THE COOPERATIVES RANKING ANALYSIS WITH INDICATORS OF PERDEP INSTITUTIONAL SECTOR MINISTRY OF COOPERATIVES AND SMEs RI No. 04/Per/Dep/1/III/2018
(Case study on 110 cooperatives in Semarang City, Central Java, Indonesia)

Sugiarto[1] Fanny Dwi Puspitasari[2] Ihil S Baron[3]

STIE Cendekia Karya Utama[1], STIE Mahardhika[2], STIE Pancasetia[3]

sugiep3m@gmail.com[1] Fannymahardhikarega@gmail.com[2] ihil.baron57@gmail.com[3]

KEYWORDS	ABSTRACT
GCG, Management by objective	Research related to the ranking of cooperatives is based on the number of cooperatives in the city of Semarang which were recorded according to the Semarang City BPS as many as 718 cooperatives. The data does not show yet how many cooperatives are categorized as qualified according to the indicators in Perdep No. 4 of 2018 issued by the Ministry of Cooperatives and SMEs of the Republic of Indonesia. The cooperatives institution involved in this study were 110 or 15% of the 718 registered cooperatives institution with regional distribution throughout the districts of Semarang City. The ranking results show that 6 cooperatives institution are in highly qualified category, 32 cooperatives are in good qualified category, 54 cooperatives are in moderately qualified category and 18 cooperatives are in unqualified category.

INTRODUCTION

The government through the ministry of cooperatives and SMEs has issued guidelines for rating cooperatives. Through this rating of cooperatives, it is hoped that internally cooperatives will be able to affirm their identity as pillars of the people's economy as mandated by Law Number 25 of 1992 concerning cooperatives, but also externally are able to continue to show their performance as competitive business actors.

Rating of cooperatives is an activity of assessing the condition and or performance of cooperatives through an objective and transparent measurement system with certain criteria and requirements contained in the Regulation of the Deputy for Institutional Affairs of the Ministry of Cooperatives and Small and Medium

Enterprises No. 04/Per/Dep.1/III/2018 concerning Criteria and Indicators for Rating Cooperatives. Based on these regulations, the management of cooperatives must be carried out professionally and handled by managers who have special skills and abilities in the field of management, assisted by a strict internal control system. A more professional management of cooperatives will produce cooperatives that are healthy (both healthy in their business and organization), independent (having the ability to solve problems they face without any intervention from any party), and competitive (having a competitive advantage). The research will be conducted in Semarang City with the latest data as of July 16, 2021 registered as many as 718 cooperatives.

Table 1.1

District	Number of Cooperatives
Mijen	24
Gunungpati	39
Banyumanik	67
Gajahmungkur	46
South Semarang	80
Candisari	33
Tembalang	50
Pedurungan	47
Genuk	23
Gayamsari	17
East Semarang	35
North Semarang	39
Central Semarang	73
West Semarang	76
Tugu	19
Ngaliyan	50
Total	**718**

Source: BPS Kota Semarang 2021

The Purpose of the Research

The purpose of the research are as follows:
1) Implement ratings of cooperatives in accordance with the Regulation of the State Minister of Cooperatives concerning Guidelines for Rating Cooperatives, and the Regulation of the Deputy for Institutional Affairs of the Ministry of Cooperatives and Small and Medium Enterprises so that the quality of the performance of Cooperatives within a certain period is known;
2) Compile the results of the cooperative rating implementation.

Formulation of the problem

The facts in the field of cooperatives are still constrained in cooperative governance based on management by objective data in 2021, according to the Semarang City BPS that in the city of Semarang there are 718 registered cooperatives. The cooperative data still does not show how many are in the quality category according to Perdep No. 04/Per/Dep/1/III/2018 so it is necessary to do an analysis.

Approach and Methodology

In the context of carrying out these activities, a system is needed that is able to handle various data with complex problems that may arise in the implementation of Cooperative performance measurement, including adequate decision-making instruments. Therefore, the approach used in this activity is a systems approach. Basically the systems approach is an organizational analysis approach that uses system characteristics as the starting point for analysis. Thus system management can be placed by directing attention to various basic characteristics of the system whose changes and movements will affect the success of a system (Marimin, 2004). This systems approach underlies the development of a decision support system that is used to rank cooperatives.

Decision Support System (DSS) is a systems approach in decision making through computer applications as a tool. The purpose of DSS is to describe in detail the elements of the system so that it can assist decision makers in their decision-making process (Eriyatno, 1999). The conception of the DSS model abstractly describes the relationship between the three main components of decision support, namely users, models, and data.

Picture 1. 1
Approach Model
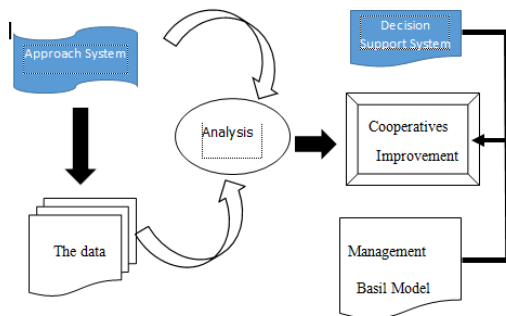
The method used is a survey method. The survey method is very suitable to be used in this activity because the nature of the work in this activity is to collect data from 450 active cooperatives. The instrument in conducting the survey is in the form of a standardized and structured questionnaire according to Perdep No. 04/Per/Dep/1/III/2018 as well as interviews.

Instruments and Assessment
Ratings are assessed through indicators and parameters (Perdep No. 04/Per/Dep/1/III/2018). The assessment method uses the average weighted value, the steps for the assessment procedure are as follows:

(a) Aspect Value n = (Number of Parameter Values x % Aspect Weight)
Aspect Value 1 = (Indicator Value x 30%);
Aspect Value 2 = (Indicator Value x 25%);
Aspect Value 3 = (Indicator Value x 25%);
Aspect Value 4 = (Indicator Value x 10 %);
Aspect Value 5 = (Indicator Value x 10 %).

(b) The results of the Rating Assessment are:
(Aspect Value 1 + Aspect Value 2 + Aspect Value 3 + Aspect Value 4 + Aspect Value 5)=100%.

(c) Determination of Rating Results
The results of the cooperative rating are determined in 4 (four) quality classifications, namely:
1) Cooperative, with the qualification of "High Qualified" with AAA predicate;
2) Cooperative, with "Good Qualified" qualification with AAB predicate;

3) Cooperatives with "Moderately Qualified" qualification with ABB predicate;
4) Cooperatives with the qualification "Not Qualified" with BBB predicate.

Research Population and Respondents
The registered cooperatives according to the Semarang City BPS are 718 cooperatives, with a large population the approach taken is Probability Sampling so that all members of the population have the opportunity to be selected. The sampling technique used is Simple Random Sampling, the sample of population members is done randomly without regard to the existing strata in the population. In this study, 15% or 110 cooperative samples were determined from 718 registered cooperatives.
The details of the distribution of cooperative types as respondents in cooperative ranking activities are shown in table 1.2.

Table 1.2

Cooperative Type Distribution

No	Cooperative Type	Total	%
1	Consumer	84	76,36
2	Conventional Savings and Loans	21	19,09
3	Syariah KSPPS	3	2,73
4	Services	2	1,82
	Total	110	100,00

Source: Processed primary data

The distribution of respondents based on sub-districts in Semarang City is shown in table 1.3.

Table 1.3

Distribution by District

No	District	Jumlah	%
1	North Semarang	7	6,36
2	Tembalang	8	7,27
3	Banyumanik	9	8,18
4	Genuk	4	3,63
5	Central Semarang	5	4,54
6	Gayamsari	2	1,81
7	East Semarang	8	7,27
8	Tugu	3	7,72
9	Mijen	5	4,54
10	Pedurungan	4	3,63
11	Candisari	6	5,45
12	South Semarang	10	9,09
13	Gajahmungkur	7	6,36
14	Gunungpati	6	4,45
15	West Semarang	16	14,54
16	Ngalian	10	9,09
	Jumlah	**110**	**100,00**

Source: Processed primary data

Data Processing Results

Data processing as many as 110 cooperatives who filled out questionnaires and interviews resulted in cooperative ratings as follows:

Table 1.4

Ranking Results

No	Cooperatives Rank	Value range	Number of Cooperatives	%
1	Highly Qualified (AAA)	1206-1318	6	5
2	Good Qualified (AAB)	1001-1190	32	29
3	Average Qualified (ABB)	804-989	54	49
4	Not Qualified (BBB)	508-797	18	16
	Jumlah		110	100

Source: Processed primary data

The ranking results as shown in table 1.4 show 54 cooperatives or 49% with the ABB predicate category or moderately qualified, while the very qualified category is 6 cooperatives or 5% and those who are not qualified are 18 cooperatives or 16%. The data shows that 49% and 16% are in the lowest category or there are internal barriers to cooperatives related to management by objective.

Internal Barriers

The internal barriers faced by cooperatives when general ranking has done are:

1. Understanding of cooperative ranking

   Generally, cooperatives do not understand the meaning and importance of ranking for cooperatives. They (cooperatives) considered the rating activity is a survey activity about cooperatives, the results of which have no implications for the internal conditions of cooperatives. This obstacle was successfully overcome, thanks to the correct explanation from the surveyors when the data was taken in the field.

2. Aspects of understanding cooperative accounting.

   In this aspect, not all cooperatives have kept their books based on the Financial Accounting Standards Without Public Accountability (SAK ETAP) issued by the Indonesian Institute of Accountants on 19 May 2009 and came into force in Indonesia since 1 January 2011 and are used for entities that do not have significant public accountability (businesses that have not gone public). The impact of this constraint resulted in the statement of financial position not being in accordance with the Accounting Standards applicable in Indonesia.

3. Separation of Financial Statements for cooperatives that have savings and loan activities and non-savings and loans.

   In the financial statements presented by cooperatives, there is still no separation between non-savings and loan business activities and savings and loan business activities. Savings and loan business activities only apply to cooperative members while non-savings and loan business activities also involve the community (customers).

4. Understanding of the transparency of the cooperative accountability financial.

   G towards financial accountability, considering that the cooperative belongs to members, from by and for members. The form of transparency is the willingness to be audited by an independent party (Public Accountant). Awareness and willingness and willingness to be audited by an independent party are generally constrained by audit fees and these costs are generally not budgeted for.

5. Awareness to follow the rankings

   The ranking of cooperatives is a national program in order to build cooperatives that are healthy, strong, independent and competitive. This means that the rating of cooperatives is a necessity, because the results of the rating are very useful not only for members, but also for investors and banks and the government in order to determine policies for fostering cooperatives. Awareness of this rating should be a trigger/driver for improving Good Cooperative Governance. The consequence of obtaining a rating with very high-quality qualifications requires all efforts towards good cooperative governance. This means that the internal factors of cooperatives that should take the initiative to apply for a rating to an independent rating agency that has a license permit from the Ministry of Cooperatives and UMM RI. This initiative and awareness has not been fully interpreted by the Cooperative as a necessity.

6. Related to management tools in order to carry out business activities such as SOPs, SOM and Persus (Special Regulations) for the predicate of Enough Qualified and Not Qualified, not all of them have complete SOPs, SOM and Persus, so that they significantly affect the management of cooperatives in accordance with Good Cooperative Governance (GCG).

Conclusions and Recommendations

The results of the ranking of 110 cooperatives have been carried out in accordance with applicable regulations, and are running smoothly, thanks to the coordination of various interested parties as well as good cooperation between the Independent Rating Agency (LIPK) STIE Cendekia Karya Utama, the Semarang City Cooperatives and Micro Enterprises Service and cooperatives operating become a rating respondent.

The results of the distributed cooperative ranking are as follows:

1) Qualifications of Highly Qualified Cooperatives with AAA predicate are 6 cooperatives;

2) There are 32 Qualified Cooperatives with AAB predicate;

3) Qualifications of Sufficiently Qualified Cooperatives with ABB predicate are 54 cooperatives;

4) Qualifications of Unqualified Cooperatives with BBB predicate are 18 cooperatives.

While the recommendations need to be followed up on the results of the cooperative rating related to Good Cooperative Governance, namely:

1) Skill improvement for employees and managers, as well as cooperative management on how to build and realize good Cooperative Governance in accordance with applicable regulations;

2) The need for skills development training regarding the deepening of the practice of Financial Accounting Standards for Entities Without Public Accountability (SAK ETAP) for Cooperatives as well as, the practice of separating financial statements for cooperatives that have various businesses in which there is a savings and loan business;

3) For the Cooperatives Institutional Office, Semarang City Micro-enterprises need to encourage awareness of Cooperatives with assets above five billion rupiahs to be audited by accountants in the annual financial statements prior to the Annual Membership Meeting, and this audit fee should be budgeted by the Cooperative when conducting the Annual Membership Meeting;

4) Continuous development programs related to Cooperative Ratings need to consider the existence of stratification of guidance by taking into account the results of ranking qualifications in 4 categories.

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