EFFECTS OF LEADERSHIP, RISK-TAKING, INNOVATION, INTENSIVE PARTICIPATION AND CONTRIBUTION PARTICIPATION ON THE PERFORMANCE OF COOPERATIVE IN BANYUMAS, CENTRAL JAVA

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Abstract: This study aims to analyze effects of leadership, risk-taking, innovation, intensive participation and contribution participation on the performance of cooperative in banyumas, central java. The method used is multiple regression analysis using the analytical methods F-test, R² test, and t-test. Based on the results of the tests and discussions that risk-taking, innovation, and intensive participation are impacting the performance of co-operative managers in Banyumas, Central Java, Indonesia. Leadership and participation have not effect the performance of co-operative managers in Banyumas, Central Java, Indonesia.

Keywords: Leadership, Risk Taking, Innovation, Intensive Participation, Contributive Participation.

1. Introduction

Cooperative is an organization consisting of a group of people or a Cooperative Legal Entity that carries out business activities based on cooperative principles with an emphasis on community-based populist economic activities (UUD RI, 1992). The government has redoubled its efforts to encourage more community members to join cooperatives. The contribution of cooperatives to Indonesia's economic growth is still at a low level, which is around five percent of the Gross Domestic Product (GDP) in 2015 (www.liputan6.com, 2016). The success of cooperatives can be seen from the performance of cooperative businesses, namely the extent to which cooperatives are able to prosper members in particular and society in general (Subandi, 2017).

Co-operative development in the Banyumas region from 2018-2019, the number of cooperatives decreased by 2%, the number of active co-operatives decreased by 15%, the number of inactive co-operatives increased by 13%, co-operatives. The number of co-operatives has decreased by 11.35%, the number of co-operatives holding annual expert meetings has decreased by 15%, co-operative capital has increased by 33.77%, and co-operative income has fallen sharply to 83.86%. Profit decreased by 1.65%.

Performance can be interpreted as the result of a series of process activities performed to achieve an organization's specific goals, strategic goals, customer satisfaction, and contributions to the economy (Rimadhyan Firdaus & Baga, 2019). Services that currently determine the operational performance of your organization, organizational domain, and employees are based on pre-determined goals, standards, and standards.
The first factor of cooperative success is entrepreneurship. Entrepreneurship in the aspect of human resource management of cooperative administration requires an entrepreneurial approach that includes leadership, innovation, and the courage to take risks. Without such entrepreneurial characteristics, cooperatives are difficult to achieve success (Meredith, 2010; Röpke, 2012) in (Suwetty Mila Karmila, 2017). According to (Roddin et al., 2017), entrepreneurship is the ability and tendency to carry out activities such as looking for job opportunities, running a business that can bring benefits to oneself, family and society. An entrepreneur must be creative, innovative, dynamic, able to produce goods and services according to consumer needs. Entrepreneurial personality traits such as risk taking and creating networks and collaboration will motivate and drive mechanisms such as innovation, market attractiveness and forces that lead to successful success (Roddin et al, 2017).

Several studies that support the results of this study are research (Marisa, 2019), entrepreneurial spirit has a positive and significant effect on the behavior of business managers. The entrepreneurial spirit factor will affect the strengthening of entrepreneurial behavior, also the entrepreneurial value factor will increase entrepreneurial behavior. Improving the entrepreneurial spirit can increase the establishment of business sustainability. According to (Zahara & Silvia, 2020) the entrepreneurial characteristics of innovation, leadership and the courage to take risks have a strong relationship with the performance of SMEs. According to (Ernita, 2019), that the entrepreneurial attitude of cooperative management is able to improve cooperative performance.

In addition to entrepreneurship that affects the performance of the board, many experts state that the key to the success of a cooperative lies, among other things, in the continuous participation of cooperative members (Oktavia DS & Trimeiningrum, 2018). So it can be said that the participation of cooperative members is very important because cooperative members act as owners and users. According to Ropke, 2012, the involvement of cooperative members can be grouped into two, namely the participation of contributory members and the participation of incentive members.

According to (Putra et al., 2018) there is a significant effect of the participation of cooperative members as owners and the participation of cooperative members as customers simultaneously on the performance of cooperative management, there is a positive and significant effect of participation of cooperative members as partial owners on cooperative management performance, there is a positive influence and significant participation of cooperative members as customers, among others, based on the performance of the cooperative management. Likewise, according to (Yuswono, 2018), the participation of cooperative members has an effect on the success of cooperatives.

This study aims to determine the effect of leadership, risk-taking, innovation, intensive participation and contribution participation on the performance of cooperative management in Banyumas, Central Java, Indonesia.

2. Research Method
2.1 Literature Review
Cooperative Management Performance
Organizational performance is a description of an organization's work to achieve its goals, which is naturally influenced by the organization's resources. The resource in question can be in the form of physical resources such as human resources or non-physical resources such as rules, information, and policies to better understand the factors that may affect performance.
increase. It should be noted that there are differences between internal and external resources of each organization, which leads to differences in evaluation results and performance of each organization (Febrianka, 2016). Organizational performance also has specific indicators. These performance indicators help you assess or measure your organization's level of performance achievement. In addition, there are differences in how organizations evaluate and achieve performance, and people are confused when it comes to accurately assessing organization performance. Therefore, the existence of indicators that measure the success or failure of performance is very important (Febrianka, 2016).

Leadership

Leadership is the entrepreneur's attitude towards the performance of his work. Successful entrepreneurs always have leadership qualities (behavior and leadership), can interact with others, develop friendships, and are willing to respond to suggestions and criticisms (Pinangkaan, 2020).

Courage to take risks

Risk-taking is the ability to take rewarding risks. To be successful and prepared for failure. Entrepreneurs need to have the courage to take risks and face all challenges. (Oktaiva DS & Trimeiningrum, 2018) Entrepreneurship states that it can be defined as taking risks to run a business.

Innovation

Innovation is the ability to think about something new and different. Innovation, on the other hand, is the ability to act in a variety of new ways. Innovation by (Dr. Sulistiyani, 2015) defines innovation as occurring in the implementation of new ideas about processes, products, or services.

Intensive Participation

The involvement of co-operative members is the involvement of co-operative members as consumers and is evidence that they enjoy excellent service, corporate and business benefits (Putra et al., 2018).

Contributive Participation

Contributive involvement is the involvement of cooperative members as owners with indications of the involvement of principal savings, mandatory savings, voluntary savings, contributing to provide input in the form of cooperative development ideas (Dewi et al., 2020).

2.2 Hypothesis Development

The Influence of Leadership on the Performance of Cooperative Management

Leadership is one of the important aspects that affect the success of an organization in achieving organizational goals. The success of an organization as a whole or part of an organizational group is very dependent on the quality and quality of leadership contained in the organization. The role of the leader is the effectiveness of the organization in achieving organizational goals is how organizational leaders are able to motivate, inspire, motivate and direct organizational members in achieving their goals effectively and efficiently, (Ritawati, 2018). Work leadership has a positive influence on the performance of the Primary Management of the Kartika Ardagusema Cooperative, the TNI AD Kodiklat Center in Cimahi (Rosmayati, 2020).

H1: Does leadership have positive effect on the performance of cooperative management?
The Influence of Courage to Take Risks on the Performance of Cooperative Management

According to (Hilmi, 2017) one of the characteristics of an entrepreneur is the courage to take risks in a business or business that he demands, namely the courage to act with moderate decisions, including an attitude of initiative, such as challenges, competence, rational thinking, courage to make decisions.

As stated by (Oktavia DS & Trimeiningrum, 2018) that entrepreneurs avoid low-risk situations because there are no challenges, and stay away from high-risk situations because they want to be successful. In situations of risk and uncertainty, entrepreneurs must make potential decisions for both failure and success.

H2: Does the risk taking has affect the performance of the cooperative management?

The Effect of Innovation on the Performance of Cooperative Management

Innovation according to Thompsons (1965) in (Sulistyani, 2016), is defined as something that appears in implementing new ideas about a process, product or service. Similarly, Zaltman, Duncan and Nolbele (1973) suggest that innovation is an idea, exercise or material perceived, as a relevant unit to be taken, which can be found in organizational learning. The results and research findings of Sulistyani (2016) state that the higher the innovation, the higher the performance. (Sumantri et al., 2013) stated that innovation and the courage to take risks can make a business develop successfully.

H3: Does innovation affect the performance of cooperative management?

The Effect of Intensive Participation on the Performance of Cooperative Management

Incentives for the involvement of cooperative members are the involvement of cooperative members as consumers, indications of members getting good service, obtaining business and business benefits.

H4: Does Intensive Participation affect the performance of cooperative management?

The Effect of Contributive Participation on the Performance of Cooperative Management

Contributive involvement is the involvement of cooperative members as owners with indications of the involvement of principal savings, mandatory savings, voluntary savings, contributing to provide input in the form of cooperative development ideas.

H5: Does Contributive Participation affect the performance of cooperative management?

2.3 Research Methodology

Research Population and Sample

The subjects of this survey were active co-operative managers in Banyumas Regency, active co-operatives, that is, co-operatives capable of holding an annual meeting. Based on the Banyumasan region's co-operatives and the SME sector, co-operatives are active. According to the 2019 Almanac list, the number of active co-operatives is 118. The subjects of this survey are all managers of 118 co-operatives who are actively holding annual membership meetings in Banyumas Regency, and each co-operative has a total of three managers. The total sample was 354 people.

A simple random sample is a sample selected so that all possible equal samples are selected with equal probability (Taherdoost, 2018). This technique is called simple random sampling. This is because when the sample is extracted, the researcher "joins" the subjects in the population and all subjects in the population are considered equal. The secret is to survey the co-operative owners in Banyumas Regency.
According to Sugiyono (2016), to determine the number of samples in this study using the formula Krejcie & Morgan (1970).

\[ n = \frac{X^2 NP(1 - p)}{d^2 (N - 1) + X^2 P(1 - P)} \]

Information:
- \( N \) = Number of samples
- \( X^2 \) = Chi-Square . Value
- \( N \) = Population
- \( P \) = Proportion of population
- \( D \) = level of accuracy

### Research Instruments

<table>
<thead>
<tr>
<th>No.</th>
<th>Questionnaire</th>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Research background</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>Leadership</td>
<td>Kerr Pekkala (2017)</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Courage to take risks</td>
<td>Meredith, (2010)</td>
<td></td>
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<tr>
<td></td>
<td>Innovation</td>
<td>Wennkers, (2008)</td>
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<td></td>
<td></td>
<td>Thompsons, (1965)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Cooperative member participation</td>
<td>According to Ropke, (2012)</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Contributive participation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Incentive Participation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Cooperative Management Performance</td>
<td>(Law. No. 25 Article 30 paragraph 1, 1992; Baswir, 2007; Mulyadi, 2007; Helfert, 2014; Gunawan Aji, 2011; Ministerial Regulation, 2007; Anderson Bruce L. and Henehan Brian M, 2002)</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td>Manage their cooperative organization and business</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Holding a Member's Meeting</td>
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<td></td>
<td>Maintain a register of members, management and supervisors</td>
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<td>Submit a report on the implementation of tasks and cooperative financial reports</td>
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<tr>
<td></td>
<td>Create a work plan, draft an estimate of the cooperative's income and costs</td>
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<td></td>
<td>Administrator's ability to solve strategic problems</td>
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<td>Administrator ability to solve financial problems</td>
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<td>Administrator ability to solve operational problems</td>
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<td>Administrator ability to solve marketing problems</td>
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<tr>
<td></td>
<td>Administrator Ability to Solve Cooperative and Member Relationships</td>
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</tbody>
</table>
3. Results and Discussion

3.1 Result

Validity and Reliability Test Results

The significance test was performed by comparing the r-values of the hearing number r-table with degrees of freedom (df) = n2 (1152 = 113) to generate a number of 0.1541. Of the four variables examined, all were validated because the value of the r count for these four variables was greater than the r table (0.1541). In a Cronbach's alpha factor > 0.70 reliability test, a questionnaire is considered reliable if the answers to the question are consistent or stable over time. A configuration or variable is considered reliable if it produces Cronbach's alpha > 0.70 (Ghozali & Latan, 2015).

Classic assumption test

Not all data can be regressed, so traditional hypothetical tests are used to avoid estimation bias. Tests have been conducted in this regard. In this study, normality tests, multicollinearity tests, and heterogeneous dispersibility tests were performed, and these tests were either problem-free or had no bias factor.

Data analysis

Multiple Linear Regression Analysis Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.806</td>
<td>.130</td>
<td></td>
<td>6.213</td>
</tr>
<tr>
<td>Leadership</td>
<td>.019</td>
<td>.039</td>
<td>.021</td>
<td>.485</td>
</tr>
<tr>
<td>Risk Taking</td>
<td>.174</td>
<td>.031</td>
<td>.238</td>
<td>5.637</td>
</tr>
<tr>
<td>Innovation</td>
<td>.416</td>
<td>.032</td>
<td>.565</td>
<td>13.128</td>
</tr>
<tr>
<td>Intensive Participation</td>
<td>.222</td>
<td>.038</td>
<td>.283</td>
<td>5.832</td>
</tr>
<tr>
<td>Contributive Participation</td>
<td>-.001</td>
<td>.029</td>
<td>-.002</td>
<td>.037</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance

Based on the results of the multiple regression analysis above, the regression equation can be arranged as follows:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + 0 \]

\[ Y = 0.806 + 0.019 X_1 + 0.174 X_2 - 0.416 X_3 + 0.222X_4 - 0.001X_5 + 0 \]
The regression equation above can be explained as follows:

\[ \alpha = \text{constant value (}\alpha\text{) shows a positive value of 0.806 stating that there is no change in leadership, courage to take risks, innovation, incentive participation and contributive participation, so the performance of cooperative management is 0.806 units.} \]

\[ \beta_1 = \text{The regression coefficient value of the leadership variable shows a positive value of 0.019, indicating that every 1 unit increase in leadership causes the cooperative management performance to increase by 0.019 units assuming other variables remain.} \]

\[ \beta_2 = \text{The value of the regression coefficient for the risk-taking variable shows a positive value of 0.174, indicating that each increase in the courage to take risks by 1 unit causes the performance of the cooperative management to increase by 0.174 units assuming other variables remain.} \]

\[ \beta_3 = \text{The regression coefficient value of the innovation variable shows a negative value of -0.416 indicating that every 1 unit increase in innovation causes the performance of the cooperative management to decrease by 0.416 unit assuming other variables remain.} \]

\[ \beta_4 = \text{The regression coefficient value of the incentive participation variable shows a positive value of 0.222 indicating that every 1 unit increase in incentive participation causes the performance of the cooperative management to increase by 0.222 units assuming other variables remain.} \]

\[ \beta_5 = \text{The regression coefficient value of the contributive participation variable shows a negative value of -0.001 indicating that each increase in contributive participation by 1 unit causes the performance of the cooperative management to decrease by 0.001 units assuming other variables remain.} \]

Based on the results of multiple linear regression analysis, the most influential variable on the performance of cooperative management is incentive participation, because the value of the largest intensive participation is 0.222.

**Coefficient of Determination Test (R²)**

Adjust R² from the regression model formed in this study is 0.832 which indicates that the ability of the independent variable to explain the dependent variable is 83.2% and the remaining 16.8% is explained by other variables not included in this research model.

**Hypothesis test**

**F Uji test**

From the annova test, the calculated f value > f table is 175.039 > 2.42 with a significant level of 0.000. Because the probability value (0.000) is smaller than 0.05 , the F test regression model can be used to predict the performance of cooperative management.

**T Uji test**

The impact of leadership on the performance of co-operatives. From the survey results, we can see that the value of the guide regression coefficient is 0.485 and the significance value is 0.628. Get the degrees of freedom = (nk1) or (17761) 170 and get the t table 1.65387 because the t count is 0.485 0.05. This shows that leadership does not affect performance. So ha is rejected.
The impact of risk-taking on the performance of a cooperative. From the survey results, we can see that the risk-taking regression coefficient value is 5.637 and the significance value is 0.000. Obtained $t$-table 1.65387 because the obtained degrees of freedom = (nk1) or (17761) 170 and $t$-count 5.637 $>$ $t$-table and significance value 0.000 & $Lt$ ;. At 0.05, this indicates that courage carries the risk of affecting performance. So $H_a$ is accepted.

The impact of innovation on the performance of co-operatives. Based on the findings, we can see that the Daring to Take Risk regression coefficient value is 13.128 and the significance value is 0.000. The obtained degrees of freedom = (nk1) or (17761) 170 and $t$-table got 1.65387. This is due to the significance of $t$-count 13.128 $>$ $t$-table and 0.000 $Lt$ ;. At 0.05, this indicates that innovation impacts performance. So $H_a$ is accepted.

The impact of intense participation on the performance of co-operatives. From the survey results, we can see that the regression coefficient value of Daring to Take Risk is 5.832 and the significance value is 0.000. Obtained $t$-table 1.65387 because the obtained degrees of freedom = (nk1) or (17761) 170 and $t$-count 5.832 $>$ $t$-table and significance value 0.000 & $Lt$ ;. 0.05, which indicates that participation has a significant impact on performance. So $H_a$ is accepted.

Impact of contribution sharing on the business performance of cooperatives. From the survey results, we can see that the value of the guide regression coefficient is 0.037 and the significance value is 0.970. With the obtained degrees of freedom = (nk1) or (17761) 170, $t$-count 0.037 0.05, so $t$-table 1.65387 was obtained. This shows that leadership does not affect performance. So the last hypothesis not supported.

3.2 Discussion

The Influence of Leadership on the Performance of Cooperative Management.

The results of a hypothesis test (H1) showing that leadership does not affect co-management performance. This means that improved leadership in co-operatives does not affect the performance of co-operative management. This is consistent with a study conducted by Febrianka (2016), which states that leadership does not affect the performance of co-management.

The leadership in Banyumas cooperative must be improved because the performance produced by the administrators has not been satisfactory. This means that the leader has not been able to create a good relationship for the administrators. Leaders have not been able to motivate, coordinate the administrators, and communication between leaders and administrators is still lacking. The implications of this study need to be further improved on existing leadership because in this study leadership does not significantly affect the performance of the cooperative management. Therefore, it is supported by several factors, namely the leader must always motivate the management so that they can be motivated and be more enthusiastic in carrying out their duties. At work, leaders must constantly coordinate the work done by co-operative leadership, whether it is correct or not, and leaders can help employees feel familiar with leaders and them. You need to get closer to leadership by communicating smoothly with your employees You can get to work too comfortably (Christilia, 2013).
The Influence of Courage to Take Risks on the Performance of Cooperative Management.

The results of hypothesis testing (H2) which states that courage to take risks has an effect on the performance of the cooperative management, this is indicated by the t count value of 5.637 > t table and a significance value of 0.000 < 0.05. This means that when the management of the cooperative has high courage to take risks, the performance of the cooperative management will increase.

According to Morris and Kuratko (2002), it is courageous to take foresight-related risks to see job opportunities that can cope with losses and deviations from work programs in order to achieve great performance. It states. When considering each opportunity, you need to include innovative thinking so that the opportunities you receive bring value and minimize the risks that may arise. All risk-tolerant employees are incentives to keep trying to fail, don't give up easily, like to try new things, and use the latest methods at work to outperform their personal performance in all areas. To do. Leonore, 2019). This is Silvia (2016) and Ernita et al. Consistent with the survey by. (2020) Those who state that risk-taking affects the performance of the co-operative.

The Influence of Innovation on the Performance of Cooperative Management.

The results of the hypothesis test (H3) that innovation affects the performance of co-management are expressed by the t-count of 13.128 > t-table and the significance value of 0.000 < 0.05, this indicates that innovation impacts performance. In other words, the better the employee innovation, the better the performance of collaborative management. According to Hafizah et al. (2017) Innovation has a positive and significant impact on employee performance. There, new ideas and ideas for solving existing problems can improve performance. This supported the third hypothesis. This study is consistent with that of Ernita et al. (2020) We conducted a survey that found that innovation had a positive impact on the business performance of co-operatives.

The Effect of Intensive Participation on the Performance of Cooperative Management.

The results of the hypothesis test (H4) show that intense involvement affects the management performance of the co-operative, with a t-score of 5.83 > t-table and a significance of 0.000 < 0.05, this indicates that incentive participation impacts performance. This means that business performance improves when co-operative owners are willing to participate, and participation in incentives affects the performance of co-operative owners (Dewi et al., 2020). Consistent with the study of. This supported the fourth hypothesis.

The Effect of Contributive Participation on the Performance of Cooperative Management.

The results of hypothesis test (H5). This shows that sharing contributions does not affect the management performance of the co-operative. This is consistent with the study conducted by Wulan, 2019, who stated that sharing contributions does not affect the performance of co-operative management.
4. Conclusion

This study aims to determine the effect of leadership, risk-taking, innovation, intensive participation and contributing participation on the performance of cooperative management in Banyumas, Central Java, Indonesia. Based on the data analysis and discussion that has been carried out, it can be concluded that leadership has no effect on the performance of cooperative management in Banyumas, Central Java, Indonesia. The implications of this study need to be further improved on existing leadership because in this study leadership does not significantly affect the performance of the cooperative management.

Courage to take risks affects the performance of cooperative management, which means every workforce who has a high desire to take risks makes failure a motivation to keep trying again, not to give up quickly, likes to try new things, and uses the latest ways of carrying out his work so that the individual’s performance becomes superior in all fields. Innovation affects the performance of cooperative management, which means cooperative employees have high creativity to innovate, performance will also increase.

Intensive participation affects the performance of cooperative management, when the cooperative management has a high desire to participate, the management's performance will increase. Sharing contributions does not affect the performance of co-operative management in Banyumasan, Central Java, Indonesia.

Reference


