

Analysis of the Development of Cooperative Digitalization in an Effort to Increase Member Participation in the Class Iib Tasikmalaya Prison Cooperative

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ABSTRACT. Tasikmalaya Class Iib Prison Cooperative is a primary cooperative that is included in the type of producer cooperative and has a savings and loan unit. This study aims to determine the development of cooperative digitalization in an effort to increase member participation. The method used in this study is a case study method by describing each dependent variable through data collection with questionnaires and literature studies. Members of the Tasikmalaya Class IIB Prison Cooperative responded positively to digitalization and welcomed the digitalization policy by participating in every activity carried out by the cooperative and always following the information that is spread. This policy is an advantage for the cooperative because if it is realized, the opportunity for the cooperative to compete with other business entities and expand its reach will be even more open. That way, the cooperative's efforts to increase member participation will be more real to be realized. In this study, the development of cooperative digitalization in the Class II B City Prison Cooperative had an average score of 3.41. This shows that the participation of cooperative members in the Class II B City Prison Cooperative is in the category: "Quite Good".

Keywords: Digital Business, Cooperatives, Digital Cooperative

JEL Classification: MM2

INTRODUCTION

The industrial revolution 4.0 has an impact on the economy, where sectors open up opportunities for digitalization in the field of entrepreneurship and MSMEs grow rapidly, thus having an impact on entrepreneurship for economic independence. Business actors adapt by switching from offline business activities to online businesses, various conventional activities need to switch to activities based on internet technology. On the other hand, the era of the industrial revolution based on technology 4.0 opens up opportunities for all business actors to grow and develop or conversely become a threat to those who do not immediately transform and adapt to the changes that occur.

Digitalization is an effort to change physical objects into digital ones. Cooperative documents that were originally in paper form are changed into electronic copies that are stored online so that cooperatives do not need document storage shelves. So the definition of cooperative digitalization is an effort to change cooperative management to digital. The development of cooperative digitalization is able to make cooperatives move dynamically and is able to accelerate the movement of cooperative business.

Digitalization in cooperatives can provide a significant impact on effectiveness and efficiency, as well as increasing competitiveness because digitalization makes it easier to carry out member activities and cooperative management. This is very necessary as a means of business competition carried out by cooperatives. Digitalization can meet the information needs of an organization very quickly, on time, relevantly, and accurately (Wilkinson and Cerullo, 1997). So that the income received by the cooperative can be maximized with the development of technology.

This is also experienced by the Class IIB Tasikmalaya Prison Cooperative. The success of the cooperative can be demonstrated by the binding of marketing cooperation to increase sales volume between administrators, supervisors, employees, and members within it. Therefore, cooperatives require a good management system in their management, one of which is to meet the needs of their members. The development of digitalization supported by employees who are experts in their fields will accelerate cooperatives to move flexibly and dynamically. This improves services to members, connects producers and buyers through technology development, and facilitates the operation of cooperative businesses.

This research focuses on the Class IIB Tasikmalaya Prison Cooperative because it has several work program designs that are more emphasized on making innovations in developing existing business models in cooperatives. The existence of digitalization is considered a solution to problems in facing business competition with other more modern sellers in the current era.

The Class IIB Tasikmalaya Prison Cooperative has quite a lot of members but with quite a lot of passive members too, this can have a big impact on the implementation of the cooperative business unit. The absence of digitalization makes passive member participation high. Therefore, the implementation of member participation needs to be improved again by providing incentives in the form of innovation to members so that inactive members can participate again and contribute to the cooperative.

The Class IIB Tasikmalaya Prison Cooperative has currently implemented digitalization but only as an information media. Based on existing data, the Class IIB Tasikmalaya Prison Cooperative has a digital accounting system and has online information media in the form of a blog website and Instagram social media. The purpose of creating this social media is as a means of information from the cooperative to members and the public. However, the content on the media can be said to be non-renewing.

In the work program that will be carried out by the Class IIB Tasikmalaya Prison Cooperative in the future, it is stated that the Class IIB Tasikmalaya Prison Cooperative will build a wide business network (networking) through the applications it has for the benefit of business promotion, dissemination of cooperative information, increasing member participation in transactions and maintaining the life of the cooperative's existence which must follow existing developments.

With the application, the Class IIB Tasikmalaya Prison Cooperative can develop its business sector to be online-based. With only a smartphone, cooperative members can be more effective and efficient in participating in every cooperative activity. Services from the Class IIB Tasikmalaya Prison Cooperative to members are easy and more up to date. Information searches are easy to obtain so that members can carry out their participation effectively and efficiently. With the website, it is hoped that the cooperative will be able to maintain its existence, make it easier to provide information and communicate and can also increase active participation from members. Not only has member participation increased, but soybean trade has also increased. The new challenges faced by the Class IIB Tasikmalaya Prison Cooperative are not only changing business processes by utilizing the development of digital technology, but also an encouragement to present a new vision amidst very dynamic social and economic changes. This is a challenge as well as a breath of hope for the Class IIB Tasikmalaya Prison Cooperative in order to implement the welfare of its members.

METHOD

To obtain the data obtained in this study, the variables contained in the problem approach are first operationalized to select sub-variables and indicators of the research variables. In this study, the variables are as follows:

1. Independent Variable (X)

In this study, the independent variable is the Development of Cooperative Digitalization.

2. Dependent Variable (Y)

In this study the dependent variables are:

- 1) Member Participation,
- 2) Efforts to Increase Member Participation.

Operational Definition of Variables

- 1) Development of Cooperative Digitalization (X1)

According to Pendit (2007:241), in the digitalization process in cooperatives, adjustments are needed to the supporting aspects, so that in the process it can be pushed towards rapid and accurate change.

- 2) Member Participation (Y1)

According to Rusidi (1992:14) participation is a person's involvement in an activity held by another party (group, association, government organization and so on) where the participation is expressed or manifested in the form of pouring out thoughts, pouring out materials (funds) and pouring out energy according to the expectations of the activity.

To answer the first problem analysis, namely How is the current state of member participation, a descriptive analysis is carried out based on member assessments using the scoring method. Where the respondents' answers will be grouped into 5 classifications, namely: strongly agree, agree, quite agree, disagree, disagree.

RESULT AND DISCUSSION

The development of digitalization of cooperatives at Class II B City Prison Cooperatives has an average score of 3.41. This shows that the participation of cooperative members in the Class II B Prison Cooperative in Tasikmalaya City is in the category: "Quite Good". Member participation in the Class II B City Prison Cooperative has an average score of 3.41. This shows that the participation of members in the Class II B Prison Cooperative in Tasikmalaya City is in the category: "Quite Good". Partially, the variable of cooperative digitalization development (X) has an influence on member participation (Y), meaning that the development of cooperative digitalization can increase if the participation of cooperative members increases.

The Class II B Prison Cooperative of Tasikmalaya City can maintain and increase time effectiveness and improve the value chain (revenue chain) in developing the digitalization of its cooperative.

The Class II B Prison Cooperative of Tasikmalaya City can maintain and increase the capital and financing of the cooperative through member savings and increase the quantity given to encourage increased participation of cooperative members. Efforts to increase member participation, the Class II B Prison Cooperative of Tasikmalaya City is to improve cooperative services through digitalization of cooperatives.

CONCLUSION

Determination Analysis

Table 4.6 Summary Model Determination Analysis

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1 | .833a | .711 | .709 | 3.69493 |

a. Predictors: (Constant), Y

In the table above, it can be seen that the coefficient of determination is 0.711 so that the path coefficient of the influence of variables outside the model that are not measured in this study or in other words the influence of the residual or remaining variables is $1 - 0.711 = 0.289$ or 28.90%.

1. Linear Regression Analysis

Table 4.7 Linear Regression Analysis Coefficientsa

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 5,574 | 2,795 | | 2,637 | .000 |
| | X | .829 | .053 | .455 | 2.146 | .000 |

a. Dependent Variable: Y

Simple linear regression shows the influence of independent variables on dependent variables with the following equation:

$$Y = 5.574 + 0.829X$$

The equation $Y = 16.849 + 0.498$ shows a positive influence of the development of cooperative digitalization on member participation. If the development of cooperative digitalization increases by 1%, it will increase member participation by 0.829, the higher the development of cooperative

digitalization, the higher the participation of cooperative members in the Class II B Prison Cooperative.

2. Partial Hypothesis Test

To test the hypothesis or significance of the partial influence of digitalization development (X) on member participation (Y), a t-test is used. Based on the hypothesis test using the t-test, the calculation results are presented in the table below:

Table 4.8 Partial Hypothesis Test Coefficientsa

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 5,574 | 2,795 | | 2,637 | .000 |
| | X | .829 | .053 | .455 | 2.146 | .000 |

a. Dependent Variable: Y

This research can be seen from the calculation results obtained from the t-value with the t-table value or the significance value (sig.) With the α value. The t-value = 2.637 > t-table = 1.701 or the significance value (sig.) = 0.000 < 0.05. From these calculations, it is obtained that the t-value > t-table and the sig. < alpha value (α). So, the hypothesis decision is to Reject H0 and Accept H1, meaning that the hypothesis shows that the development of cooperative digitalization (X) has a significant effect on member participation (Y) in the Class II B Prison Cooperative in Tasikmalaya City.

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