

## Cooperatives Employee Performance Base on Competence and Training

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**Abstract.** Indonesia's economic development is advancing, and cooperative development is becoming a key tenet of Indonesian economy. The significance of each employee's peak performance will determine how well a team works together to accomplish goals. The purpose of this study is to ascertain how competency affects cooperative employees' performance in Surabaya. Using the saturation sampling approach, 40 employees of KSP cooperatives in Surabaya served as the study's respondents. Interviews and the distribution of questionnaires to KSP staff in Surabaya were used to collect the data. This study used clever PLS as its quantitative research methodology. The findings indicated that competency had an impact on the Surabaya cooperative employees' performance. The study's findings indicate that training has no effect on employee performance. This is likely due to the fact that employees' training is still insufficiently effective and long-lasting, making it impossible for it to raise performance.

**Keywords:** Competence, Training, Employee Performance

### I. Introduction

Organization is a process of identifying and classifying the work and carrying out responsibilities and authorities, building relationships for a purpose that makes members of the organization work together effectively in achieving goals. The organization has a goal to achieve or realize the shared desires or aspirations of each member of the organization to benefit and succeed from organizational goals and to overcome limited independence and personal ability to achieve common goals as well as to increase the ability of organizational members to obtain resources and from public environment. Cooperatives are organizations that are legally recognized as being separate from individuals or other cooperative legal entities. They use their members' wealth as capital to run a business that satisfies shared aspirations and needs in the economic, social, and cultural spheres in accordance with the cooperatives' values and guiding principles. According to the cooperative law number 5 of 1992, cooperatives exist to increase the welfare of their members in particular and society at large, as well as to contribute to the development of a strong national economy and a modern, just, and prosperous society. Cooperatives are also expected to take part in initiatives aimed at enhancing the standard of social and economic life and bolstering the populace's economy, which serves as the cornerstone of the robustness and durability of the overall economy. Employees with competence and excellent performance are required to manage cooperatives in order to achieve their aims. Performance is the degree to which personnel succeed in completing their jobs within a given time frame. According to Afandi (2018: 183) Performance is the outcome of work that can be completed by an individual or group of individuals within an organization in accordance with their separate rights and obligations in an effort to achieve organizational goals while abiding by moral and ethical principles and the law. Performance is crucial to the success of any business because it can help people work less hard and finish their assigned tasks more quickly. High performance also helps the organization reach its objectives as efficiently as possible. With organizational support, optimal performance can be attained by raising staff competency.

According to Agustian et al (2018) The capacity to perform a job correctly and to benefit from information, skills, and attitudes are both examples of competence. Meanwhile, according to Rahmat (2019), Competence is a personal trait associated with effective or exceptional performance in specific professional contexts. Thus, expertise is required to attain organizational goals. Employees with high competence are expected to be able to complete existing tasks correctly and solve existing problems in cooperatives so that cooperative goals can be realized; competencies can be increased through human resource training, according to the perspective journal (Fadhil, 2016). According to Kasmir (2016: 198) expressed his belief that improving employee performance is the main goal of training. Lack of skill or knowledge requires training in order to be able to perform better.

This is consistent with Harianja's viewpoint (2002: 164) "Training as a planned organization effort to increase employee knowledge, skill, and abilities." To achieve organizational goals that align with the objectives of specific employees, a training program must be created and structured effectively to meet the needs of both the firm and the personnel.

The phenomenon that occurs in savings and loan cooperatives in Surabaya is a decline in cooperative performance as indicated by a decrease in SHU which can be seen in table 1 as follows

**Table 1.** List of SHU Savings and Loan Cooperatives in Surabaya

No.	Name of Cooperatives	SHU 2018	SHU2019	SHU 2020
1	Abdi Setya Perkasa	83.671.704	23.944.106	20.836.319
2	Amanah Berkah Abadi	28.782.000	20.525.000	18.980.000
3	CV. Tirtadana	36.987.914	30.500.000	28.250.000
4	Prima Adhi Sentosa	53.550.590	45.580.000	40.320.000
5	Daarul Mutaqien	18.938.000	13.550.000	10.580.000
6	Artha Niaga	54.783.804	50.250.000	48.750.560
7	Tunggal Luhur	22.179.364	20.580.465	18.750.645
8	Utama Bahagia Sejahtera	75.767.810	55.560.430	35.640.540
9	Swakarsa Usaha Budi Luhur	26.001.500	20.500.000	18.750.300
10	Sahabat Jaya	58.900.000	45.560.000	35.500.000

Data Source: Cooperatives Service

Based on the data above, it can be seen that there was a decrease in SHU that occurred in 10 Surabaya Savings and Loan Cooperatives including the Savings and Loans Cooperative in Surabaya. The decrease in SHU is a benchmark for non-optimal performance problems. The performance of the cooperative as referred to in the description above is the development of work results achieved by the Cooperative during a certain period. The important role of human resources in achieving optimal performance is of particular concern. The intended resources are cooperative employees in Surabaya as executors of cooperative activities, which in this research are the objects of this study.

The phenomena that occur in the field based on the observations of researchers, it is suspected that the decrease in the amount of Remaining Profits (SHU) is caused by low competence and not yet optimal training for savings and loan cooperative employees in Surabaya, so that they are unable to produce optimal performance. The low competence of cooperative employees can be shown through data on the formal education of cooperative employees which can be seen in table 1.2 as follows

**Table 2.** KSP Employee Education Level

Education Level	Amount
Elementary school	5
Junior High School	10
Senior High School	25
Diploma	-
Bachelor	-
Other	-

According to the above data, the bulk of employee education is at the high school level, and the number of employees indicates that there are still those who are competent in their respective fields. According to the aforementioned information, the majority of employees have high school degrees, while there are still those with only elementary or junior high school degrees. The low level of formal education indicates that the competence of employees is still low, resulting in the performance of KSP employees not being optimal in achieving performance targets. This conjecture is in accordance with previous researchers (Tulus, 2022), The findings indicate that performance is significantly influenced by competency and training. Based on this background and phenomenon, the researcher is interested raised the title "Cooperatives Employee Performance Base On Competence And Training".

#### Problem Definition

1. Does competency have a discernible impact on Surabaya KSP employees' performance?
2. Has the training had a major impact on the Surabaya-based KSP employees' performance?

The purpose of this research are

1. To ascertain the impact of competency on the performance of KSP employees in Surabaya
2. to assess how training affects KSP employees' performance in Surabaya

## **II. Literature Review**

### **Human Resource Management**

A company's endeavor to manage its human resources in order to meet established goals is known as human resource management. Company target, so the main goal of all work done by employees. According to (Hamali, 2018: 2) The statement "HR Management is a strategic approach to skills, motivation, development, and management of organizing resources" It might be said that human resource management is a collection of organizational initiatives intended to draw in, retain, and grow a skilled staff.

### **Competence**

Competence is one of the things that can determine the survival of a company. Because a competent workforce has the ability to carry out activities according to the standards set by the organization, the organization or company can improve organizational performance. According to (Agustin et al, 2018) Professional competence as the capacity to perform a job or task based on skills and knowledge and backed by the work ethic required by the position. Competence also demonstrates the qualities of the information and abilities that each person possesses or requires in order to properly perform their duties and obligations and raise the bar for professional quality in their work. As revealed by Rachmat (2019) includes:

1. Knowledge can be measured by information owned by cooperative employees in the field of cooperative knowledge
2. Skills can be measured by the abilities possessed by cooperative employees.
3. Attitudes can be measured by the response of cooperative employees who are always consistent with information
4. Motives can be measured by the motivation that employees have at work
5. Properties can be measured by complying with applicable work rules

Based on this, the authors conclude that competence is something that is needed to achieve organizational goals. Employees who are successful in mastering work goals plus being able to carry out the standards set by the organization so as to produce superior performance.

### **Training**

Training is the most important thing for employees because through training human resources are expected to be more developed or have the ability to improve employee performance and be able to meet the ideal standards set by the organization with the capabilities of an employee. According to (Dessler, 2020) Employee training provides practical knowledge and its application in the business's working environment to boost work efficiency and achieve the goals set by the firm organization. Training is a process of seeking the skills needed by employees in executing their work. The training has the main objective of increasing performance in the near future and in certain jobs by increasing employee competence (Jackson et al, 2018). The measurement of the accuracy of the training put forward by Mangkunegara (2013) is as follows:

1. Training participants can be measured by the number of participants who have met predetermined targets or have not met targets
2. The objective of the training can be measured by the skills of the cooperative management after attending the training
3. Training Materials can be measured by the training provided according to the needs of cooperative management
4. Methods can be measured by the effectiveness of the methods used in training
5. Based on this description, the author

Concludes that training is education to learn knowledge and improve technical abilities of employees in their current job or work that will be carried out with systematic procedures in a short period of time and prioritize practice. Time can be measured with accuracy in conducting training.

### **Performance**

Employee performance is the result of work achieved by an employee in carrying out their duties in accordance with their responsibilities. According to Afandi (2018: 83) Performance is a result that can be obtained by an individual or group of individuals inside an organization while adhering to their separate responsibilities and authorities in an effort to fulfill organizational goals while without breaking the law or going against moral and ethical principles.

According to Arifin et al (2019) asserts that employee performance refers to the job completed by a team of employees in accordance with the responsibilities and expectations placed upon them. The following indicators, proposed by Robbins, in Sopiah and Sangiadji (2018: 351), can be used to gauge performance:

1. Excellence
2. Quantity
3. Being on time
4. Performance
5. Individuality

Based on this, it can be concluded that work results in quality and quantity can be achieved by an employee in carrying out his main duties and functions as an employee in accordance with the responsibilities assigned or given to employee.

### Conceptual framework

The conceptual framework is a line of thought on a relationship between one concept and another in order to be able to provide an overview and direct assumptions regarding the variables to be studied by planning a theory or research hypothesis in the form of a chart and objective explanations. Based on the theories put forward, the conceptual framework model used in this study is as follows:

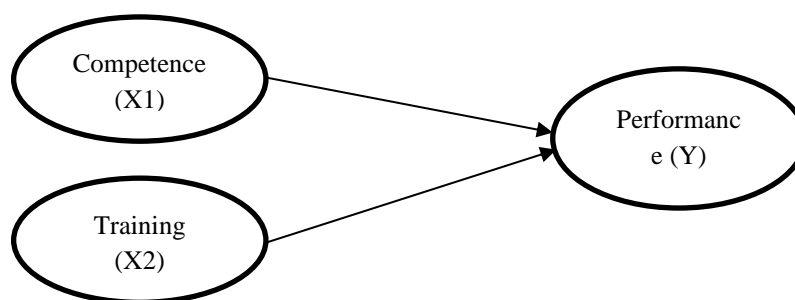


Figure 1. Conceptual Framework

### Hypothesis

Based on the problem formulation and the conceptual framework picture above, the hypothesis in this study

H1: It is suspected that competence has a positive effect on the performance of cooperative employees in Surabaya

H2: It is suspected that training has a positive effect on the performance of cooperative employees in Surabaya

## III. Research Method

### Data analysis technique

This study uses quantitative research methods using PLS analysis techniques. Partial Least Squares (PLS) is an analytical method that is often referred to as soft modeling because there are no OLS (Ordinary Least Squares) regression assumptions, such as data that must be normally distributed in a multivariate manner and there are no multicollinearity problems between oxygen variables. PLS is also used to explain whether there is a relationship between latent variables, PLS can be used to confirm theory.

As a prediction technique, PLS assumes that all variance measures are useful variants to explain so that the latent variable estimation approach will be considered as a linear combination of indicators and avoids the problem of factor indeterminacy. Operational

### Data source

Sources of data obtained in this study are primary data and secondary data. Primary data in this study can be obtained by collecting data in the form of a questionnaire which will be given directly through a list of questions about the identity of the respondent and about the variables studied, namely the employees of the Savings and Loans Cooperative in Surabaya. Secondary data is data obtained indirectly from the source while this data is obtained through previous research, references, literature and data from the Surabaya cooperative service.

### **Population and sample**

According to Sugiyono (2018: 117) Objects or subjects with specific numbers and qualities chosen by researchers to analyze and then form conclusions make up the population, which is a generalization area. Therefore, the population includes both people and other objects as well as other natural objects. The population of an object or topic is not simply the quantity present; it also refers to all the traits that the subject or object possesses. 40 KSP employees in Surabaya will constitute the sample population for this study. According to Sugiyono (2018: 118) The population's size and characteristics are represented by the sample. The sample used in this investigation was saturated. As for the research technique for determining saturated samples proposed by Sugiyono (2017: 85) if all members

### **Operational Definition and Variable Measurement**

According to Sugiyono (2018: 38), The operational definition of a variable is a trait, characteristic, or value of an object or activity that has certain variability and has been chosen by researchers to be investigated before making conclusions. The following are the factors and indicators that were used in the study.

#### **Competency (X1)**

In this study, competence as an independent variable. the competencies referred to are the abilities possessed by KSP employees. The competencies possessed by KSP employees can be measured through the following indicators: Knowledge, Skills, Attitudes, Motives and Characteristics

#### **Training (X2)**

Training is an activity of transferring knowledge or knowledge of cooperatives as well as improving skills that are carried out continuously with the aim that cooperative employees can increase their knowledge and skills in running and developing cooperatives. The measurement of training variables uses the indicators of Training Participants, Training Objectives, Training Materials, Training Methods and Training Time.

#### **Performance (Y)**

Performance is human resource behavior that is in line with organizational goals and is shown in increasing one's work results. Furthermore, to be able to measure performance, researchers use

1. The quality of cooperative performance can be measured by the slow process of adaptation to technology being left behind by some cooperatives in implementing advanced technology causing no operational activities efficient
2. The quantity of cooperative performance can be measured by looking at the amount of remaining operating results (SHU) increasing or decreasing and it can also be seen by increasing or decreasing the amount of funds lent
3. Timeliness at work can be measured by the number of attendance and timely completion of tasks
4. Effectiveness at work can be measured by how quickly and precisely cooperative employees complete their work
5. Independence in work can be measured by employees doing their own work without being dependent on people.

In this study the measurement scale used is the Likert scale, both the independent and dependent variables. According to Pranatawijaya & Priskilla, (2019) explained that a scale for measuring perceptions, opinions or the nature of employees accompanying social phenomena or an event is usually called the Likert scale. Therefore, to find out the measurement of respondents' responses and this survey uses a scale of 1-5 which includes the following details: Strongly Agree (SS): given a score of 5, Agree (S): given a score of 4, Neutral (N) : given a score of 3, Disagree (TS): given a score of 2, Strongly Disagree (STS): given a score of 1.

## **IV. Results and Discussion**

The Savings and Loan Cooperative (KSP) in Surabaya that aims to advance the welfare of its members, especially those of the general public in general and participate in building the national economic order, in order to realize an advanced, fair and prosperous society based on Pancasila and the 1945 Constitution. Savings and Loans Cooperatives in Surabaya in this study included: KSP Abdi Setya Perkasa, KSP Amanah Berkah Mandiri, KSP Tirtadana CU, KSP Prima Adhi Sentosa, KSP Daarul Muttaqin, KSP

Artha Niaga, KSP Tunggal Luhur, KSP Utama Bahagia Sejahtera, KSP Swakarsa Usaha Budi Luhur, KSP Sahabat Jaya.

Characteristics Respondent respondents based on gender used in this study was mostly male, namely 30 people (75%), while for female respondents as many as 10 people (25%). Number of respondents based on age used in this study, age range of 20-30 years amounted to 10 people or 25%. The age range of 31-40 years is 20 people or 50%. The age range of 41-50 years is 10 people or 25%. Age Range 51-60 years amounted to 0 people or 0%.

### Data analysis

Outer Model (Measurement Model and Indicator Validity & Reliability)

Convergent Validity, Discriminant Validity, Composite Reliability, Average Variance Extracted (AVE), Cronbach's Alpha, and Fornell-Larcker Criterion are the tests to be run for testing the Outer model using reflecting indicators.

**Table 3.** Measurement Outer Reflective Indicator Model

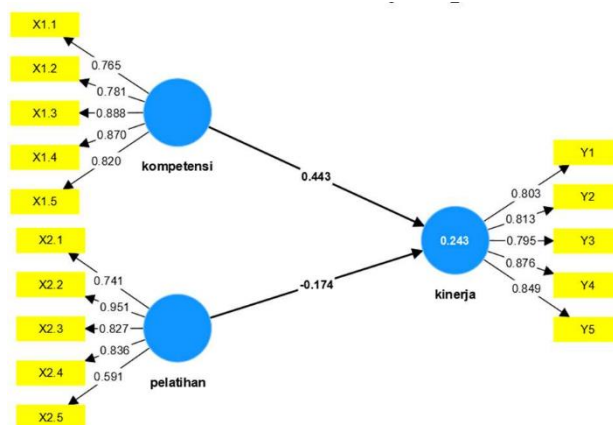
Indikator	Loading faktor	Keterangan
X1 (Competence)		
X1.1	0.765	Valid
X1.2	0.781	Valid
X1.3	0.888	Valid
X1.4	0.870	Valid
X1.5	0.820	Valid
X2 (Training)		
X2.1	0.741	Valid
X2.2	0.951	Valid
X2.3	0.827	Valid
X2.44	0.836	Valid
X2.5	0.591	Valid
Y (Kinerja)		
Y1	0.803	Valid
Y2	0.813	Valid
Y3	0.795	Valid
Y4	0.876	Valid
Y5	0.849	Valid

Based on the table above, it can be seen that all items have an outer loading value greater than 0.700 with a tolerance of 0.500 (Valid). So it can be concluded that all items are declared valid. In each variable, there is an item that is the highest to reflect that variable.

**Table 4.** Composite Reliability

Variabel	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
X (Kompetensi)	0.884	0.915	0.683
Y (Kinerja)	0.885	0.916	0.685
Z (Pelatihan)	0.951	0.896	0.637

Each variable's Cronbach's Alpha score is higher than 0.7, indicating that the variables are reliable. Each of the variables used has a composite reliability score more than 0.7, placing them in the high reliability group. Each variable has an average variance extracted (AVE) number larger than 0.5, which is known to have discriminant validity. Using the SmartPLS 4 program, the PLS structural model was run in this investigation. The results of the hypothesis test were formed as follows.



Source: processed data, 2023

**Figure 2.** Inner Model

The conclusion of the results of hypothesis testing is shown in the following table:

**Table 5.** Results of Hypothesis Testing

Hypothesis	Influence variable	P- Value	Keterangan
H1	Competence → Performance	0.005	diterima
H2	Training → Performance	0,427	ditolak

Based on the findings of the research, it can be concluded that competence contributes positively to the work output of KSP personnel in Surabaya. This can be explained by the fact that KSP staff perform better the more skill they possess. Self-concept and knowledge are the predominate indicators of competence. This implies that the self-concept and knowledge held by KSP personnel in Surabaya will contribute to the development of their competencies. The study's findings are consistent with existing studies (Amin, 2018). The study's findings demonstrate that competence affects performance in a good and significant way. The impact of training on employee performance is negligible. KSP in Surabaya's claim is disproved. The Path Coefficient indicates that there is no correlation between training and performance, with a p-value of 0.427. These findings indicate that employee training is not being provided at its best, which means that it has not been able to improve employee performance. The findings of this study support those of Andayani dan Hirawati's research (2021), which found that training has no impact on employee performance.

## V. Conclusion

The performance of KSP employees in Surabaya is positively impacted by competence, which indicates that employees with higher levels of competence would perform better. Increasing an employee's knowledge in their line of work will help them understand the value of competency in enhancing employee performance. The results of this study show that training has no effect on employee performance. This is likely because employees are still not receiving training that is efficient and long-lasting. such that the training acquired by staff members cannot lead to improved performance.

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