



Business Development Strategy Puskop Kartika Hasanuddin Kodam XIV / HSN through Strategic Business Unit

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Abstract. Puskop Kartika Hasanuddin Kodam XIV / Hsn experienced a decline in operating income/turnover in 2022 vs 2023, where the income of operations/turnover was a minus growth of -6%. The low income of operations/turnover was the main problem faced by Puskop Kartika Hasanuddin Kodam XIV / Hsn because the income of operations/turnover is the main contribution for Puskop Kartika Hasanuddin Kodam XIV/Hsn. Thus, this study aims to provide solutions with a marketing approach to improve the business income/turnover of Puskop Kartika Hasanuddin Kodam XIV / Hsn and achieve the expected targets. The population of this study is the entire financial report of Puskop Kartika Hasanuddin Kodam XIV / Hsn through the period of 2020-2023, hence the number of observations is 4 years of observation. The research sample is some parts of the characteristics possessed by the population. The type of sample used is a saturated sample. The analysis methods applied in this study are internal and external environmental analysis along with the SWOT analysis.

Keywords: internal environment analysis, external environment analysis, swot analysis.

1 Introduction

Cooperatives that are identical to the popular economic system are believed to be an alternative to solve Indonesia's socio-economic problems. However, until now the cooperative movement in Indonesia is still more dominant as a moral movement than as an economic movement that is concretely able to improve the economic welfare of its members.

Institutionally, cooperatives are more prominent as a social vehicle whereas the role of cooperatives should not only be limited to social roles but also economic roles. Cooperatives must be able to make a real contribution to the economic empowerment of the people. Otherwise, cooperatives that are expected to be able to become soko guru ekonomi will collapse, pushed by other economic actors, namely the private sector and state-owned enterprises [1].

Evaluation is needed to develop existing Information Technology at Puskop Kartika Hasanuddin Kodam XIV / Hsn to be able to improve building a reliable and integrated system. One way to conduct an evaluation is by using the SWOT analysis. Four aspects will be reviewed, namely: strengths, weaknesses, opportunities, and threats. The SWOT analysis is a systematic identification of various factors to formulate a company's strategy, this analysis is based on logical thinking that can maximize strengths and opportunities, as well as simultaneously minimize weaknesses and threats [2].

Puskop Kartika Hasanuddin Kodam XIV / Hsn was established in Kodam XIV/Hasanuddin for the military forces in Indonesia because it is expected to promote the welfare of the army and civil servants who were assigned to the military forces.

In accordance with the principle of cooperatives in Indonesia, namely the principle of kinship, the army cooperative vision is:

1. Welfare of soldiers, civil servants, and their families.
2. Improve the economic welfare of its members.
3. Actively participate in improving the quality of life.

In the realization of a vision, it is necessary to make sure that the mission is really implemented, while the mission of the army cooperative is:

1. Carry out activities in various fields of business that can provide a place for business patterns that are in direct contact with the interests and needs of Army soldiers.
2. Establish business partnerships with other business entities for the advancement of cooperatives.

Puskop Kartika Hasanuddin Kodam XIV / Hsn experienced a decline in operating income/turnover in 2022 vs 2023, where the income of operations/turnover was a minus growth of -6%. The low income of operations/turnover was the main problem faced by Kodam XIV/Hasanuddin cooperative because the income of operations/turnover is the main contribution for Puskop Kartika Hasanuddin Kodam XIV/Hsn.

This study aims to analyze the underlying problems of low business income/turnover and provide solutions with a marketing approach to improve the income of operations/turnover at Puskop Kartika Hasanuddin Kodam XIV/Hsn and achieve the expected target.

This study is limited by the scope of Competitive Strategies and marketing activation to improve business income/turnover at Puskop Kartika Hasanuddin Kodam XIV/Hsn.

2 Literature Review

David [3] stated that strategy management is the process of formulation and implementation of the main objectives and initiatives taken by the top management of the organization over the owners, based on the consideration of internal and external environmental assessment

resources in which the organization operates. Strategic management is the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its goals. As described by David [3], the strategy management process consists of three stages including strategy formulation, strategy

implementation, and strategy evaluation. The process of strategy management will be easier if implemented using a model.

2.1 Analysis Of The Internal Environment

Internal environmental analysis is a strategic planning process that studies the company's marketing and distribution, development and research, products and operations, company resources and employees, as well as financial and accounting factors to determine the strengths and weaknesses of the company.

1. Finance
2. Marketing
3. Human Resource Management
4. Production and operations
5. Research and development

Research and Development are conducted whenever a new product that has not been managed by competitors occurs, which aims to improve marketing and get the advantage of cost through efficiency.

2.2 Analysis Of The External Environment

According to David [3], the external environment is a process in strategic planning to determine the environment in determining the opportunities or threats facing the company. External forces can be divided into five broad categories, which are as follows:

1. Economy
2. Social, cultural, and demographic
3. Politics, government, and law
4. Technology
5. Competitive

2.3 Preparation Of Strategic Planning

The strategic preparation process is carried out by going through three analyst stages, namely the input stage using the Ife Matrix and the EFE matrix, the matching stage using the SWOT Matrix and the IE Matrix, and the decision stage using the QSPM Matrix. The final stage of the case analysis is to formulate the decision to be taken.

1. Input stage
2. Matching stage
3. Decision stage

2.4 Business Development Strategy

a. Understanding Strategy is a fundamental pattern of present and planned goals, resource deployment, and the interaction of an organization with markets, competitors,

and other environmental factors [4]. Strategy is the setting of long- term goals and objectives of a company; and the direction of action and location of resources needed to achieve specific goals and objectives [5]. Business development is the task and process of preparing an analysis of potential growth opportunities, supporting and monitoring the implementation of business growth opportunities, but excluding strategic decisions and implementation of business growth opportunities [2].

b. Business development strategy

In developing a business, the strategic formulations that need to be done are the importance of the availability of potential resources, the need to understand market changes quickly, build partnerships, standardized and sustainable products, and develop efficiency principles for competitiveness, and most importantly the potential for resources and quick response to market demand [6].

c. Strategy in service development

d. Elements in developing services.

e. Stages of business strategy development

f. Terms of Quality Business Development Strategy.

g. Business Development Techniques

h. Types Of Business Development Strategies.

2.5 SWOT Analysis

Rangkuti [2] suggested that SWOT analysis is a strategy formulation tool that analyzes and identifies various factors systematically to formulate corporate strategies based on logical thinking, that can maximize strengths and opportunities, as well as simultaneously minimize weaknesses and threats. According to Yunus [7], SWOT analysis is a systematic study of the factors of internal strengths and weaknesses of the company along with the opportunities and environmental threats faced by the company. SWOT analysis is also helpful advice for Strategic Planning so that the company may formulate and implement strategies to achieve goals.

According to Kurniati [8], SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) is a tool in strategy analysis that combines factors in the internal environment (strengths and weaknesses) and the external environment of the organization (opportunities and threats).

1) Strengths are the positive competencies of the company compared to competitors in the areas of production/operations, marketing, finance, personnel, and management. Every company must make an effort to consolidate its strength.

2) Weakness is the negative tendency of the company against competitors in all functional areas of the organization. Every company should make efforts to minimize weaknesses.

3) Opportunities are favorable circumstances or external environmental situations that offer or provide favorable circumstances to the organization. Every company should make an effort to seize the opportunities that remain at the right time.

4) Threats are unfavorable situations that the external environment provides to the organization. Every effort should be made to address/minimize the threat.

2.6 Conceptual Framework

The conceptual framework that underlies the research conducted on Puskop Kartika Hasanuddin Kodam XIV / Hsn is illustrated in the figure below:

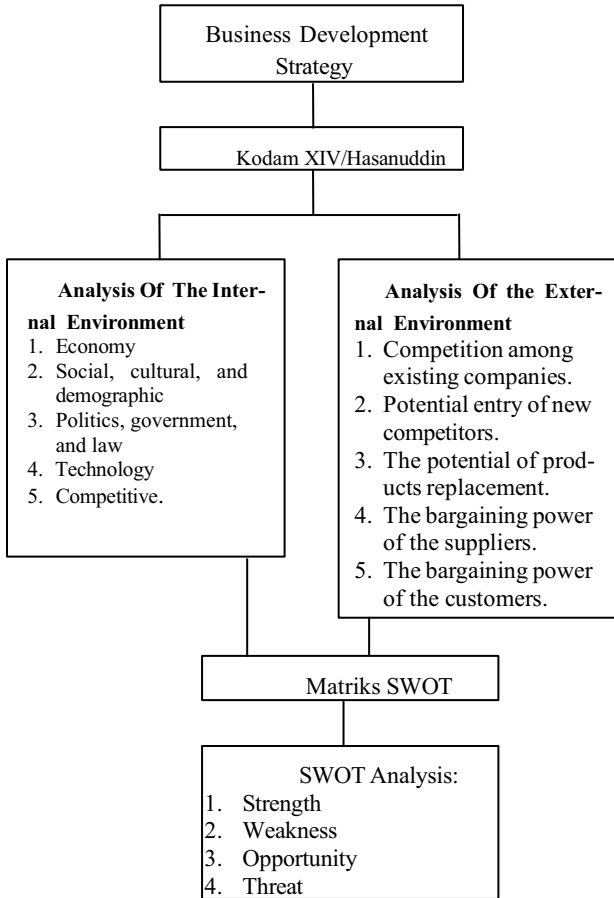


Fig. 1. Conceptual Framework

3 Research Methods

3.1 Location and Design of the Study

This study was conducted at Puskop Kartika Hasanuddin Kodam XIV/Hsn located on Jalan Rajawali, Makassar.

Deductive thinking was applied as the quantitative approach in this study, while in regard to the level of explanation, this study is classified as associative research. Associative research is research that aims to determine the influence or causal relationship.

3.2 Population and Sample

The population of this study was the entire financial report of Puskop Kartika Hasanuddin Kodam XIV / Hsn through the period of 2020- 2023, hence the number of observations is 4 years of observation. The research sample is some parts of the characteristics possessed by the population. The type of sample used in this study was a saturated sample.

3.3 Data Collection Methods

The data collection method used secondary data obtained from institutions or agencies related to the research object and obtained through documents, namely data from the Financial Statements of publications in the period 2020- 2023 published by Puskop Kartika Hasanuddin Kodam XIV/Hsn. Data collection methods were documentation techniques, carried out by collecting, recording, and reviewing secondary data in the form of data on the Financial Statements of Puskop Kartika Hasanuddin Kodam XIV/Hsn.

3.4 Data Analysis Methods

This study used the internal and external environmental analysis along with the SWOT analysis, as the data analysis method.

4 Research Results and Discussion

4.1 Business Strategy

Rusdarti [9] states that every cooperative competing in an industry must have a competitive strategy, both externally and internally. This strategy may be developed externally through a planning process or may have evolved internally through various activities from different functional departments of the cooperative. A strategy is necessary to

ensure that at least the policies of the cooperative's functional departments are coordinated and directed towards the cooperative's common goals. Therefore, based on the cooperative's overarching strategy, it must have a competitive marketing strategy to compete and excel in the market.

The data obtained and analyzed are as follows:

1. Internal Aspects

Internal aspects are used to identify strengths and weaknesses deemed important. Data and information on the internal aspects of the cooperative were obtained through interviews with the cooperative's stakeholders. The data and information were provided by the cooperative's stakeholders by identifying what aspects they believe influence the development of the cooperative.

The following are the internal aspects:

- A considerable number of cooperatives. The number of cooperatives in Makassar City is quite large, reaching more than 59 Puskop Kartika Hasanuddin Makassar spread across various parts of Makassar City. This constitutes an advantage that can be leveraged due to the significant number of cooperatives.
- Members' capabilities with substantial own capital/funds. Several Puskop Kartika Hasanuddin Makassar have members with backgrounds as employees/professionals who possess good fund-raising capabilities (own capital). This supports the operational activities of several Puskop Kartika Hasanuddin Makassar.
- Good relationships with cooperative stakeholders. The relationships between the government, Dekopinda, and the Cooperative Movement, as well as other financial institutions, are well established. This provides an advantage for the cooperative that can be optimized through collaboration among cooperatives and with other stakeholders.
- Support from educational institutions/ universities in cooperative development. Full support is provided by educational institutions/universities through socialization, cooperative education in subjects/courses, and research and development related to cooperatives.
- High application of cooperative principles. The application of cooperative principles at Puskop Kartika Hasanuddin Makassar is quite high, evidenced by activities carried out within the cooperative aligning with cooperative principles.
- Inadequate cadre development. Cooperatives are still viewed as less modern business entities and outdated for the younger generation, resulting in a lack of interest among millennials in succession or replacing management in the future.
- Low quality of cooperative human resources. The quality of cooperative human resources is still considered low due to a lack of selection in HR recruitment, and the majority of cooperative employees are older generations who are less skilled, particularly in technology.
- Management needs improvement. Cooperatives still apply simple management and lack orderly financial reporting, thus requiring management based on entrepreneurship principles.
- Low technology adoption. Most cooperatives have not implemented advanced technology in their cooperative activities and still rely on manual methods or what is deemed simple without utilizing technology.
- Low implementation of cooperative collaboration. Collaboration among cooperatives is still limited and tends to stagnate or show no development or continuation. Similarly, cooperation between cooperatives and non-cooperative businesses is also low.
- Low implementation of cooperative education. Cooperative education has not been conducted periodically or at least once a year. This relates to the costs of education and training for cooperatives, which are not budgeted.

2. External Aspects

External aspects are used to identify opportunities and threats deemed important. Data and information on the external aspects of the cooperative were obtained through interviews with the cooperative's stakeholders. The data and information were provided by the cooperative's stakeholders by identifying what aspects they believe influence the development of the cooperative.

The following are the external aspects:

- Rapid growth of cooperatives. The Kodam XIV/Hasanuddin cooperative has grown quite rapidly, as establishing a cooperative is not as difficult as setting up other types of businesses.
- Cooperative partnership capabilities. The cooperative has established partnerships with other cooperatives and non-cooperative businesses, providing an advantage that can expand its collaborative network.
- Regular government guidance. The government has routinely and comprehensively supported the cooperatives within Puskop Kartika Hasanuddin Makassar. The government has also documented the cooperatives based on their activity levels.
- Government encouragement and support. The government has fully encouraged and supported cooperative activities at Puskop Kartika Hasanuddin Makassar through various programs and outreach efforts to nurture the cooperatives.
- Benefits from technological advancements. Technological progress has opened up the world, including for cooperatives themselves. The ability to expand marketing

4.2 SWOT Analysis

After conducting the internal and external analyses, we use the results to determine the Strengths, Weaknesses, Opportunities, and Threats of Leftfield Leisure.

The strengths of the team are the primary strengths of the Kodam XIV/Hasanuddin Cooperative. The primary opportunity for the Kodam XIV/Hasanuddin Cooperative lies in the growing savings and loan business, as well as the sale of member necessities, which has the potential for future growth. However, the main weakness of the Kodam XIV/Hasanuddin Cooperative is the lack of additional support for business development. Lastly, the major threat to the cooperative is the competition from businesses offering lower prices. A deeper explanation of each element will be discussed in the following sections.

1. Strengths

The Kodam XIV/Hasanuddin Cooperative has several strengths commonly found in cooperative enterprises, which include:

- Adequate capital reserves.
- Proper and well-maintained financial records.
- A highly strategic cooperative location.
- Established partnerships with banks.

2. Weaknesses

The Kodam XIV/Hasanuddin Cooperative faces weaknesses that may arise in the future, which could hinder business success. The weaknesses of the Kodam XIV/Hasanuddin Cooperative include:

- A lack of professional staff capabilities in managing the cooperative.
- Management members holding multiple positions.
- The educational level of management and cooperative members needs to be improved.
- The Annual Member Meeting (RAT) has not fully been implemented.
- Cadre development is not progressing well.

3. Opportunities

Opportunities are aspects that the Kodam XIV/Hasanuddin Cooperative can leverage to continue developing its business. The opportunities for the Kodam XIV/ Hasanuddin Cooperative include:

- The growing interest among members in savings and loan cooperatives.
- Many members are interested in savings and loans.
- Government policies that encourage membership.
- Infrastructure and service systems that influence membership.
- Cooperative members feel secure with the transactions they conduct.
- Opportunities for the development of the Kodam XIV/Hasanuddin Cooperative include: differences in product prices generated by the cooperative, the cooperative's willingness to partner with other businesses, the existence of regional autonomy, realization of financial assistance from the government, responsiveness of management and cooperative members, and advancements in information technology.

4. Threats

Threats are obstacles in conducting business, posing significant challenges in developing the savings and loan cooperative and the cooperative for selling various member needs. The threats faced by the Kodam XIV/Hasanuddin Cooperative include:

- Decreasing interest rates affecting you as a cooperative member.
- Competition with other cooperatives influencing your decision to become a member.
- Difficulties in meeting requirements when borrowing from the cooperative.
- Negative perceptions among members towards cooperatives.
- Establishment of maximum borrowing limits

5 Conclusions

The primary strategy for the development of the Kodam XIV/Hasanuddin Cooperative is to improve its operations in both quantity and quality, so that cooperative members consistently utilize the services provided for their economic activities. This is essential to ensure the cooperative functions smoothly and sustainably over time. Based on the

SWOT analysis, several internal strengths have been identified, including the sufficient availability of goods and services, effective communication between the management and members, active participation of members, and the discipline of members in regularly paying their dues.

Nevertheless, some internal weaknesses must be addressed, such as the need to improve the education level of both management and members, inadequate bookkeeping practices, and the incomplete implementation of the Annual Member Meeting. Externally, the cooperative faces multiple opportunities, such as competitive product pricing, openness to partnerships with other business entities, regional autonomy that facilitates inter-unit collaboration, routine cooperative education and outreach, government financial assistance, responsiveness of management and members to government policies, and advancements in information technology that support operational efficiency.

However, several external threats also exist, including government policies that restrict cooperative activities, rising fuel prices, and increasing competition from other cooperatives. In light of these conditions, strategic measures for developing the cooperative should include increasing production, improving the quality of human resources, enhancing government involvement, strengthening cooperative management, partnering with other businesses, and ensuring efficiency in product pricing.

Based on these findings, several recommendations are proposed. First, for retired members who still have outstanding dues, cooperative management should conduct direct collection visits to the retirees' homes. Second, the Kodam XIV/Hasanuddin Savings and Loan Cooperative is encouraged to develop partnerships with banks in order to overcome capital constraints. Third, the cooperative should recruit new management members to avoid the issue of individuals holding multiple roles, which can affect the overall effectiveness of the management structure.

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