

Effective Supervision Development Models to Improve Cooperation Supervisor Performance

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Abstract—The research objective is to find out the effectiveness of the development model of supervision to improve the performance of Cooperative supervisors. The research method uses an experimental design consisting of a control group and a treatment group. The control group without treatment while the treatment group with treatment. Preliminary tests and final tests were given both the treatment group and the control group to find out the results of the supervision of the treatment group with the treatment and control group without the treatment development model. Data collection techniques using a set of experimental instruments with manual answers to the fields provided. Data analysis using paired sample t test is parametric statistics, then the data is tested for normal and homogeneous distribution. The test continued with the Independent Samples Test, Paired Sample t-test and Effect Size. The results of research using the effective supervision development model can improve supervisory performance in cooperatives. The effective contribution of the supervisory development model is 84,07 percent of the high categories contributed by each component of the model from the largest to the smallest, namely: the function of the Internal Supervisory Board at 36,40 percent, followed by the professionalism of the supervisor at 29,11 percent, effective supervision techniques by 10,95 percent, and finally effective supervision management by 7,61 percent. Conclusion the effective supervision development model can improve the performance of Cooperative supervisors with high category effective contributions, which are contributed by model indicators from the largest to the smallest, namely the functions of the Internal Supervisory Agency, supervisory professionalism, effective supervision techniques, effective supervision management.

Keywords—*effectiveness, model, development, supervision, performance, cooperatives*

I. INTRODUCTION

Globalization describes the process of accelerating broad interactions in the political, technological, economic, social and cultural fields. The acceleration of interaction includes multi-layered and multi-dimensional processes and phenomena of life that are mostly driven by the West and particularly capitalism and its values of life and its implementation. From an economic point of view, the essence of globalization is the

increased interaction and integration of the economy both within and between countries, which includes aspects of trade, investment, movement of production factors in the form of labor migration and foreign investment, finance and international banking and foreign exchange flows.

Small, Medium Enterprises and Cooperatives (UKMK), which are usually considered insignificant and underestimated, are largely able to exist in the face of the crisis storm. UKMK can be a barrier to avoid bankruptcy of the economy, on the contrary, it can be expected to be the driving force of the national economy to get out of the crisis. If globalization truly materializes in accordance with the scenario of the occurrence of free markets and free competition, this does not mean the end of cooperatives. The opportunity for cooperatives to continue to play a role in the national and international economic arena is wide open as long as the cooperative can improve itself to become one of the economic actors (business entities) that is competitive compared to other economic actors. Community-based enterprises, cooperatives are built on the skills inherent in their membership and depend on their participation, to achieve various goals which can be economic or social [1,2]. Cooperatives are distinguished from other organizations in the use of members, or protection that is associated with corporate control, not levels of monetary investment. Cooperatives are also different from non-profit organizations, which do not issue shares and have no individual owners at all [3,4]. The challenges for the development of future cooperatives are relatively heavy, if there is no optimal empowerment. Empowerment of cooperatives will provide more guidance for cooperatives that are running [5].

Quality and efficient cooperative reform can be realized if the elements of supervision go well and appropriately in accordance with established operational procedures. Cooperative supervisors can implement a reasonable decision, the implementation of the Cooperative Revenue and Expenditure Budget (CREB), the organization agreed at the member meeting and the mandate of Law number 25 of 1992 concerning Cooperatives [6]. Cooperatives become the pillar of the Indonesian economy, cooperatives as pillars supporting the backbone of the economy [7]. The success of a cooperative depends on the level of participation of its members [8].

Participation of members in cooperative life is crucial to contribute to achieving cooperative goals or cooperative success [9]. Commitment of members towards cooperatives and members' trust in cooperative administrators are the keys to cooperative success [10]. Empirical member participation significantly influence the success of cooperatives [11-14]. Besides that the success of cooperatives really requires effective supervision, without effective supervision can have a bad impact both for the cooperative itself and the losses befall its members. In the perspective of good governance, supervision can involve the internal parties of the organization called internal control and oversight involving external parties (public accountants).

The Bali Provincial Cooperative Office that manages cooperatives in its area until 2017 has disbanded 517 cooperative businesses in nine regencies and cities in Bali, including 15 Badung Regencies including many categories. Besides that, Badung Regency has an inactive Cooperative and is registered in Diskop, UKM, and Badung Regency by 20.23 percent, Cooperatives that are not assessed by Diskop, UKM and Badung Regency are 48,32 percent. The sanction of dissolution is caused by the accountability of the management in the Annual Member Meeting (AMM) is not clear, the management is on the run, avoiding responsibility. Accountability for the management of cooperatives and the implementation of the CREB to its members, as well as measuring the performance of the management regarding the development of the remaining results of operations, assets, equity, development and activeness of members, and others are carried out in AMMs. Cooperative supervisors must actively encourage, educate and motivate management to carry out AMMs, if not carrying out supervisors' AMMs, the function, professional expertise, work experience, and independence and management and supervisory techniques will be questioned by members. Effective supervisors are supervisors who can anticipate mistakes, misappropriation, abuse in the Cooperative well before they occur, so research is needed to achieve effective supervision must implement management criteria and effective supervision techniques [15,16]. Based on that research is carried out to produce an effective supervision development model, then the problem can be formulated how effective is the Development Supervision model for the cooperative supervisory support devices?

II. METHODS

The research method used experimental design of factorial pattern 2×2 between control group and treatment group subjects. The control group was untreated while the treatment group treated. Preliminary and final tests were administered by both treatment groups and control groups to determine the results of control of treatment groups with treatment and control groups without treatment of the control model. The data collection technique uses a set of experimental questions with manual answers to the fields provided in the treatment group and control group. Data analysis using paired sample t test is part of parametric statistic, then the data tested the normal and

homogenous distribution. The test is continued with Independent Samples Test, Paired Sample t-test and Effect Size.

III. RESULTS AND DISCUSSIONS

The cooperative effective supervision development model can improve the results of supervision in the Cooperative based on the results of the Independent Samples Test through experiments, namely: the 1st experiment treatment group produces an average value (Mean) = 20,3667 has a higher change than the control group produces average value (Mean) = 16,4333; Equal Variance Assumed shows that there is a difference at 1 percent level ($t = -2,995$; $p < 0.01$, $df 58$). This means that the treatment group had a significant change compared to the control group. Paired Test Results Sample t-test shows the value before the model is used obtained an average of 50,0500 supervision results. As for the value after the model is used, the average value of supervision results is 68,1500 and the Sig. (2-tailed) of 0,000 $< 0,05$, because of the Sig. (2-tailed) of 0,000 smaller 0,05 and t-test of -27,098 $df 59$, it can be explained that the use of a supervisory development model can improve the performance of supervisors at the Cooperative. The treatment group had a significant change compared to the control group which means that it demonstrated the success of the surveillance model empowering techniques and effective management. Besides that, the effect size showed a result of 77 percent and a high category. The effect sizes of each component model are from the largest to the smallest, namely: professionalism of supervisors by 26,98 percent, followed by the functions of the Internal Supervisory Board by 17,56 percent, effective supervision techniques by 16,45 percent, and finally effective supervision management by 16,28 percent. The second experiment of the treatment group produced an average value (Mean) = 23,3667 having a higher change compared to the control group producing an average value (Mean) = 19,1667; Equal Variance Assumed shows that there is a difference at 1 percent level ($t = -2,967$; $p < 0,01$, $df 58$). This means that the treatment group had a significant change compared to the control group. Paired Test Results Sample t-test shows the value before the model is used the average results obtained by supervision is 49,8333. As for the value after the model is used, the average value of supervision results is 71,1000 and the Sig. (2-tailed) of 0,000 $< 0,05$, because of the Sig. (2-tailed) of 0,000 smaller 0,05 and t-test of -28,239 $df 59$, it can be explained that the use of a supervisory development model can improve the performance of supervisors at the Cooperative. The treatment group had a significant change compared to the control group this meant showing the success of the monitoring model empowering techniques and effective management. Besides that, the effect size showed a result of 79 percent and a high category. The effect sizes of each component model from the largest to the smallest, namely: the function of the Internal Supervisory Board by 35,95 percent, followed by the professionalism of the supervisor by 27,58 percent, effective supervision techniques by 14,34 percent, and finally the effective supervision management by 0,78 percent. The 3rd

experiment treatment group produced an average value (Mean) = 28,1000, having a higher change than the control group producing an average value (Mean) = 19,0667); Equal Variance Assumed shows that there is a difference of 1 percent ($t = -5,811$; $p < 0,01$, $df = 58$). This means that the treatment group had a significant change compared to the control group. Paired Test Results Sample t-test shows the value before the model is used obtained an average of 50,0500 supervision results. As for the value after the model is used, the average value of the supervision results is 73,6333 and the Sig. (2-tailed) of 0,000 $< 0,05$, because of the Sig. (2-tailed) of 0,000 smaller 0,05 and t-test of $-24,328$ $df = 59$, it can be explained that the use of a supervisory development model can improve the performance of supervisors at the Cooperative. The treatment group had a significant change compared to the control group this meant showing the success of the monitoring model empowering techniques and effective management. Besides that, the effect size showed a result of 96 percent and a high category. The effect sizes of each component of the model are from the largest to the smallest, namely: the function of the Internal Supervisory Board at 55,70 percent, followed by the professionalism of the supervisor at 32,78 percent, effective supervision management at 5,77 percent, and finally the effective supervision technique at 2,04 percent.

Based on these results it can be summarized an average effect size testing of 84,07 percent and a high category, the contribution of each variable of the Cooperative effective supervision development model on average in a row from large to small, namely: the function of the Internal Control Board of 36,40 percent, professionalism of supervisors by 29,11 percent, effective supervision techniques by 10,95 percent, and effective supervision management by 7,61 percent. This study confirms that the field testing of the internal audit model shows that internal audit is an important driver for industrial companies [9] and local governments [15]. The study also found contributions from the function of the Internal Supervisory Board (internal auditor), resulting in the first largest effective contribution of 36,40 percent, namely: overseeing Cooperative management, providing guidance to management and members of the cooperative, giving advice, considering and solving problems, socializing the existence Cooperative, evaluating management performance regularly, preparing and submitting reports on the results of monitoring to cooperative management. The consistent results of the internal auditor's contribution to responsibility and accountability are no less important than the potential impact on sustained financial performance improvement [14]. The results of this study are similar [16], that audit quality is measured through process quality (accuracy of professional findings, skepticism), quality of results (value of recommendations, clarity of reports, and benefits of audits), and follow-up of audit results. The supervisory report produced can be trusted by the professional supervisor to carry out the supervision process in accordance with the established supervision procedures. Supporting this, supervision is said to be of quality if it meets uniform and consistent standards, which illustrate best practices [17].

The results of this study indicate that the effective supervision model reinforced by professionalism of supervisors produced the second largest effective contribution of 29,11 percent. Improving the quality of internal oversight bodies is carried out on an ongoing training basis. In line with professional auditors manifested from knowledge and experience [18,19], and professional credibility [20]. The auditor not only has an academic background but also special training experience [21]. Auditors in multinational organizations must be familiar with international audit standards to conduct good audits on geographically dispersed units [22]. Encourages solid professional training programs to further develop auditor skills and make it possible to handle complex audit activities. Furthermore, auditors also need resources to conduct audit activities. The amount of resources determines the audit scope and depth for a certain time period [23]. The auditor needs to develop the ability to interact with a sense of dignity and respect for the party being audited because the way the audit is delivered is very important to study and improve audit performance. Sudrajat [24] found that the auditor's ability to build positive interactions with the auditee was more positive with a learning orientation that emphasized teaching and teaching rather than focusing on error detection as a means of reprimanding and sanctions. Gomez dan Balkin dan [25] emphasize that building quality relationships with the auditee and problem solving orientation is associated with lower levels of resistance to auditors and auditors. Wedayani and jati [26] prove the effect of competency, independence, professionalism, and motivation both partially and simultaneously on the quality of internal audit. Dewi and Yasa [27] states that audit quality is influenced by accounting knowledge, auditing, financial reporting, client industry knowledge, and the ethics of the accounting profession.

The study also found that an effective supervision development model was strengthened by effective supervision techniques which produced the third largest effective contribution of 10,95 percent. Research [28,29] monitoring techniques as variables that affect performance, also support research [30-32] the application of organizational supervision techniques will be increasingly focused and can produce better performance. Confirm the findings [33,34]. Strengthening the findings [35-37] The structured strategy environment is treated appropriately to create a match that results in superior performance.

The results of this study indicate that the effective supervision model is strengthened by supervisory management which produces the last largest effective contribution of 7,61 percent, namely setting the implementation standard, determining the measurement of the implementation of the activity, implementing the activity, implementing the standard, corrective action if necessary. Support for this research, Ruscita [38] explains that supervision will succeed when it starts with standard setting, then checks the situation achieved, then does what needs to be done to ensure performance is in accordance with what was planned. Koriah [39] explains that supervisory management is a systematic effort to set performance standards according to plan, design feedback

information systems, compare employee performance with predetermined standards, determine whether errors or deviations occur, and to take the necessary actions to ensure that all sources company power is used as effectively and efficiently as possible in achieving company goals. Research [40] revealed that supervisory management is an activity that motivates and inspires employees to act quickly and carefully in order to achieve organizational goals. Sugiarta [41] points out that supervision is important because it can provide benefits to organizations such as: (1) creating better quality, (2) coping with change, (3) accelerating the organizational cycle, (4) facilitating delegation and teamwork.

IV. CONCLUSION

The cooperative effective supervision development model can result in an increase in the performance of cooperative supervisors with an effective contribution of 84,07 percent and high categories, which are contributed by the indicator of the development model of cooperative effective supervision from the largest to the smallest, namely the function of the Internal Supervisory Board by 36,40 percent, professionalism of supervisors by 29,11 percent, effective supervision techniques by 10,95 percent, effective supervision management by 7,61 percent.

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