatives. Based on data from the Mojokerto City Cooperatives and UKM Office, the implementation of cooperative principles, in this case management is carried out democratically, quite a lot of cooperatives in Mojokerto City do it. One manifestation of democratic management is the holding of an Annual Member Meeting (RAT) by cooperative management every year. Accountability of administrators and supervisors through RAT based on secondary data can be seen in Table 5.

Table 5. shows a tendency to increase the implementation of the RAT. In 2019, out of 143 active cooperatives implementing the RAT, 103 were cooperatives. Meanwhile, in 2020 and 2021, out of 138 and 136 cooperatives that are active, 126 and 121 cooperatives are implementing RATs. Cooperatives that routinely carry out RATs every year are KPRI cooperatives, Women's Cooperatives, and Pensioners' Cooperatives.

Table 5. Implementation of the Cooperative Annual Member Meeting (RAT) Mojokerto City

No	Business fields	Year								
		2019			2020			2021		
		Active	Not Active	RAT	Active	Not Active	RAT	Active	Not Active	RAT
1	KUD	2	1	2	3	-	1	3	-	1
2	Koptan Pangan	6	-	2	6	-	5	6	-	5
3	KSP	25	-	23	27	1	25	28	1	25
4	Kopkar	15	7	8	14	7	13	14	7	13
5	KPRI	18	1	18	18	1	18	18	1	18
6	Kop. TNI & POLRI	1	1	2	2	1	2	2	1	2
7	Koptrn, Mhs, & Pmd	4	2	4	4	3	3	4	2	3
8	Kop. Wanita	8	-	8	8	-	7	8	-	7
9	KSU	29	10	29	29	12	24	29	11	21
10	Koppas	-	2	1	1	1	1	1	1	1
11	Kopinkra	3	-	3	3	1	3	3	1	3
12	Kop. Pensiunan	5	1	4	4	2	4	3	-	3
13	Others	27	10	19	19	12	19	19	12	19
Total		143	35	103	138	40	126	136	39	121

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Cooperative Business Volume and Business Results

The achievement of cooperative business volume and business results from year to year in 2019 to 2021 has seen a large increase. The ability of cooperatives to produce business results in absolute terms has increased, as shown in Table 6.

Table 6. Cooperative Business Volume and Business Results Mojokerto City

No	Business fields	Year					
		2019		2020		2021	
		Business Volume	Result of operations	Business Volume	Result of operations	Business Volume	Result of operations
1	KUD	742.373	29.823	1.069.790	29.454	1.069.790	29.454
2	Koptan Pangan	229.515	42.499	1.526.487	38.543	1.526.487	38.543
3	KSP	5.779.244	379.388	7.800.957	498.013	7.800.957	498.013
4	Kopkar	3.662.365	541.080	8.105.493	688.023	8.105.493	688.023
5	KPRI	9.994.078	968.044	11.206.158	1.041.498	11.168.795	1.039.066
6	Kop. TNI & POLRI	794.599	98.425	1.573.569	166.735	1.772.902	171.549
7	Koptrn, Mhs & Pmd	-	-	327.160	3.332	293.470	2.035
8	Kop. Wanita	331.065	14.783	388.768	11.507	388.768	11.507
9	KSU	2.410.266	105.595	2.874.003	192.581	2.782.003	188.881
10	Koppas	-	-	28.000	1.500	28.000	1.500
11	Kopinkra	86.296	680	95.710	2.693	95.710	2.693
12	Kop. Pensiunan	457.786	33.987	457.296	32.863	457.296	32.873
13	Others	4.221.961	120.322	2.102.214	286.968	2.102.214	286.968
Total		29.709.648	2.334.626	28.709.648	2.993.710	37.591.885	2.991.105

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Description of Primary Data

Respondent Profile

Respondents consisted of cooperative members and cooperative administrators. Data from the Mojokerto City Cooperatives and UKM Office in 2021 there are 175 cooperatives, with 13 types of cooperatives based on business activities Table 2.

The samples taken were 40 cooperatives and they were representative of the types of cooperatives. Of the 40 samples of cooperatives that were selected, 35 cooperatives served as questionnaire fillers. A total of 5 cooperatives were not netted on the grounds that 3 cooperatives did not return and 2 cooperatives closed because there was no activity or managers were hard to find. Of the three cooperatives whose managers are difficult to find, because they don't exist, two of them are pre-cooperatives.

Respondent Opinion

Based on the results of data collection sourced from respondents, there are as many as 20 comments and suggestions that describe cooperative conditions. Comments come from administrators and members. The following are members' comments and suggestions about their cooperative:

1. Membership (three respondents), the acceptance of cooperative members needs clear rules, the rules for accepting members in cooperatives are too loose. This situation causes it to be too easy for people to become and leave cooperative members. It's too easy to get in and out of cooperative membership causing problems in cooperatives. The problems that arise include the obligations of members who leave greater than their rights.
2. The capital of cooperatives is still low (15 respondents), the low capital of cooperatives is because the ability of members to raise capital is also low, while the needs of members that must be met are greater than the ability to raise their own capital. In such circumstances, members expect sources of capital from third parties. Expected third party capital is sourced from the government (revolving funds) and from banking. Expectations of obtaining capital from third parties require easy terms, low interest, and a long period of time (5 years).
3. Education of members (5 respondents), cooperatives have not provided education to members. As one of the tasks of the management in accordance with the principles of cooperatives is to carry out cooperative education to members. This is important considering that the survival of cooperatives is also determined by the increased awareness of members in cooperatives. The purpose of cooperative education for members is so that members have a high entrepreneurial

spirit. The hope of this principle is that members of cooperatives in meeting their needs, especially economic needs, are always fulfilled through cooperatives.

4. Cooperative management by management (7 respondents), being a cooperative administrator is still a part-time job, so the energy, thoughts, and time devoted are limited. Such circumstances make cooperative organizations less than optimal in business. The way to solve this problem is to hand over cooperative operations to professionals (managers). Cooperative operations handed over to managers require cooperatives to have a large business scale and the ability to finance or pay managers.

SWOT Analysis

The first part of the SWOT analysis is the calculation of the cooperative internal factor score. The results of calculating the cooperative's internal factors which consist of the strengths and weaknesses of the cooperative are presented in Table 7. and Table 8.

Table 7. Cooperative Strength Scoring Results

No	Strength	Total	Average
1	Membership in cooperatives is completely voluntary and open.	79	1.36
2	In the last five years up to the 2020 financial year, the annual membership meeting has always been held.	75	1.29
3	Distribution of SHU based on cooperative charter/bylaws.	74	1.28
4	If your cooperative is a savings and loan cooperative, interest for members is not burdensome.	84	1.45
5	If any, interest on voluntary savings does not burden the cooperative.	52	0.90
6	Every during the last five years up to the 2020 financial year the cooperative provided education and training to its members.	41	0.71
7	Members in cooperatives have cooperation between members in meeting their respective needs.	57	0.98
8	The members always fulfill their obligations to the cooperative.	59	1.02
9	Members have used their rights to get cooperative services.	79	1.36
10	Decision making at member meetings fulfills the requirements of democracy in cooperatives.	80	1.38
11	Cooperatives in carrying out their business are fair to their members.	71	1.31
12	Fellow cooperative members have high solidarity in overcoming the problems experienced by members.	60	1.03
	Score		1.06

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Table 8. Cooperative Weaknesses Scoring Results

No	Weaknesses	Total	Average
1	Management/managers of cooperatives do not have limited general knowledge about cooperatives.		0.26
2	Cooperative administrators/managers do not understand the statutes, bylaws of cooperatives, and other cooperative regulations.	51	0.88
3	Management/managers of cooperatives have limited skills in running a cooperative business.	13	0.22
4	Management/managers of cooperatives lack the skills to run a cooperative business.	56	0.56
5	Members of cooperatives in utilizing cooperatives are based on the abilities of the members themselves.	-17	-0.29
6	Cooperative administrators/managers are part-time jobs.	34	0.54
7	Cooperatives have not promised adequate income to cooperative management/managers.	18	0.31~
8	Cooperatives have limited funds in the maintenance of cooperatives.	7	0.12
9	Administration of cooperative activities is still not organized.	39	0.67
10	Cooperative capital is still limited compared to the needs of the members.	-8	-0.14
11	The ability of members in capital is still small.	-9	-0.16
12	There are still many needs of members that have not been met.	9	0.16
	Score		0.30

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

The score of the strengths and weaknesses of the cooperative is obtained from calculating the total score of each statement item from all respondents. The total score of the statement items is then divided by the number of respondents. The final result of scoring the strengths and weaknesses of the cooperative is used as a measurement index in the SWOT diagram. The interpretation of the final score on the strengths and weaknesses of the cooperative is as follows:

1. Excellence has a score of 1.06, which means that Cooperatives in the Mojokerto region are a healthy organization in terms of membership, capital, management, and the ability to generate business results.
2. Weaknesses have a score of 0.30, meaning that although in general the management of cooperatives is good, there are still deficiencies, namely there are still managers who do not understand cooperatives well.

The second part of the SWOT analysis is the calculation of the cooperative external factor score. The results of the calculation of cooperative external factors consisting of cooperative opportunities and threats are presented in Table 9. and Table 10.

Table 9. Cooperative Opportunity Scoring Results

No	Opportunity	Total	Average
1	The economic potential of the community has a great opportunity to be developed through cooperatives.	74	1.28
2	Government facilities for cooperatives have not been fully utilized by cooperatives.	30	0.52
3	The community has a high spirit of togetherness.	31	0.53
4	Some people do not know if their needs/desires can be met through cooperatives.	35	0.60
5	aid from government agencies, state-owned enterprises and the private sector to cooperatives has not been utilized.	27	0.47
	Score		0.68

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Table 10. Cooperative Threat Scoring Results

No	Threat	Total	Average
1	Many non-cooperative economic activities pose a threat to cooperatives.	-18	-0.31
2	So far, there have been government facilities for cooperatives that have been revoked/terminated.	28	0.48
3	Many people do not know the benefits of cooperatives.	-19	-0.33
4	Many people are anti-cooperative.	35	0.60
5	Cooperatives are affected by changes in market prices.	-19	-0.19
	Score		-0.02

Source: Mojokerto City Office of Cooperatives and SMEs, processed by the author, 2019-2021.

Similar to the calculation of the internal factors of cooperatives, scores of opportunities and obstacles to cooperatives are obtained from calculating the total score of each statement item from all respondents. The total score of the statement items is then divided by the number of respondents. The final result of scoring cooperative opportunities and threats is used as a measurement index in the SWOT diagram. The interpretation of the final score on cooperative opportunities and threats is as follows:

1. Opportunity has a score of 0.68, meaning that Cooperatives in the Mojokerto city area have many opportunities to develop themselves through community economic potential, Government facilities through Government Regulations, Legislation and assistance and cooperation with BUMN and Banking.
2. Threats have a score of 0.02, even though the value is very small but the above cannot be ignored, that is, more and more non-cooperative institutions are being established, this should become a concern of the government so that cooperatives in Indonesia, especially in the city of Mojokerto, become healthier.

The SWOT analysis component value indexes, strengths, weaknesses, opportunities, and threats are then used as coordinate values in the SWOT analysis diagram. Figure 3. illustrates the position of cooperatives in the City of Mojokerto.

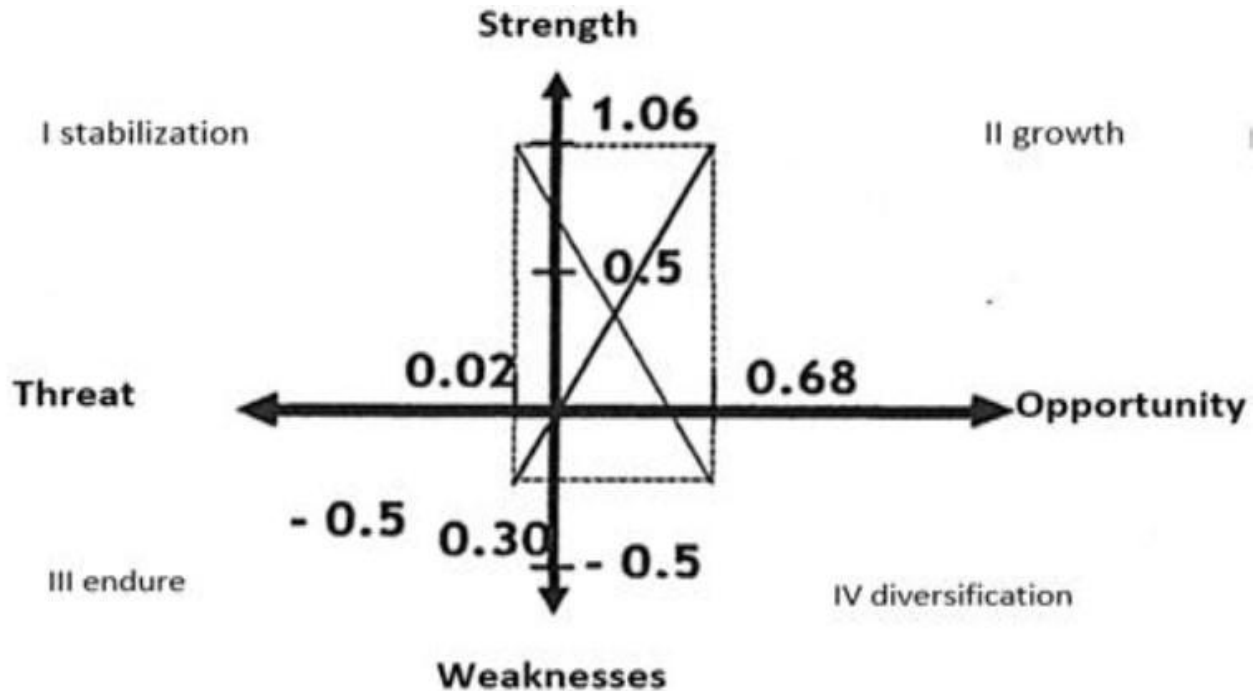


Figure 3. SWOT Analysis

From the scoring results above, it can be concluded that cooperatives in the city of Mojokerto are in the first quadrant region, meaning that cooperatives are experiencing growth. The growth of cooperatives in Mojokerto City has high opportunities and strengths. Meanwhile, what is a bit worrying is its weakness. The weakness of cooperatives is relatively high, which has a score of 0.30. This figure is in accordance with what the respondents said.

For example, cooperatives have not been managed optimally because being a cooperative manager is still a part-time job and cooperative capital collected from members is still low. When viewed from the composition of cooperative capital sourced from third parties, the percentage is still high, namely in 2021 it was approximately 50% of the total cooperative capital Table 3.

The Role of Local Government

The technical agency directly related to cooperatives and small and medium enterprises is the Office of Cooperatives and SMEs in Mojokerto City. Relevant agencies have carried out various activities in the framework of fostering cooperatives and SMEs in the City of Mojokerto. Some coaching is done in

the form; (1) briefings when there is an annual cooperative member meeting, (2) regular trainings in order to strengthen cooperative knowledge and management for administrators.

The trainings that have been conducted include reporting systems in cooperatives and institutional strengthening. The trainings that have been carried out in the form of institutional strengthening are part of the development of cooperatives in the City of Mojokerto based on government regulations.

Of the several government regulations and decisions mentioned above, the government's attention is more focused on cooperatives that run savings and loan businesses. Cooperatives that have savings and loan businesses have more contact with the community. Considering that institutions engaged in capital ventures are institutions that serve as infrastructure for the growth of community economic activities. The issuance of government regulations and decisions is intended not to become a problem in cooperatives and not to interfere with the circulation of money in society.

Savings and Loan Cooperatives (KSP) and other cooperatives that have savings and loan businesses in Mojokerto City are growing rapidly. Several respondents - both administrators, members and non-members - said that cooperatives that run savings and loan businesses can also serve the community. In terms of savings and loans according to the Decree of the Minister of Cooperatives of Small and Medium Enterprises Number 194/KEP/M/IX/1998 concerning Guidelines for Implementing the Health Assessment of Savings and Loans Cooperatives and Savings and Loans Business Units, that savings and loans business.

CONCLUSION

Based on the discussion of research results, the factors that influence the development of cooperatives can be summarized as follows:

1. The development of cooperatives in the City of Mojokerto seen from membership has increased the number of members. This is very beneficial, because one of the indicators for the advancement of cooperatives is that more and more people become members of cooperatives.
2. Cooperative capital also has an increase in capital. However, the increase in cooperative capital is mostly sourced from third parties.
3. The implementation of the cooperative principle, in this case the annual member meeting (RAT), has made significant progress.
4. Based on data of primary, the education level of cooperative managers is still dominated by senior high school education. This more or less affects the management of cooperatives.

5. The increasing number of members needs to be supported by adequate regulations. Based on the opinion of respondents, there are still weaknesses in membership organizations. It's too easy for someone to leave or become a member of a cooperative.
6. From the results of scoring and Figure 3. it can be concluded that in general cooperatives in the Mojokerto City area are in the first quadrant region, meaning that cooperatives are experiencing growth.
7. The Municipal Government of Mojokerto through the Office of Cooperatives & UKM has carried out coaching aimed at increasing cooperative business and strengthening cooperative institutions so that cooperatives function according to their objectives.

SUGGESTION

From the results of the analysis above, the Mojokerto City Government needs to make policies in the context of developing cooperative businesses:

1. Implementation of regulations on cooperative management procedures, especially for cooperatives that have not yet held an annual member meeting.
2. Increasing the development and capital of cooperatives, especially multi-business cooperatives. Considering that there are many KSUs, the capital is still low Table 3.
3. Multi-business cooperatives need to get more attention in terms of management, considering that multi-business cooperatives touch more people when viewed from more than one business.
4. Particularly for cooperatives that run savings and loan businesses, especially KSP groups, they need to get more attention, especially in terms of community access to become members.
5. It is necessary to form secondary cooperatives for cooperatives. The formation of secondary cooperatives is based on the type of cooperative business sector.
6. Supervision and development of cooperatives need to be improved, especially cooperatives that receive facilities in the form of financial assistance from the government.

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