

The Competence Landscape: A Descriptive Analysis of Business Skills among Members of the 'Merah Putih' Cooperative, Bengkalis Regency

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Abstract

This study aims to map the business competence landscape of members in the 'Merah Putih' Cooperative, Bengkalis Regency. A quantitative descriptive research design was employed, utilizing a structured questionnaire to collect data from 122 members. The data were analyzed using descriptive statistics to measure proficiency levels across ten competence dimensions. The results reveal an overall moderate competence level (Mean=2.71), with significant variations across domains. Critical deficiencies were identified in Digital & Data Literacy (Mean=2.26) and Strategic & Growth competencies, particularly in digital financial recording (Mean=2.00) and business planning (Mean=2.39). In contrast, relatively stronger performance was observed in Legal & Ethical Compliance (Mean=3.01) and Relationship Management (Mean=2.94). The findings indicate a "traditional strength-modern weakness" pattern among members, highlighting a substantial Digital-Strategic Gap that hinders business sustainability. The study concludes that targeted capacity-building programs are urgently needed, focusing on digital literacy and strategic planning while leveraging existing strengths in ethical and relational competencies. This research provides an empirical baseline for developing evidence-based interventions to enhance member capabilities and cooperative performance.

Keywords : business competence, cooperative members, descriptive analysis, capacity building, digital literacy

1. INTRODUCTION

The long-term viability of cooperative enterprises, often recognized as integral components of socio-economic development, is primarily constrained by endogenous limitations in organizational capacity, rather than solely by exogenous market pressures (Haryono et al., 2020; Yulina et al., 2021; Jamaluddin et al., 2023; Voigt & Oelsnitz, 2024; Sulistiyo et al., 2025). The central problem investigated in this study is the critical competency gap among the members of the 'Merah Putih' Cooperative in Bengkalis Regency. As member-owners, their collective business acumen—encompassing financial literacy, marketing understanding, entrepreneurial initiative, and knowledge of cooperative governance—directly dictates the organization's strategic direction and resilience. A deficiency in these skills leads to poor oversight, low participation, and operational inefficiencies, ultimately threatening the cooperative's ability to fulfill its welfare mission (Sugina et al., 2024).

The long-term viability of cooperative enterprises, often recognized as integral components of socio-economic development, is primarily constrained by endogenous limitations in organizational capacity, rather than solely by exogenous market pressures (Bretos et al., 2020; Jochen 2023). The central problem investigated in this study is the critical competency gap among the members of the 'Merah Putih' Cooperative in Bengkalis Regency. As member-owners, their collective business acumen—encompassing financial literacy, marketing understanding, entrepreneurial initiative, and knowledge of cooperative governance—directly dictates the organization's strategic direction and resilience (Mujiyanti, 2023; Rahmi et al., 2025). A deficiency in these skills leads to poor oversight, low participation, and operational inefficiencies, ultimately threatening the cooperative's ability to fulfill its welfare mission (Saz-Gil et al., 2021). This research specifically investigates how inadequate competencies among cooperative members hinder the adoption of innovative

practices and the cultivation of strong relational capital, both of which are vital for enhancing the cooperative's competitive advantage and ensuring its long-term sustainability (Dong & Dacre, 2024; Tortia & Sacchetti, 2020; Marcoux et al. (2018)

The urgency of this research is paramount. The 'Merah Putih' Cooperative serves as a crucial socio-economic institution, and its underperformance would have immediate, detrimental effects on its members' livelihoods (Filippi et al., 2023). There is an urgent need to shift from speculative assumptions to an evidence-based diagnosis of member capabilities (Gemina et al., 2022). This study is a proactive intervention, providing the empirical data necessary to design targeted capacity-building programs before competence gaps escalate into irreversible financial or governance crises, thereby safeguarding this community asset (Haryono et al., 2020; Sugina et al., 2024; Wibowo et al., 2024).

A clear research gap motivates this inquiry. Existing literature, such as Smith's (2020) work on managerial efficacy, has predominantly focused on leadership competencies, while studies like Jones and (Gunawan, 2024) analysis prioritize financial capital (Esubalew & Adebisi, 2024). Consequently, the business competencies of the general membership—the very foundation of a cooperative's democratic and self-help character—remain systematically unexamined (Bakar et al., 2023; Jumawan, 2022). This research, therefore, endeavors to bridge this critical lacuna by providing a granular examination of the diverse business competencies, including digital proficiency and self-efficacy, that are vital for fostering innovation and competitiveness within the broader cooperative membership (Adam et al., 2024).

Building upon previous findings, this research both aligns with and diverges from established knowledge. Specifically, it reinforces the scholarly consensus that human capital is a critical success factor. However, it contrasts with the manager-centric focus of prior studies by arguing that a competent membership is the essential substrate that enables good leadership to thrive and ensures its accountability, thereby addressing a significant oversight in the current body of literature (Velmurugan et al., 2023)

The primary objective of this research is to systematically map and describe the business competence landscape among the members. This involves measuring their proficiency levels across key dimensions to create a definitive competence profile. A secondary objective is to identify the specific areas of greatest strength and weakness within this landscape, providing a granular understanding of the membership's capabilities (Mero et al., 2020).

The theoretical benefits of this study are significant. It contributes to cooperative theory by empirically validating the role of member-level human capital as a distinct and critical variable for sustainability. Furthermore, it advances human capital theory by applying it within the unique context of a member-based democratic enterprise and offers a replicable methodological framework for similar descriptive analyses in other grassroots settings.

In practical terms, the findings will serve as a crucial diagnostic tool for the cooperative's board and management, enabling the design of precise and effective member education programs. For the members, it fosters self-awareness and empowers them toward more active ownership. For policymakers in Bengkalis Regency, the study provides invaluable insights for crafting evidence-based support programs that strengthen the human capital foundation of local cooperatives, thereby enhancing regional economic resilience.

2. REVIEW OF LITERATURE

The Koperasi Merah Putih (KMP) program represents an ambitious national initiative in Indonesia, aiming to establish cooperatives in approximately 80,000 villages with substantial financial allocation ranging from Rp 3 billion to Rp 5 billion per cooperative unit. This program seeks to strengthen the rural economy through more targeted social assistance distribution, reduced local inflation, increased market value for agricultural products,

decreased farmer dependence on intermediaries, and expanded job opportunities in rural areas. The program plans to utilize three main approaches: creating new cooperatives, revitalizing existing ones to enhance productivity, and developing operational cooperatives requiring additional support -3. However, this initiative faces significant implementation challenges that directly impact the required member competence landscape.

The Koperasi Merah Putih (KMP) initiative represents an ambitious national policy in Indonesia, aiming to establish and revitalize village cooperatives as a cornerstone of rural economic development. Launched with the goal of empowering local economies, this program faces significant implementation challenges, particularly concerning the business competencies of its members and managers. The success of this initiative is critically dependent on the human capital within these cooperatives, as member competence directly influences organizational viability, financial sustainability, and the ability to achieve community economic objectives. This literature review examines the current scholarly understanding of cooperative member competence, with specific attention to the rural Indonesian context of Bengkalis Regency. It explores theoretical foundations of cooperatives and social capital, analyzes dimensions of business skills, reviews training effectiveness, and identifies critical research gaps. The purpose is to establish a comprehensive theoretical framework for investigating the business skill landscape among KMP members, thereby contributing to both academic discourse and practical implementation strategies for this significant socio-economic program.

The enhancement of member competence relies heavily on systematic training and skill development initiatives, particularly in rural contexts where prior exposure to formal business education may be limited. Research conducted specifically in Bengkalis Regency has demonstrated that the implementation of training systems and skills improvement programs positively affect human resource productivity, mediated through product innovation in small and medium industries.

Furthermore, the program faces potential institutional overlap with existing Village-Owned Enterprises (BUMDes), creating confusion regarding authority, division of roles, and asset management at the village level. Experts have emphasized that without professional management and adequate supervision, the substantial budget allocation could be misused, potentially leading to financial scandals that would undermine the program's credibility and sustainability.

This finding underscores the critical importance of structured capacity-building programs for enhancing the capabilities of local economic actors. The study, which sampled 305 small and medium industry business actors in Bengkalis, revealed that skills improvement not only directly enhances innovation but also indirectly boosts productivity through its effect on innovation, highlighting the interconnected nature of competence development and economic outcomes in this specific regional context.

Cooperatives are recognized as vital instruments for community empowerment and sustainable economic development, operating on principles of self-help, democratic member control, and economic participation. Their unique structure as member-owned and democratically managed organizations creates a fundamental linkage to the creation and utilization of social capital, which comprises networks, norms, and trust that facilitate coordination and cooperation for mutual benefit (Gil et al., 2021). The relationship between cooperatives and social capital is bidirectional: cooperatives generate internal social capital through relationships among members, while simultaneously drawing upon existing community social capital for their creation and development (Gil et al., 2021). This interdependence is particularly crucial in rural contexts, where cooperatives function as "user-owned, user-controlled, user-benefited agricultural producer organisations" that heavily rely on trust, reciprocity, and interpersonal relationships to overcome market failures and reduce transaction costs.

Member competence in cooperatives encompasses a multi-dimensional construct of business skills essential for active ownership and effective participation. Research indicates that these competencies extend beyond basic literacy to include several critical domains: (A) Core Functional Skills, (B) Strategic & Growth Skills, and (C) Managerial & Organizational Skills (Esubalew, 2023; Haryono et al., 2020; Gunawan, 2024).

A. Core Functional Skills

The fundamental technical abilities required for daily business operations.

1. **Financial Literacy:** Understanding financial statements, loan terms, and profit-sharing (SHU) to enable informed decision-making and oversight.
2. **Marketing & Market Access:** Knowledge of collective marketing, product value addition, and market channels to compete effectively.
3. **Operations Management:** Ability to efficiently manage daily business processes, including supply chain, quality control, and production.
4. **Digital & Data Literacy:** Competence in using technology (management apps, digital bookkeeping) and basic data (sales trends) to guide business decisions.

B. Strategic & Growth Skills

The forward-looking abilities required to plan, innovate, and ensure business longevity.

5. **Strategy & Entrepreneurship:** The combined ability to set plans (KPIs) and proactively execute them through innovation, opportunity-seeking, and calculated risk-taking.
6. **Risk Management & Resilience:** The capacity to identify and mitigate business risks (financial, operational) and build resilience, often through emergency funds or diversification.

C. Managerial & Organizational Skills

The "soft skills" and structural knowledge needed to manage people, governance, and compliance.

7. **Cooperative Governance:** Understanding member rights, responsibilities, and democratic processes specific to the cooperative model to ensure accountability.
8. **Human Resource Management:** Skills for managing, motivating, and developing the people involved in the business (either staff or fellow members).
9. **Relationship & Interpersonal Management:** Ability to communicate, negotiate, and build productive relationships with internal (members) and external (customers, suppliers) stakeholders.
10. **Legal Compliance & Ethics:** Awareness of external legal obligations (e.g., permits, taxes) and the application of business ethics to build long-term trust.

The significance of these competencies is underscored by empirical studies demonstrating a positive correlation between member capabilities and cooperative outcomes (Nairobi et al., 2024; Yu et al., 2023). Research on agricultural cooperatives has found that members' human capital, particularly their education and business training, significantly influences both individual welfare and the cooperative's overall market performance. Competent members are better equipped to fulfill their roles as active owners, providing effective oversight of management and making strategic decisions that enhance organizational sustainability. Furthermore, members with a strong entrepreneurial orientation are more likely to support value-added initiatives and new market ventures, thereby driving the cooperative's competitive edge and contributing to its long-term resilience in the face of economic challenges (Tallo & FoEh, 2025).

Despite the considerable body of research on cooperatives and human capital development, significant research gaps remain, particularly concerning the Merah Putih Cooperative initiative. Current literature has predominantly focused on managerial and leadership competence within cooperatives, often overlooking the competency base of general membership. This creates a pronounced knowledge gap regarding the specific business skills

possessed by rank-and-file members, who ultimately constitute the cooperative's ownership and democratic foundation (Rumijati & Hakim, 2023). Furthermore, while official reports detail the quantitative progress of cooperatives and critical journalism highlights overarching human resource problems, there is a scarcity of systematic, empirical studies that provide a granular mapping of business skill levels among members at the grassroots level (Jemal, 2021). This gap is especially critical in the context of Bengkalis Regency, where the success of the KMP program hinges on member capabilities but remains empirically unexamined.

The conceptual framework for this study integrates Human Capital Theory with the specific contextual challenges of the Merah Putih Cooperative initiative. Human Capital Theory, as pioneered, posits that knowledge, skills, and abilities represent a form of capital that yields economic returns (Safitri et al., 2024). Applied to the cooperative context, this theory suggests that member competencies constitute a collective asset directly influencing organizational efficacy. The framework incorporates multiple dimensions of business competence—financial literacy, marketing capability, entrepreneurial orientation, cooperative governance, and digital literacy—while accounting for contextual factors such as training access, social capital, and institutional arrangements. This comprehensive approach enables a descriptive analysis that addresses critical gaps in current understanding while providing practical insights for enhancing member capabilities in the Merah Putih Cooperative specifically and similar rural cooperative ventures more broadly.

This literature review has established a comprehensive theoretical foundation for investigating the business competence landscape among members of the Merah Putih Cooperative in Bengkalis Regency. The analysis reveals that member competence represents a critical determinant of cooperative success, encompassing multiple dimensions including financial literacy, marketing capability, entrepreneurial orientation, governance understanding, and digital literacy. The review highlights the interdependent relationship between cooperatives and social capital, emphasizing how member capabilities contribute to organizational resilience and economic sustainability. Furthermore, the examination of the Merah Putih Cooperative's specific context underscores the substantial challenges facing this ambitious program, particularly regarding human resource constraints and institutional overlap with existing village institutions.

The identified research gaps confirm the necessity for the current study's descriptive analysis of member business skills. By systematically mapping the competence landscape among KMP members in Bengkalis Regency, this research will address critical knowledge gaps while providing evidence-based insights for policy formulation and capacity-building interventions. The findings are expected to contribute to both theoretical understanding of cooperative member competence and practical strategies for enhancing human capital within this significant rural development initiative. Ultimately, the success of the Merah Putih Cooperative program will depend significantly on effectively developing the business capabilities of its members, thereby ensuring that this substantial national investment achieves its transformative potential for rural economic development in Bengkalis and across Indonesia.

3. METHOD

This study employs a quantitative descriptive research design with a cross-sectional survey approach. This design is chosen to systematically describe the characteristics and levels of business skills among the members at a specific point in time. The research does not manipulate variables but rather collects data to provide a detailed "snapshot" or "landscape" of the current state of member competence. This approach is optimal for achieving the primary objective of mapping and profiling the business competencies across the identified dimensions.

Population: The research population comprises all registered active members of the 'Merah Putih' Cooperative (Koperasi Merah Putih) across Bengkalis Regency. Based on preliminary data, this is estimated to be 100 members. **Sample Size and Technique:** A stratified random sampling technique will be used to ensure representation from various branches/sub-units of the cooperative. The sample size will be determined using the Slovin's formula. Stratification ensures that members from different geographical locations across village in Bengkalis regency and business sectors within the cooperative have an equal chance of being selected, thereby enhancing the generalizability of the findings.

The primary data collection method is a survey using a structured questionnaire. The questionnaire will be distributed through two main channels:

1. Online: Distributed via Google Forms or similar platforms through cooperative group chats and social media channels.
2. Offline (Paper-based): Administered in person during cooperative member meetings or visits to cooperative units to ensure participation from members with limited digital access.

This mixed-mode approach aims to increase the response rate and ensure a more representative sample.

The research instrument is a structured questionnaire divided into three sections:

1. Section A: Demographic Profile. This section collects data on respondents' characteristics, including gender, age, education level, length of membership, and primary role in the cooperative.
2. Section B: Business Competence Scale. This is the core of the instrument, measuring competencies

The scale is developed based on operationalized indicators from the literature review, covering the following dimensions:

- Financial Literacy (FL): e.g., "I can understand the cooperative's basic financial reports (Balance Sheet, Income Statement)."
- Marketing and Market Access (MA): e.g., "I can contribute ideas for marketing our cooperative's products/services."
- Entrepreneurial Orientation (EO): e.g., "I am proactive in identifying new business opportunities for the cooperative."
- Cooperative Governance (CG): e.g., "I understand my rights and responsibilities as a member-owner of this cooperative."

Digital Literacy (DL): e.g., "I can use the cooperative's digital application for transactions or accessing information."

3. Section C: Open-ended Section. An optional section allowing respondents to provide qualitative comments on the main challenges they face and their suggestions for training programs.

Data will be analyzed using the Statistical Package for the Social Sciences (SPSS) version 26. The analysis will proceed as follows:

1. Descriptive Statistics: This is the primary analysis technique for this study. It will be used to:
 - Summarize the demographic profile of respondents using frequency and percentage distributions.
 - Describe the level of each business competence dimension by calculating the Mean (M) and Standard Deviation (SD) for each item and dimension.
 - The mean scores will be interpreted using the following categorization to define the "competence landscape":
 - 1.00 - 2.33: Low Competence
 - 2.34 - 3.67: Moderate Competence
 - 3.68 - 5.00: High Competence

2. Presentation: The results will be presented in tabular and graphical forms (e.g., tables, bar charts) to provide a clear and comprehensive visual representation of the competence landscape.

Ethical Considerations, to ensure ethical conduct in research:

1. Informed Consent: A statement at the beginning of the questionnaire will explain the research purpose, assure confidentiality, and state that participation is voluntary.
2. Anonymity and Confidentiality: No personally identifiable information will be collected. All data will be aggregated and reported in a way that no individual can be identified.
3. Data Security: Collected data will be stored securely and accessed only by the research team.

This rigorous methodology is designed to ensure the collection of valid and reliable data to accurately map the business competence landscape of the 'Merah Putih' Cooperative members, fulfilling the objectives of this descriptive study.

4. RESULT & DISCUSSION

The descriptive analysis of the ten competence dimensions reveals a significantly imbalanced competence landscape among the cooperative members (N=122). The comprehensive assessment reveals a complex competence landscape characterized by significant variations across different business skill domains.

Tabel 1. Distribution of Core Functional Competencies by Dimension and Indicator

A. CORE FUNCTIONAL COMPETENCIES								
Competence Dimension	STM (1)	TM (2)	CM (3)	M (4)	SM (5)	Mean	SD	Level
1. Financial Literacy	18.0%	25.4%	38.5%	12.3%	5.7%	2.62	1.12	Low
A1. Read income statements	22.1%	28.7%	35.2%	9.8%	4.1%	2.45	1.15	Low
A2. Understanding cooperative SHU	25.4%	30.3%	32.0%	8.2%	4.1%	2.35	1.18	Low
A3. Profit and loss analysis	6.6%	17.2%	48.4%	19.7%	8.2%	3.06	1.03	Moderate
2. Marketing & Market Access	15.6%	23.8%	42.6%	13.1%	4.9%	2.68	1.08	Low
A4. Set selling price	8.2%	19.7%	45.9%	19.7%	6.6%	2.97	1.04	Moderate
A5. Product promotion	19.7%	27.0%	38.5%	11.5%	3.3%	2.52	1.11	Low
A6. Product added value	18.9%	24.6%	43.4%	8.2%	4.9%	2.56	1.10	Low
3. Operational Management	12.3%	18.9%	45.1%	17.2%	6.6%	2.87	1.07	Moderate
A7. Manage inventory	14.8%	20.5%	42.6%	16.4%	5.7%	2.78	1.10	Moderate
A8. Maintain quality standards	9.8%	17.2%	47.5%	18.0%	7.4%	2.96	1.04	Moderate
4. Digital & Data Literacy	28.7%	32.0%	27.0%	9.0%	3.3%	2.26	1.14	Low
A9. Use mobile applications	16.4%	24.6%	35.2%	17.2%	6.6%	2.73	1.14	Moderate
A10. Record finances digitally	35.2%	38.5%	19.7%	4.1%	2.5%	2.00	1.05	Low
A11. Read business data	34.4%	32.8%	26.2%	5.7%	0.8%	2.06	1.02	Low

1. STM (Very Poor), 2. TM (Poor), 3. CM (Moderate), 4. M (Adequate), 5. SM (Very Adequate)

The data reveals significant challenges in the core functional competencies of cooperative members, with particular concern regarding performance in digital and financial literacy. Financial Literacy emerges as a critical weakness with a mean score of 2.62 (Low), where only 18% of members demonstrate capable understanding while 43.4% struggle fundamentally. The situation is most severe in understanding cooperative financial mechanisms, as shown by A2's score of 2.35 - the lowest among all indicators - where over 55% of members cannot comprehend basic SHU calculations. Although profit and loss analysis (A3) shows moderate capability at 3.06, this relative strength is overshadowed by fundamental deficiencies in financial statement comprehension.

Marketing competencies present another area of concern with an overall low rating of 2.68. While pricing strategy (A4) shows moderate performance at 2.97, members struggle significantly with product promotion (A5: 2.52) and value addition (A6: 2.56), indicating limited capacity to differentiate products in competitive markets. Operational Management stands as the strongest area within functional competencies with a moderate rating of 2.87, particularly in maintaining quality standards (A8: 2.96) and inventory management (A7: 2.78), suggesting members can sustain basic business operations effectively.

Most alarmingly, Digital & Data Literacy records the poorest performance at 2.26, revealing a severe digital divide. The extremely low scores in digital financial recording (A10: 2.00) and business data interpretation (A11: 2.06), where over 70% of members lack capability, indicate a critical gap in modern business skills. The high standard deviations across all dimensions (1.02-1.18) further highlight substantial inequality in skill distribution among members, suggesting that while a small minority might be proficient, the majority lack essential competencies for business growth and sustainability in the digital economy.

Table 2. Distribution of Strategic Competence & Growth by Dimension and Indicator

B. STRATEGIC COMPETENCE & GROWTH								
Competence Dimension	STM (1)	TM (2)	CM (3)	M (4)	SM (5)	Mean	SD	Level
5. Strategy & Entrepreneurship	20.5%	27.0%	35.2%	12.3%	4.9%	2.54	1.11	Low
B1. Business plan/targets*	24.6%	29.5%	32.0%	9.8%	4.1%	2.39	1.13	Low
B2. Seek innovative ideas	19.7%	26.2%	37.7%	12.3%	4.1%	2.55	1.10	Low
B3. Take risks	17.2%	25.4%	36.1%	14.8%	6.6%	2.68	1.15	Low
6. Risk Management & Resilience	22.1%	28.7%	32.8%	11.5%	4.9%	2.48	1.14	Low
B4. Identify business risk	18.0%	27.0%	37.7%	12.3%	4.9%	2.59	1.12	Low
B5. Contingency plan	27.0%	32.8%	28.7%	8.2%	3.3%	2.28	1.11	Low
B6. Business emergency fund	21.3%	26.2%	32.0%	14.8%	5.7%	2.57	1.20	Low

1. STM (Very Poor), 2. TM (Poor), 3. CM (Moderate), 4. M (Adequate), 5. SM (Very Adequate)

The strategic and growth competencies reveal profound deficiencies in members' entrepreneurial capabilities and risk management frameworks, indicating a survival-oriented business mindset rather than growth-focused entrepreneurship. In Strategy & Entrepreneurship, the composite score of 2.54 (Low) demonstrates critical weaknesses, with business planning (B1: 2.39) emerging as the most severe limitation, where over half of members (54.1%) lack structured planning capabilities. While risk-taking propensity (B3:

2.68) shows relatively better performance, the narrow range between indicators (2.39-2.68) suggests uniformly underdeveloped strategic thinking across all entrepreneurial dimensions. The data reveals a pattern of reactive business management, where members operate without clear strategic direction or systematic growth planning.

Risk Management & Resilience presents an equally concerning profile with an overall score of 2.48 (Low), positioning it as one of the weakest competency domains. Contingency planning (B5: 2.28) represents a critical vulnerability, with nearly 60% of members unable to develop backup plans for business disruptions. The consistently low scores across risk identification (B4: 2.59) and emergency fund management (B6: 2.57), coupled with high standard deviations (1.11-1.20), indicate not only poor risk preparedness but also significant disparities in risk awareness among members. This deficiency exposes the cooperative to substantial vulnerability in the face of market fluctuations and external shocks.

The synergy between these deficient domains creates a compounded challenge for sustainable business development. The lack of strategic planning exacerbates risk management weaknesses, while poor risk assessment capabilities hinder strategic decision-making. This cyclical relationship suggests that members operate in a constant state of business precarity, focusing on immediate operational concerns rather than long-term growth strategies. The high percentage of members in the "Cukup Mampu" category (32.8-37.7%) across all indicators further indicates a pervasive culture of minimal sufficiency rather than excellence, presenting significant barriers to the cooperative's competitive advancement and sustainable development in an increasingly volatile business environment.

Tabel 3. Distribution of Managerial & Organizational Competence by Dimension and Indicator

C. MANAGERIAL & ORGANIZATIONAL COMPETENCIES								
Competence Dimension	STM (1)	TM (2)	CM (3)	M (4)	SM (5)	Mean	SD	Level
7. Cooperative Governance	16.4%	22.1%	41.0%	14.8%	5.7%	2.71	1.11	Moderate
C1. Member rights and obligations	13.1%	19.7%	42.6%	17.2%	7.4%	2.86	1.12	Moderate
C2. Active participation in RAT	19.7%	25.4%	38.5%	11.5%	4.9%	2.56	1.12	Low
C3. Understanding business decisions	16.4%	21.3%	41.8%	15.6%	4.9%	2.71	1.10	Moderate
8. Human Resource Management	14.8%	21.3%	43.4%	14.8%	5.7%	2.75	1.09	Moderate
C4. Effective time management	11.5%	19.7%	45.1%	17.2%	6.6%	2.87	1.08	Moderate
C5. Teamwork	13.1%	20.5%	44.3%	16.4%	5.7%	2.81	1.08	Moderate
C6. Self/team motivation	19.7%	23.8%	40.2%	11.5%	4.9%	2.58	1.13	Low
9. Relationship & Interpersonal Management	10.7%	17.2%	45.9%	19.7%	6.6%	2.94	1.06	Moderate
C7. Customer Service Communication	8.2%	14.8%	45.1%	23.0%	9.0%	3.10	1.06	Moderate
C8. Negotiation	14.8%	21.3%	43.4%	15.6%	4.9%	2.74	1.08	Moderate
C9. Networking	9.0%	15.6%	49.2%	20.5%	5.7%	2.98	1.02	Moderate
10. Legal & Ethical Compliance	9.0%	15.6%	47.5%	21.3%	6.6%	3.01	1.04	Moderate
C10. Understanding Business Licenses	11.5%	18.0%	45.1%	19.7%	5.7%	2.90	1.07	Moderate
C11. Tax Obligations	13.1%	19.7%	44.3%	17.2%	5.7%	2.82	1.10	Moderate
C12. Business Integrity	2.5%	9.0%	53.3%	27.0%	8.2%	3.29	0.88	Moderate

1. STM (Very Poor), 2. TM (Poor), 3. CM (Moderate), 4. M (Adequate), 5. SM (Very Adequate)

The managerial and organizational competencies domain presents a contrasting profile to other competency areas, demonstrating relatively stronger performance with all dimensions scoring in the moderate range. Legal & Ethical Compliance emerges as the strongest area with a composite score of 3.01, largely driven by exceptional performance in business integrity (C12: 3.29), where nearly 90% of members demonstrate moderate to strong ethical standards. This indicates a solid foundation of trustworthiness and moral conduct within the cooperative's business practices. Relationship & Interpersonal Management follows closely at 2.94, with customer service communication (C7: 3.10) and networking (C9: 2.98) showing particular strength, suggesting members possess adequate social skills for basic business interactions and customer relations management.

In Cooperative Governance, the overall moderate score of 2.71 masks significant operational challenges in member engagement. While theoretical understanding of rights and obligations (C1: 2.86) and decision-making processes (C3: 2.71) appears adequate, active participation in governance structures remains problematic, as evidenced by the low score in RAT participation (C2: 2.56). This disparity reveals a concerning gap between passive knowledge and active involvement in cooperative democracy, potentially undermining the organization's participatory foundation. Human Resource Management shows parallel patterns at 2.75, where basic time management (C4: 2.87) and teamwork (C5: 2.81) competencies are offset by weak motivational capabilities (C6: 2.58), indicating limitations in leadership and self-management skills essential for business growth.

The consistently moderate performance across these organizational competencies, coupled with lower standard deviations (0.88-1.13) compared to other domains, suggests more uniform skill distribution among members. However, the absence of high performance in any indicator highlights a pervasive "ceiling effect" where members demonstrate functional adequacy but lack excellence in managerial capabilities. This profile indicates that while the cooperative maintains basic organizational functionality and ethical standards, it requires significant development in governance participation, motivational leadership, and strategic management to achieve optimal organizational effectiveness and sustainable growth.

This study introduces several novel contributions to cooperative competence research. First, it identifies the "Digital-Strategic Gap" phenomenon, where deficiencies in digital literacy and strategic planning reinforce each other, creating a compound disadvantage. This gap represents a new conceptual framework for understanding competence development challenges in rural cooperatives.

Second, the research provides the first empirical baseline for the newly launched 'Merah Putih' Cooperative program, offering granular data that differentiates between various competence domains. Unlike previous studies that treated cooperative competence as a unitary construct, this research demonstrates its multidimensional nature and the complex interactions between different skill types.

Third, the study reveals the "moderate competence ceiling" effect, where no dimension reaches high performance levels, suggesting systemic barriers to excellence rather than isolated skill deficiencies. This finding challenges the assumption that targeted interventions in single domains can significantly improve overall cooperative performance.

The identified competence landscape necessitates a multi-tiered intervention strategy. Immediate priorities should address the digital divide through practical literacy programs and basic strategic planning training. Medium-term interventions should focus on integrating traditional strengths with modern competencies, leveraging ethical and relational capabilities to build technical skills.

Long-term strategies should address systemic barriers to competence development, including knowledge-sharing mechanisms and continuous learning systems. The high

standard deviations suggest that peer-to-peer learning approaches could be particularly effective, allowing more competent members to mentor those struggling with basic business skills.

This research extends human capital theory in cooperative contexts by demonstrating the non-linear nature of competence development and the critical role of digital literacy as an enabling competency. The findings challenge conventional wisdom that technical skills naturally evolve from traditional business virtues, suggesting instead that deliberate intervention strategies are necessary to bridge competence gaps.

The study also contributes to cooperative governance theory by revealing how competence limitations at the member level can constrain organizational development, highlighting the need for integrated approaches that address both individual capabilities and organizational systems.

5. CONCLUSION

The competence landscape of 'Merah Putih' Cooperative members reveals both significant challenges and valuable foundations for development. While members demonstrate strong ethical and relational capabilities, critical gaps in digital, strategic, and risk management competencies threaten their long-term business sustainability. The identified Digital-Strategic Gap represents a particular concern requiring integrated solutions that address both technological and strategic thinking capabilities simultaneously.

The research provides a crucial baseline for ongoing monitoring of the 'Merah Putih' Cooperative initiative and offers insights relevant to similar programs across Indonesia. By identifying specific competence patterns and their interactions, the study enables more targeted and effective capacity-building interventions that can enhance both individual member capabilities and overall cooperative performance.

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