ANALYSIS OF INFLUENCE FACTORS THE REMAINING BUSINESS RESULTS IN VILLAGE UNIT COOPERATIVES IN KLATEN REGENCY

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Abstract

The research that has been investigated aims to determine the effect of the number of members, own capital, external capital, and business volume on the remaining amount of cooperative business results. This research was conducted on 15 Village Unit Cooperatives in Klaten regency in 2013-2018. The data sources used in this study are secondary data and were taken from the Office of Trade, Cooperatives, and UKM, Village Unit Cooperatives, and the Central Statistics Agency which were then further processed. The data analysis method used is a multiple linear regression test. Research that has been conducted shows that the number of members, own capital, and business volume has a positive and significant effect on the remaining results of business. Still, on the other hand external capital has a negative and not significant effect on the remaining results of business. In addition, the number of members, own capital, external capital, and business volume simultaneously significantly affect.

Keywords: *Remaining Operating Results; Own Capital; External Capital; Business Volume; Village Unit Cooperatives*

JEL classification: M21

1. INTRODUCTION

The Constitution of the Republic of Indonesia explains that national development aims to develop welfare as a whole, meaning that all Indonesian people have the right to live in prosperity, not just one individual. Economic business actors at the national level owned by people in Indonesia, including: BUMN, BUMS, and Cooperatives (Wiyono, 2016). At this time, national development in the economic field requires support from a competency that can later become a unifier for all Indonesian people, namely through the cooperative movement. It is hoped that cooperative business entities will be able to bridge the sustainability of national development in the economic sector in Indonesia because they represent the Indonesian people in national economic life, so that it needs to be given high priority in its implementation.

In addition to obtaining high profits, the establishment of cooperative business entities also pays attention to welfare, especially for members and the community. Cooperatives, one of the economic actors in this country, must become the pillars of the Indonesian economy (Tifani, Djatikusuma, and Yunita, 2015). The meaning of the pillars of the Indonesian economy attached to cooperatives is to develop an institution to become strong and resilient whose development is carried out simultaneously with all communities to create prosperity and improve the quality of life. Cooperative business entities are also expected to overcome various economic problems in Indonesia such as unemployment, poverty, social backwardness, etc.

Simultaneous developments in the economic and social fields in their respective regions, either directly or indirectly, are influenced by cooperative business entities because they are able to contribute to a good micro impact. The positive impact of cooperative business entities will appear on the level of competition for all business entities, market management patterns, and the intensity of sales proceeds which will positively affect economic income, especially in each region. Apart from regional original income, one of the incomes expected by the regional government is from the cooperative sector through Village Unit Cooperatives (KUD) located in each District or Region.

The Village Unit Cooperative is a multi-business cooperative whose members are villagers and located in rural areas to support the development of agribusiness systems in rural areas (Putri and Yulhendri, 2019). Through village unit cooperatives, the community can carry out several activities including savings and loans, consumption, and production of business results in cooperatives. Business continuity that village unit cooperative institutions must carry out is to provide for farming needs, as marketing of agricultural products, as a means of expediting and increasing the efficiency of agricultural production, and as a container for all agricultural activities. It is hoped that the cooperative's business activities will get maximum profits and increase the remaining operating results (SHU) at the end of each period. Cooperatives that are able to increase the remaining operating results each year will strengthen their financial structure.

According to the Klaten Regency Office of Trade, Cooperatives and SMEs, the acquisition of SHU in 15 village unit cooperatives within a period of 6 years starting from 2013-2018 experienced fluctuating increases and decreases. The highest remaining operating income in 2013 was KUD Karanganom I amounting to 77 million rupiahs, while the lowest was KUD Manisrenggo amounting to 350 thousand rupiahs. The highest remaining operating income in 2014 was KUD Kemalang amounting to 87 million rupiahs, while the lowest was KUD Manisrenggo 300 thousand rupiahs. The highest remaining operating profit in 2015 was KUD Jatinom amounting to 99 million rupiahs, while the lowest was KUD Manisrenggo amounting to 300 thousand rupiahs. The highest remaining operating results in 2016 were KUD Jatinom amounting to 150 million rupiahs, while the lowest was KUD Bayat amounting to 890 thousand rupiahs. The highest remaining operating results in 2017 were KUD Jatinom at 122 million rupiah, while the lowest was KUD Bayat at 690 thousand rupiah. The highest remaining business results in 2018 were KUD Kemalang of 155 million rupiahs, while the lowest was KUD Bayat 580 thousand rupiahs.

The remaining operations results are net profits obtained at the end of each period and are useful for cooperative members to fulfill their daily needs. Wirana (in Ariesta and Yolamalinda, 2014) suggests that the influencing factors in the ups and downs of the remaining operating results consist of 2 factors including: factors originating from within the cooperative, namely the level of participation of members, overall own capital, performance of administrators, the entire business sector running, the performance of managers, as well as the performance of employees, while the factors originating from outside the cooperative are debt funds from outside the cooperative, consumer behavior, and government behavior. Research by Kareem, Arigabu, Akintaro, and Badmus (2012) states that the factors that have an influence on the ups and downs of the remaining results of operations in cooperatives are the participation of members, their own capital from within the cooperative, assets, the performance of the management, the performance of the members. employees, and the performance of managers.

The number of members is the factor that influences the increase in residual income in cooperatives. The increase in the number of new members in the cooperative has an impact on increasing the SHU provided that the members have an active role in the cooperative. The problem

that often arises in member cooperatives is the slow development of the number of members. Cooperatives experience problems in member growth and are difficult to develop due to a lack of information received by participating members (Ayuk and Utama, 2011).

Capital is also one of the factors that can affect the ups and downs of the remaining operating results, but the increase in SHU in a cooperative can be hampered if the capital is not managed properly (Robb, Smith, and Web, 2010). The capital contained in cooperatives includes own capital and outside capital. Own capital comes from members' obligatory savings, principal savings from members, assistance funds and reserve funds, while outside capital comes from banks, bonds, debts with other cooperatives and sources from other financial institutions. Cooperative income can also be seen through the circulation of own capital and outside capital (Windarti in Yuliastuti and Susandya, 2018).

Apart from all members and capital, business volume is another factor that influences SHU. Sitio and Tamba (in Raidayani, Muhammad, and Faisal, 2017) argue that the size of the cooperatives' business sector will influence a cooperative's economic activity. The size of the business sector run by cooperative institutions will affect profit in cooperatives. The remaining results of cooperative operations will increase if the profits from the business sector are also high.

Village unit cooperatives in their activities are inseparable from organizational goals which always have a business and make sacrifices in order to obtain maximum benefits. Village unit cooperatives have demands to obtain residual business results that are always increasing so that the survival of cooperative institutions can be maintained properly. Cooperative capital in this case is needed to maintain the survival of the cooperative. Own capital that comes from members if there are more members, then own capital will increase and can help the cooperative financially. Additional funds from outside capital will also strengthen the cooperative's finances. The amount of capital in cooperatives will increase the opportunities for cooperatives to expand the business sector, resulting in an increase in the remaining results of operations. The overall number of members, cooperative capital, and business sectors that are getting bigger in village unit cooperatives are expected to be able to influence the acquisition of the remaining results of operations.

The formulation of the problem found in the research to be examined is whether the number of members, own capital, outside capital, and the business sector's volume influence SHU in the Village Unit Cooperative, Klaten Regency. The purpose of the research to be examined is to examine the effect of the number of members, own capital, external capital, and the volume of the business sector on SHU in Village Unit Cooperatives, Klaten Regency.

The hypothesis used in this study are:

H1: It is suspected that the number of members significantly affects the remaining business results (SHU) in Village Unit Cooperatives in Klaten Regency.

H2: It is suspected that own capital significantly affects the remaining business results (SHU) in Village Unit Cooperatives in Klaten Regency.

H3: It is suspected that outside capital significantly affects the remaining operating results (SHU) in Village Unit Cooperatives in Klaten Regency.

H4: It is suspected that business volume significantly affects the remaining business results (SHU) in Village Unit Cooperatives in Klaten Regency.

H5: It is suspected that the number of members, own capital, outside capital, and business volume have a significant effect on the remaining results of operations (SHU) in Village Unit Cooperatives in Klaten Regency.

2. RESEARCH METHOD

The scope of this research is 15 Village Unit Cooperatives (KUD) in the Klaten Regency area, which include KUD Jatinom, KUD Kemalang, KUD Karangnongko, KUD Karanganom I, KUD Pedan, KUD Cawas I, KUD Manisrenggo, KUD Prambanan, KUD Juwiring, KUD Tulung I, KUD Polanharjo, KUD Karangdowo II, KUD Bayat, KUD Trucuk I, KUD Wedi. The total observation units in this study are 15 regions with an observation period of 6 years, starting from 2013-2018.

This study has two kinds of variables: the independent variable and the dependent variable. The independent variables include the total members of the cooperative, the cooperative's capital, the outside capital of the cooperative, and the volume of the cooperative's business sector, while the dependent variable is the remaining results of the cooperative's operations (SHU).

The models in this study are:

$$SHU_{it} = a + b1AND_{it} + b2MS_{it} + b3ML_{it} + b4VU_{it} + e_{it}$$

Information:

AND   : Number of Members (In Unit)
MS   : Own Capital (In Rupiah)
ML   : External Capital (In Rupiah)
VU   : Business Volume (In Rupiah)
SHU   : Remaining Operating Results (In Rupiah)
a   : Constant
β   : Slope Coefficient or Slope
i   : Observation Unit
t   : Time

3. RESULTS AND DISCUSSION
3.1 Results

Table 1.
Interval of the Number of SHU KUD in Klaten Regency in 2013-2018

No.	Interval	Frequency	Presentase (%)
1.	< 32.000.000	74	82,2
2.	32.000.000-63.000.000	5	5,6
3.	63.000.000-94.000.000	5	5,6
4.	94.000.000-125.000.000	4	4,4
5.	> 125.000.000	2	2,2
	Overall	90	100

Source: Results of Secondary Data Processing, 2020

The remaining business results are used every year to meet the operational costs of the cooperative institution and are distributed to members according to the services that have been performed. The purpose of being given SHU is to improve economic and social welfare for cooperative members.

Village unit cooperatives in Klaten Regency, as seen in Table 1. With the highest SHU interval, namely with a value of more than 125 million rupiah, there are two cooperatives due to high business capital and good business management, so that they can produce high SHU, while the SHU interval is the low, that is, with a value below 32 million rupiah, there are 74 cooperatives due to poor management of capital and business so that the SHU obtained is not optimal.

Table 2.
Interval of the Number of KUD Members in Klaten Regency in 2013-2018

No.	Interval	Frequency	Percentage (%)
1.	< 2.200	19	21,1
2.	2.200-3650	17	18,9
3.	3.650-5.100	37	41,1
4.	5.100-6.550	11	12,2
5.	> 6.550	6	6,7
	Overall	90	100

Source: Results of Secondary Data Processing, 2020

The number of members in the Village Unit Cooperative in Klaten every year is of course, different from one cooperative to another; this can be seen from the size of the related cooperative. When the scope of business management is getting bigger and can always be maximized, the number of members who are cooperative is increasing.

Village unit cooperatives in Klaten Regency as seen in table 2. With the interval with the highest number of members, namely with a value of more than 6,550 people, there are six cooperatives due to the large scope of business, so the community is interested in becoming cooperative members, while the interval with the lowest number of members is with a value of under 2,200 people, there are 19 cooperatives because the business scope is small and not optimal, so that people are less interested in joining cooperative members.

Table 3.
Interval of KUD Own Capital in Klaten Regency in 2013-2018

No.	Interval	Frequency	Percentage (%)
1.	< 1.580.000.000	78	86,6
2.	1.580.000.000-3.070.000.000	0	0
3.	3.070.000.000-4.565.000.000	0	0

No.	Interval	Frequency	Percentage (%)
4.	4.565.000.000-6.060.000.000	6	6,7
5.	> 6.060.000.000	6	6,7
	Overall	90	100

Source: Results of Secondary Data Processing, 2020

Own capital is a fund originating from within the cooperative and consists of mandatory savings for members, principal savings for members, assistance funds, and reserve funds, and each cooperative has its own capital. It is necessary to increase principal savings and statutory savings so that cooperatives have sufficient capital of their own.

Data on cooperatives is in table 3. With the highest interval of own capital, namely with a value of more than 6 billion, there are six cooperatives because the capital consisting of members' obligatory savings and principal savings of members continues to increase, and there is quite a lot of income from aid funds, while the interval of own capital is the lowest that is, with a value below 1.5 billion, there are 78 cooperatives because the capital consisting of members' mandatory savings and members' principal savings has decreased and the lack of income from aid funds.

Table 4.
Interval of KUD Outside Capital in Klaten Regency in 2013-2018

No.	Interval	Frequency	Percentage (%)
1.	< 1.480.000.000	69	76,6
2.	1.480.000.000-2.918.000.000	6	6,7
3.	2.918.000.000-4.357.000.000	3	3,3
4.	4.357.000.000-5.796.000.000	6	6,7
5.	> 5.796.000.000	6	6,7
	Overall	90	100

Source: Results of Secondary Data Processing, 2020

Outside capital in cooperatives is synonymous with debt. The capital comes from bonds, banking, financial institution sources, and other cooperatives' debts. Existing external funding sources will always be sought so that in the future, the cooperative can run smoothly and the business being run can develop properly.

Cooperative data in table 4. with the highest outside capital interval, namely by value of more than 5.7 billion, totaling six cooperatives, because the external capital is always sought optimally so that the cooperative can run its business smoothly, while the lowest interval of external capital, namely with a value below 1.5 billion, is 69 cooperatives, due to external capital that is not sufficiently sought after maximum so that cooperative efforts become less smooth.

Table 5.
Interval of KUD Business Volume in Klaten Regency in 2013-2018

No.	Interval	Frequency	Percentage (%)
1.	< 6.290.000.000	84	93,4
2.	6.290.000.000-12.546.000.000	0	0
3.	12.546.000.000-18.803.000.000	2	2,2
4.	18.803.000.000-25.060.000.000	2	2,2
5.	>25.060.000.000	2	2,2
	Overall	90	100

Source: Results of Secondary Data Processing, 2020

Business volume is the entire period of one financial year from the total value of revenue and sales in the form of services or goods. When the business is running well, it will get the maximum income, conversely, if the business is not going well, the income you get is less than the maximum.

Cooperative data is in table 5. with the highest business volume interval, namely with a value of more than 25 billion, there are 2 cooperatives because the business is running well and getting maximum profits. In contrast, the lowest business volume interval, namely with a value below 6 billion, is 84 cooperatives because the business is not running well and the profits are less than optimal.

Regression Test

Table 6.
T-statistic test results

Variable	Coefficient	Significance Level
Number of Members	0,542	0,019
Owner's equity	0,522	0,000
External Capital	-0,152	0,152
Volume Usaha	0,437	0,000

Source: Results of SPSS Data Processing

The results of the t-statistical test are in table 6. It is explained that the variable JA (Number of Members) obtains a coefficient value = 0.542 and a significance level of 0.019, where a significance level of less than 5% (0.019 <0.05) means that the remaining operating results are significantly affected by the variable number of members. The test results for MS (Own Capital) obtained a coefficient = 0.522 and a significance level of 0.000, where a significance level of less than 5% (0.000 <0.05) means that the variable equity significantly influences the remaining operating results. The test results for the variable ML (External Capital) obtained a coefficient = -0.152 with a significance level of 0.152, where the

significance level is more than 5% (0.152 > 0.05) which means that the remaining business results are not affected by external capital variables. The test results for the variable VU (Business Volume) obtained a coefficient value = 0.437 and a significance level of 0.000, where the significance level is less than 5% (0.000 <0.05) which means that the variable business volume significantly influences the remaining operating results. The results obtained in the statistical test research, namely H1, H2, H4, were accepted, while H3 was rejected.

Based on the F-statistic test, the probability value is 0.000 <0.05, in other words, the variable number of members, own capital, outside capital, and business volume significantly influences the remaining operating results (SHU). Based on the results of statistical testing, it can be concluded that H5 is accepted.

Another test found that the coefficient of determination (R-square) was 0.767 or 76.7%, which means that the independent variable with a percentage of 76.7% can explain the dependent variable in this study, while the remaining 23.3% can be explained by the variables other variables outside the independent variables in this study.

3.2 Discussion

The Influence of the Number of Members on the Remaining Results of Operations

Partially, the influence of the number of members shows a regression coefficient of 0.542, which means that if you increase every 1 unit the number of members, then the remaining results of the business obtained will increase, if the other independent variables are constant. A significance value of 0.019 <0.05 or less than 5% indicates that H is rejected and H1 accepted can be interpreted that the number of members significantly influences the remaining results of operations.

This test is in line with what Putri & Yulhendri (2019) researched by stating that the remaining operating results are affected by the number of members because the large number of cooperative members will increase the amount of SHU received by the cooperative. Another study conducted by Dewik & Jember (2016) stated that the number of members influenced the remaining results of operations in terms of quantity.

The Effect of Own Capital on the Residual Results of Operations

Partially, the influence of own capital shows a regression coefficient of 0.522, which means that when every 1 unit of own capital increases, the remaining business results obtained will increase, if the other independent variables are constant. A significance value of 0.000 <0.05 or less than 5% which implies that H is rejected and H1 accepted can be interpreted that the remaining results of operations are significantly influenced by own capital.

This test is in line with that researched by Winarko (2016) by stating that the equity variable significantly influences the remaining operating results because any increase in the amount of funds from within the cooperative will increase SHU. The results of other studies were also obtained by Suputra, Susila, & Cipta (2016) which stated that the remaining operating results were significantly influenced by own capital because the amount of paid-up own capital resulted in the maximum SHU acquisition.

The Effect of Outside Capital on the Remaining Results of Operations

Partially, the influence of outside capital shows a regression coefficient of -0.152, which means that when every 1 unit of outside capital increases, the remaining business

results obtained will decrease, if the other independent variables are constant. Significance value 0.152 > 0.05 or greater than 5% which implies that H is accepted and H1 being rejected means that the remaining business results are not influenced by outside capital.

This test is in line with what was studied by Sudaryanti & Sahroni (2017) by stating that the remaining operating results were not influenced by outside capital because when there was additional outside capital it would result in a decrease in SHU earnings due to poor fund management, but this research is inversely proportional to what was studied Dewik & Jember (2016) stated that the remaining operating results are significantly influenced by the variable loan amount (outside capital) because these funds can be managed properly by cooperative management and result in the development of the business sector.

Effect of Business Volume on Residual Operating Results

Partially, the effect of business volume shows a regression coefficient of 0.437, which means that when every 1 unit of business volume increases, the remaining business results will increase, if the other independent variables are constant. A significance value of 0.000 <0.05 or less than 5% which implies that H is rejected and H1 acceptable means that the volume of business significantly influences the remaining operating results.

This test is in line with what Azwar (2018) researched which states that the remaining operating results are significantly influenced by business volume because the management of business volume is well managed and results in increased profits for the cooperative. The same research results were also obtained by Yuliastuti & Susandya (2018) who argued that the remaining business results are positively influenced by business volume because high business volume is obtained from good, effective and efficient cooperative management.

4. CONCLUSIONS

a. Partially, the number of members significantly influences the remaining results of operations in the village unit cooperatives in Klaten Regency.
b. Partially, own capital significantly affects the remaining results of operations in cooperative village units in Klaten Regency.
c. Partially, external capital does not significantly influence the remaining results of operations in village unit cooperatives in Klaten Regency.
d. Partially, the volume of business significantly influences the remaining results of operations in the village unit cooperatives in Klaten Regency.
e. Simultaneously, the number of members, own capital, outside capital, and business volume significantly influence the remaining results of operations in village cooperative units in Klaten Regency.

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