

The Role of Human Resources in the Implementation of Cooperative Management to Improve Cooperative Performance Al Washliyah Muslim University

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ABSTRACT

Human resources have a good role for every organization individually or in groups, human resources are the main driver in the smooth running of business activities, even the development of the company is determined by human resources. Good management is needed in a company as well as in a cooperative so that human resources can be used properly. Management ensures that the resources owned by the cooperative are used effectively and efficiently. Good cooperative management will create a cooperative that determines the success of achieving the vision, mission and goals of the cooperative. The implementation of good cooperatives is important to achieve the expected goals. Cooperative activities cannot be separated from the role of members in it, for this reason the welfare of members is one of the goals that must be achieved. This research is a narrative inquiry with a qualitative approach. This research is to see the implementation of employees in implementing the concepts, definitions, and empirical indicators of Cooperative Management. The results of this study show that employees are able to carry out their duties, principals and functions in accordance with the Standard Operating Procedures in decision-making, and employees have a good role in managing cooperatives.

Keywords: Human Resources; Planning; Organizing; Directing; Controlling; Cooperative Management.

INTRODUCTION

Human resources have a significant role for every organization, both individually and in groups, human resources are one of the main drivers in the smooth running of business activities, even the development of the company is determined by human resources. The poor quality of human resources is one of the factors that hinder economic development, and the low quality of human resources can be the cause of poor economic quality in the era of globalization.

In general, in the world of work, organizations, especially in the field of human resources, will face problems such as limited work capabilities and weak information systems, because the human resources department also needs a lot of detailed information so that the quality of decisions depends on the quality of the information. In addition, as we all know, employees (human resources) often make mistakes that should not happen, for example, 1, 2 people often do not come to work and do not really comply with the rules of working hours. This will have bad consequences for the organization because work often cannot be completed at the specified time or a lot of time is not used properly. In addition, the phenomenon of employees who use their working time to do other things outside of their work, for this reason, good management is needed in a company as well as in cooperatives so that human resources can be used properly. The lack of cooperative performance cannot be separated from the involvement of Human Resources (HR), namely Administrators, Supervisors, Managers and cooperative employees, where they work and give their maximum abilities to the cooperative to achieve the expected goals. The role of human resources from time to time becomes very important in cooperative activities.

Cooperative management must be based on applicable rules including AD/ART, Policies, and also the results of member meetings. Cooperative management is inseparable from the Organizational Structure which has its own function in accordance with the jobdesk of the administrators, supervisors and managers which is carried out in a systematic manner based on the vision and mission and governance of cooperatives that are transparent, independent, and also have accountability, and fairness. Good Corporate Governance (GCG) is one of the important things in increasing economic efficiency including relationships between cooperative managers, cooperative administrators, supervisors, capital owners and other stakeholders. Good Corporate Governance also provides a structure that facilitates the determination of the goals of a cooperative and as a means to determine work monitoring techniques (Supriyadi, et al. 2018).

Law No. 33 of 1945 explains that cooperatives are the pillars of the nation's economy which are aspired to be able to solve people's economic problems, can help in improving the dignity of the community, and are also expected to be the main solution for the nation's economy. However, until now, the teacher who is expected to be a pillar of the people's economy and the nation's economy has not shown good results, due to the lack of influence of cooperatives in supporting the economy. This cannot be separated from the implementation of good cooperative governance.

The Big Family Consumer Cooperative of Nusantara Muslim University Al Washliyah was established in 2001 with the aim of improving welfare, as well as increasing the sense of family. Furthermore, the Big Family Consumer Cooperative of Nusantara Muslim University Al Washliyah has Articles of Association and Bylaws contained in the deed of establishment No.21 Ladder July 27, and the Deed of Amendment No.39 dated February 08, 22. This cooperative is based on the 1945 Constitution and is also based on family.

This research aims to find out the role of human resources in good to improve the performance of the Cooperative, which is expected that the members will be prosperous if good governance is implemented through the existence of SHU (Residual Business Results). Referring to Law No. 9 of 2018, it is explained that the Residual Business Results are cooperative income obtained in one financial year which is deducted from every cost, depreciation and other obligations including taxes in the current year. Based on this, the researcher conducted a research entitled "Analysis of the Role of Human Resources in the Application of Cooperative Management to Improve Cooperative Performance in the Consumer Cooperative of the Big Family of Muslim Nusantara Al Washliyah University"

LITERATURE REVIEW

Cooperative Theory

The cooperative theory began in the late 19th century when the French economist Charles Gide first formalized his framework (Gide, 1889). Cooperative theory proposes that when participants work together through shared ownership and decision-making, they can benefit together while adhering to a set of principles centered on the needs of their members. Cooperatives foster a collaborative environment where members prioritize the collective good over individual interests.

A key element of cooperative theory is its unique principles. Chief among these principles is democratic decision-making, which allows for equal representation and transparency in governance structures. Cooperatives prioritize meeting the needs of their members while maintaining economic efficiency and promoting the personal interests of their members (Minkoff, 1995). This framework fosters a sense of unity and accountability, as members are concerned about the success of the organization.

Cooperative theory emphasizes the social benefits of cooperative activities. By promoting social cohesion and collective ownership, cooperatives contribute to the improvement of society at large. This emphasis on mutual assistance and co-development complements the economic benefits, as members can derive benefits, such as job security and cost savings (Pearson, 1995). Cooperative theory serves as the basis for the formation and management of cooperative organizations that seek to prioritize the needs of members and actively contribute to social welfare.

Meanwhile, the definition of cooperatives in Article 33 of the 1945 Constitution and its explanation expressly explains that the principles of the Indonesian economy must be formed as a joint venture based on the principle of kinship. This can be interpreted as saying that the national economy must be formed based on the principles of the people and for the prosperity of the people. Furthermore, in order to seek broad participation from the entire community to realize one of the main characteristics of the national economic system, cooperatives are the most appropriate business institutions, especially to accommodate the small and micro entrepreneur community. Therefore, cooperatives must become one of the pillars of the national economy.

Cooperative Management

Cooperative management is a model of organizing economic ventures through businesses that are democratically owned and controlled by members. By bringing together resources and decision-making authority, cooperatives drive economic growth, improve social welfare, and encourage community development (Hollander, 1996). Effective cooperative management relies on the ability to balance competing priorities, build coalitions, and navigate the complexities of community needs.

A number of case studies have shown the success of cooperative management in encouraging economic development. For example, Spanish consumer cooperatives implemented a comprehensive renewable energy program, which resulted in significant energy savings and substantial reductions in greenhouse gas emissions (Herrigel, 2010). Similarly, Kenyan dairy cooperatives increase farmers' incomes and improve rural livelihoods by providing access to markets, finance, and technology (Kerr, 2018).

The key to the success of cooperative management lies in its unique governance structure. Decision-making authority is distributed among members, ensuring that all parties have a vested interest in the success of the organization (Webb, 2005). This fosters a culture of mutual help, cooperation, and collective responsibility, which is essential for building resilience and adaptability in the face of economic uncertainty.

In addition, cooperative management is in line with the United Nations Sustainable Development Goals (SDGs), especially Goal 8: Decent Work and Economic Growth. By promoting fair labor practices, social equality, and community engagement, cooperatives can help achieve more inclusive and sustainable economic development (United Nations, 2015). Successful cooperative management can be a valuable tool for policymakers and practitioners working to promote economic development and reduce poverty.

Human Resources

The results of research by Chen, Bliese, and Mathieu (2005), that the role of human resources in fostering a positive work environment is very important to achieve success. Human resources are responsible for managing the workforce, which includes hiring, training, and developing employees (Breeßencker, 2017). Effective human resource management can increase job satisfaction, reduce employee turnover, and increase productivity (Steel & Lounsbury, 2009).

A study by Zhang, Narvaez, and Shi (2018) revealed that employee engagement and commitment are directly related to the professional relationships of their colleagues. Human resources can facilitate this by promoting teamwork and collaboration among employees (Singh & Sujatha, 2020). In addition, human resources can create an inclusive work environment by addressing diversity and inclusion issues, which can further improve the performance of cooperatives (Gupta & Singh, 2017).

The results of Barua & Choudhury (2020) underline the importance of performance management in human resources, which includes goal setting, feedback, and performance evaluation. Performance management can motivate employees to work towards a common goal, thereby improving cooperative performance (Breeßencker, 2017). Additionally, human resources can facilitate open communication, which is essential for building trust and cooperation among employees (Chen et al., 2005). Human resources play an important role in driving cooperative performance in an organization. By managing human resources effectively, encouraging teamwork, and creating an inclusive work environment, human resources can contribute to a positive and productive work environment.

Cooperative Performance

Economic growth and development are typically seen through a competitive framework, which emphasizes individual corporate entities operating in the free market. However, recent studies show that cooperative frameworks can significantly improve the economic performance and well-being of communities (D'Este & Iammarino, 2010). Cooperatives prioritize profit sharing, participation in decision-making, and mutual support, which fosters long-term growth and sustainability. In contrast, traditional corporate structures

focus on maximizing profits, which often prioritizes the interests of shareholders over the benefits to local communities and employees.

To improve cooperative performance, policymakers and business leaders must adopt governance structures that support and provide resources for cooperative development (Porter & Kramer, 2006). Governments can offer training and technical assistance, which reduces barriers to entry and encourages a more favorable business environment. By investing in cooperative development, countries can foster inclusive growth, improve labour market outcomes, and build more resilient and equitable societies.

Cooperatives must prioritize effective governance, efficient financial management, and strategic planning in order to remain competitive and achieve organizational success (Brown & Duguid, 2001). Strong leadership and organizational culture are also important factors in the success of a cooperative business. By fostering a collaborative and inclusive environment, cooperatives can increase the mutual support and trust among members necessary for sustainable growth and performance.

RESEARCH METHOD

Data Collection

In this study, the data collection techniques used are observation and interviews. Semi-structured interviews are conducted face-to-face. During the interview, the researcher prepared brief information about this research and research. Then interviews were conducted by individual respondents with a duration of about 70 minutes.

Data Analysis

The data analysis technique used in this study is the analytical method, where the results of the interviews analyzed are Narrative Inquiry with a qualitative approach. Narrative Inquiry is a narrative report that tells the sequence of events that usually focuses on the study of one person or single individual and how the individual provides meaning or answers through the story conveyed.

DISCUSSION

To find out the answer to this research question about how Human Resource Management Practice and the role of human resources in implementing cooperative management, an analysis of interviews with cooperative administrators, supervisors, and managers was held. The cooperative studied is the Consumer Cooperative of the Big Family of Nusantra Al Washliyah Muslim University.

Human Resource Management Practice

In this section, we will present how the MSDM practices implemented by companies according to scientists include, namely, HR planning, recruitment and selection, training and development, compensation, performance appraisal, and termination. In this section, all respondents stated that the practice of Human Resource Management has been carried out in this cooperative, including:

Human Resource Planning

Human Resource Planning focuses on the quantity and qualification of the work needed to achieve the goal. Human Resource Planning estimates the demand for future employees (Riani, 2013). Michael Armstrong (2006) emphasizing the importance of HR planning in achieving organizational goals effectively. Law No. 25 of 1992 concerning Cooperatives (Indonesia) – This law regulates the principles and management of cooperatives, including aspects of human resources based on the values of togetherness

and economic democracy. HR planning is very necessary for a company so that the company does not have obstacles in the field of Human Resources to achieve its goals.

❖ **Objectives of Mnausia Resource Planning**

The objectives of Human Resource Planning include ensuring the adequacy of the workforce, increasing productivity, loyalty and work motivation and anticipating changes in the work environment.

❖ **Factors Affecting Human Resource Planning**

There are several factors that affect Human Resource Planning, including Internal Factors which include a). Strategic Plan b). Budget c). Estimated Sales Production c). Business Expansion or New Activities d). Organizational Design and Job Duties. External factors include a). Economic situation b). Socio-Cultural c). Politics d). Technology e). Competitors

❖ **Stages of Human Resource Planning**

The Steps of Human Resource Planning According to Jackson & Schuler (1990) include:

- Data collection and data analysis in order to be able to forecast the demand or supply of existing human resources that will be expected for future business planning.
- Develop HR planning objectives.
- Design and implement programs that can make it easier for the company to achieve its goals.
- Supervising and Evaluating.

The Al Washliyah Muslim University Big Family Consumer Cooperative has carried out a Human Resources Sumer plan where human resources are planned by paying attention to applicable regulations. The implementation of planning in cooperatives with needs forecasting techniques, namely analyzing availability, determining and implementing programs.

Recruitment and Selection

To meet the needs of human resources in this cooperative, Recruitment and selection are carried out where each employee is recruited and selected in accordance with the existing regulations including AD/ART and also Standard Operating Procedures Edwin B. Flippo (1984) explained that recruitment is a stage to find candidates who have the potential to fill a certain position. Selection is a process for selecting prospective employees who have qualifications in accordance with the requirements (Bangun, 2012). The main goal in the human resource selection process is to know how ready and capable the applicant is. Applicants who are accepted are applicants who have the ability to adapt to the needs and requirements of the job. In general, there are several stages of human resource selection such as receiving job applications from applicants, conducting preliminary interviews, psychological tests and several other tests. In the UMN Al Washliyah Big Family Consumer Cooperative, the recruitment and selection process is carried out guided by the Bylaws, in the Bylaws it has been explained how the requirements and qualifications of employees needed by the cooperative are.

Training and Development

Training is needed for employees for new employees as well as old employees. If the employee can carry out his duties well, he will be able to contribute his abilities to the advancement of the company and also be able to improve his performance (Riani, 2013). Husnan dalam sutrisno (2012) said that the development of human resources is a long-term educational process using systematic and organized procedures. Training is a

planned effort from the organization to increase knowledge. At the Big Family Consumer Cooperative of Musli Nuasntara Al-Washliyah University, training has been carried out in which training is provided to employees with implementation steps such as analyzing the integrity of training in the cooperative, determining the goals and materials of the training program, analyzing the training objectives so that the training made is not in vain.

The Role of Resources in Management

Human Resource Management can improve the level of a company that can be implemented by improving company performance (Artini, 2015). Planning is a very important thing that must be in the company.

The company works well with planning. The emergence of professional needs related to the company can help the company demonstrate the increasing role of human resources in implementing its goals, achieving company success, and attracting attention in relation to HR management.

One form of human resource intervention that has a significant impact is the implementation of good management that has an impact on the progress of the company. The company will advance if it is able to manage the welfare of human resources by managing the welfare and health of employees physically and mentally. A good company will consider the welfare of existing resources. Thus, if human resources have been managed properly, the implementation of management in a company is carried out well. The function of human resources for the company includes management functions, operations functions, and functions to achieve company goals in an integrated manner.

In the Big Family Consumer Cooperative of Muslim University of Nuisantara, it can be seen that human resources have a role in the implementation of management, management will be carried out well if human resources have been managed properly. The management of human resources is regulated in applicable regulations including government regulations, Articles of Association and also Cooperative Bylaws as well as Standard Operating Procedures that have been made to regulate the course of management in the large family conuscement cooperative of the Muslim Nusantara Al Washliyah University.

In Cooperative Activities, of course, there are standard Operating Procedures in carrying out activities in cooperatives. The UMN Al Washliyah Big Family Consumer Cooperative has institutional operational standards that have been compiled in carrying out cooperative activities. Here are some of the standards that exist in the UMN Al Washliyah large family consumer cooperative. Based on the results that have been carried out, the Standard Operating Procedures at the UMN Al Washliyah Big Family Consumer Cooperative have been realized, and the administrators, supervisors, and managers have understood and implemented the SOP, as evidenced by the answers from the Management Administrators, and also the supervisors.

Concepts, and Empirical Indicators of Standard Operating Procedures

Concept	Empiric Indicator
1. Organizational Completeness Standards	<ol style="list-style-type: none"> 1. Have an Organizational structure 2. Have a cooperative office with a clear status and position 3. Have a clear organizational identity known and approved by the Members' Meeting. 4. Have management elected and approved by the members' meeting 5. Have management regulations approved and approved by the members' meeting 6. Have a work plan 7. Have a written work system and procedures 8. Have completeness and written administrative procedures 9. Have written rules on monitoring and evaluating target achievement 10. Have internal control systems and procedures in writing
2. Management Standards	<ol style="list-style-type: none"> 1. The Board of Directors is democratically elected by members 2. The duties and authority of the Board are regulated in the Board Regulations that have been stipulated in the Member Meeting
3. Surveillance Standards	<ol style="list-style-type: none"> 1. The Board of Directors is democratically elected by members 2. The duties and authority of the Board are regulated in the Board Regulations that have been stipulated in the Member Meeting 3. Supervisor of KKKB UMN AW; a total of 3 people, consisting of the Chairman, Secretary and Members.
4. Human Resource Standards for Cooperative Management	<ol style="list-style-type: none"> 1. The management of the Cooperative and the Cooperative business is carried out by the Management who is responsible to the Member Meeting. 2. Administrators can appoint managers or managers. 3. The duties and authority of cooperative management are handed over to managers appointed by the management. If the Management appoints the

Manager (Manager), the Manager or members of the Management may not concurrently act as managers.

4. The Management of the Cooperative is carried out by the Manager, the Manager is responsible for the Members' Meeting with the following requirements:
 - Have knowledge or skills about marketing and financial management;
 - Have good managerial skills;
 - Have effective leadership skills;
 - Have good morals and morals;
 - Have cooperative skills and insights

Based on the above, Cooperative Management and SOP (Standard Operating Procedures) have been well realized in the Big Family Consumer Cooperative of the Muslim Nusantara Al Washliyah University, thus Good Governance has been realized and implemented in this cooperative, this is expected to prosper cooperative members.

CONCLUSION

Human resources play an important role in the implementation of cooperative management strategies to improve performance in cooperatives. Cooperatives, in essence, are business entities owned and controlled by their members, who often work together to achieve a common goal. However, collective goal setting and collaborative decision-making processes can lead to rejection of change and inadequate implementation plans. Thus, the effective management of these institutions depends heavily on the organizational structure and, in particular, their human resources departments.

The proper implementation of a cooperative management strategy depends on careful selection of leaders, development programs, and implementation of strategies. According to research, well-structured institutions have leadership that values diversity and are able to recruit and retain a skilled workforce. To this end, the role of human resources in cooperatives goes beyond the traditional areas of recruitment, onboarding, and employee relations.

A good human resource structure allows cooperatives to engage their core members and build long-term relationships with key stakeholders. In addition, cooperative HR must support and embrace a work environment that encourages the involvement of frontline workers, so that they feel valued and involved in the delivery of their services. It is very important for human resources in cooperatives to build a framework and strategic system that helps motivate in overcoming performance barriers, and achieving work targets.

The success of cooperative management is highly dependent on the efficient implementation of its entire system, including human resource management. By focusing on critical elements such as building motivation, influencing performance, and creating accountability, human resources in cooperatives can have a significant impact in transforming collective ambitions into real, results-oriented results. Thus, the

performance of cooperatives depends on the existence of skilled and dedicated professional human resources.

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