
Financial Health Analysis at Family Cooperative PGRI University Palembang

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ABSTRACT

Purpose: The purpose of this study is to analyze financial health in family cooperatives PGRI University Palembang.

Design/methodology/approach: The method used in this study is that of descriptive qualitative research. Data collection techniques consist of interviews, questionnaires, and documentation.

Findings: The results of the Research assessment of family cooperative health of PGRI University Palembang in 2018, obtained a healthy predicate score of 85.05, a healthy predicate score of 80.05 in 2019, and a fairly healthy predicate score of 77.05 in 2020.

Research limitations/ implications: This study uses data on RAT financial statements in 2018-2020. Guided by the Regulation of The Deputy for Supervision of the Ministry of Cooperatives and SMEs of the Republic of Indonesia Number 06/Per/Dep. 6/IV/2016 on KSP and USP Health Assessment Guidelines using aspects of cooperative health assessment which include capital aspects, aspects of productive asset quality, management aspects, efficiency aspects, liquidity aspects, aspects of independence and cooperative identity, and aspects of cooperative identity.

Practical implications: It is hoped that this research can provide benefits and information in the development of science and family cooperatives that could improve its financial health in the future.

Originality/value: This paper is the result of the researcher's analysis to explore the level of the financial health of family cooperatives PGRI Palembang university

Paper type: is categorized as a research paper.

Keywords: *Cooperatives, Cooperative Health Assessment, Financial Statements.*

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I. INTRODUCTION

One of the growth and progress activities in Indonesia is in the economic sector. The economic activity consists of 3 (three) areas, namely; State-Owned Enterprises (SOEs), Privately Owned Enterprises (BUMS), and Cooperatives. Along with the advancement of economic development, cooperatives in Indonesia have an important role that is as a means of a driver of the national economy that aims to realize and improve the economic and social welfare of a country, through the management of human resources, natural resources, economy and empowerment of cooperatives that play a role in the national economic order as an economic movement based on the principle of kinship. One of the factors influencing Economic development in a country is cooperatives. According to the Law of the Republic of Indonesia No. 17 of 2012 concerning Cooperatives, article 1 states that "Cooperatives are legal entities established by individuals or cooperative legal entities with

the separation of the wealth of their members as capital to run businesses that meet the aspirations and needs of the joint economic, social and cultural in accordance with the values and principles of cooperatives. Based on this, cooperatives are directed in order to provide entrepreneurial opportunities for the community to conduct productive activities through cooperatives so that people can benefit and achieve their economic well-being.

According to Ariansyah and Nurmala (2019) The level of cooperative health is a benchmark for the condition or situation of the cooperative in a certain period. Measurement of the financial health assessment of cooperatives can be measured using financial statements that show an overview of the state of success achieved by a business entity and used as a reference to see if the rules of management have been run well by business entities, one of which is cooperatives. Cooperative management is a series of activities to cooperate in benefiting and utilizing cooperative resources to achieve common goals in an effective and efficient manner in accordance with the values and principles of cooperatives (Tambunan and Tambunan 2019). according to Kurniawan, C., & Arianti (2019) management recommends financial statements and outside parties to use the information to help make decisions.

Based on these management rules, cooperative management norms are those contained in the principles and values of cooperatives. Financial health cooperatives have their own assessment, it can be used as a referential evaluation in the making of a policy that will be used for the next period. Hopefully the students of PGRI Palembang University, especially students of the Accounting Education study program, can apply knowledge in the future and make them strong and successful entrepreneurs and can apply Accounting knowledge and cooperative knowledge. (Lestari and Masnunah 2019)

PGRI University Palembang has a cooperative called a family cooperative that was established a long time ago consisting of employees and lecturers of PGRI University Palembang. The cooperative is engaged in various businesses such as loan stores, photocopier and ATK stores, as well as grocery stores in cooperation with indogrosir (OMI). Based on information obtained from the chairman of the Family Cooperative of PGRI University Palembang, Family cooperatives have never been conducted a cooperative health assessment. Based on this and given the importance of financial health assessment for the development of businesses run by cooperatives, the researchers are interested in conducting research on the cooperative with the title "Financial Health Analysis at the Family Cooperative Of PGRI Palembang University".

1. Problem Formulation

Based on the background description and focus and sub-focus of research, the problem in this study is "How is financial health in the Family Cooperative of PGRI University Palembang?"

2. Cooperation

Koperasi is an autonomous organization located within a socioeconomic environment and economic system that allows each individual and each group of people to formulate their goals autonomously and realize those goals through jointly implemented economic activities (Kusnadi 2016). Based on some of the opinions that have been outlined about cooperatives, it can be concluded that cooperatives are business activities organized by a group of people who work together with the aim of improving the welfare and income of the cooperative members as much as possible.

3. Financial Statements

Financial health can be measured by using a financial statement. therefore financial statements will be more useful in decision making in a business if the information presented in the financial statements is in accordance with the actual financial position. according to Hery (2012) Financial statements are the final product of the process of recording and overview of business transaction data. According to Lestari, N. D., & Toyib (2017) financial statements are the final result of the financial process and are the most important part of delivering economic information. Based on the preceding opinion, it can be concluded that the financial statements are a collection of information consisting of the recording process, the process of overview until the final process of reporting where financial statements are made to assist in providing information about the condition or financial condition of the company and able to assist in giving decisions or considerations about the condition of a business entity or company.

4. Cooperative Health Assessment

Regulation of the Minister of Cooperatives and SMEs of the Republic of Indonesia number 21/per/M.KUKM/IX/2008 concerning the guidelines for supervision of KSP and USP article 2 states that the health assessment of KSP and USP cooperatives is an assessment of the size of ksp and usp cooperatives in terms of factors that affect the smoothness, success of growth, and or development and business continuity of

KSP and USP cooperatives in the short and long term. Based on the explanation of cooperative health assessment, the researcher concluded that cooperative health assessment is a state or business condition that can strengthen and give an idea of the good or bad and healthy or unhealthy economic condition run by the cooperative in question.

II. METHODOLOGY

This research was conducted at the Family Cooperative at PGRI University Palembang located jln. Jend. A. Yani Lr. Gotong Royong 9/10 Ulu Palembang. The informant of the research was the Chairman of the Cooperative, the Treasurer of the Cooperative, and the Chairman of the Cooperative Supervisory Board. The research method is defined as a scientific way to obtain data with specific purposes and uses (Sugiyono. 2019). This research method uses a descriptive method qualitative approach.

The Data used are of primary data source and secondary data. Research data collection techniques comprise of:

- a. Questionnaires are a number of written questions used to obtain information from respondents in the sense of reports about his or her personal experiences, or things he/she knows (Arikunto 2019).
- b. A document is a record of past events. Documents can take the form of writings, drawings, or monumental works of a person (Sugiyono. 2019).

An interview is a process of obtaining information/data for research purposes by way of question and answer, while a face-to-face interaction is conducted between the interviewer and the respondent accompanied with interview procedures (Siregar 2013).

The data validity technique used is the triangulation technique. Sugiyono. (2019) triangulation is defined as a data collection technique that combines various data collection techniques and existing data sources. Researchers used two techniques of triangulation sources and techniques. Data analysis techniques use 7 aspects of health assessment in the Regulation of Deputy for Supervision of the Ministry of Cooperatives and SMEs of the Republic of Indonesia Number: 06/Per/Dep.6/IV/2016 consisting of;

Table 1. health assessment operation

No	Graded Aspects	Component	Gradeweight
1		Capital	15
		<i>Ratio Of Owned Capital To Total Assets</i>	
	A.	$\frac{\text{Owned capital}}{\text{Total assets}} \times 100\%$	6
		<i>The Ratio Of Owned Capital To Loans Given At Risk</i>	
	B.	$\frac{\text{Owned capital}}{\text{Loans Given At Risk}} \times 100\%$	6
		<i>Own Capital Adequacy Ratio</i>	
	C.	$\frac{\text{Weighted owned capital}}{\text{ATMR}} \times 100\%$	3
2		Quality Of Productive Assets	25

	<i>Ratio Of Loan Volume In Members To Loan Volume Given</i>	
A.	$\frac{\text{Loan Volume in Members}}{\text{Loan volume}} \times 100\%$	10
	<i>Risk Ratio Of Non-Performing Loan To Loans Provided</i>	
B.	$\frac{\text{Non-Performing Loans}}{\text{Loans Provided}} \times 100\%$	5
	<i>The Ratio Of Risk Reserves To Non-Performing Loans</i>	
C.	$\frac{\text{Reserved risks}}{\text{Non-Performing Loans}} \times 100\%$	5
	<i>Note: risk reserve is a risk goal substitute + loan elimination allowance</i>	
	<i>Ratio Of Risky Loans To Loans Provided</i>	
D.	$\frac{\text{Risky Loans}}{\text{Loans provided}} \times 100\%$	5
3	<i>Management</i>	15
A.	<i>General Management</i>	3
B.	<i>Institutional</i>	3
C.	<i>Capital Management</i>	3
D.	<i>Asset Management</i>	3
E.	<i>Liquidity Management</i>	3
4	<i>Efficiency</i>	10
	<i>Ratio Of Operating Expenses To Gross Participation</i>	
A.	$\frac{\text{Member operating expenses}}{\text{gross participation}} \times 100\%$	4
	<i>Note: Member operating expenses are the underlying expenses plus operating expenses for members + operating expenses. For cooperative USPs, the operating expenses are calculated proportionally</i>	

	<i>Gross Operating Expenses To Shu Ratio</i>	
B.	$\frac{\text{Operating expenses}}{\text{Gross SHU}} \times 100\%$	4
	<i>Service Efficiency Ratio</i>	
C.	$\frac{\text{Employee costs}}{\text{Loan Volume}} \times 100\%$	2
5	<i>Liquidity</i>	15
	<i>Cash Ratio</i>	
A.	$\frac{\text{Cash+Bank}}{\text{Current liabilities}} \times 100\%$	10
	<i>Ratio Of Loans Given Go Funds Received</i>	
B.	$\frac{\text{Loans provided}}{\text{Funds received}} \times 100\%$	5
	<i>Note: The Funds Received Are Total Liability In Addition to Debt Costs and Shu Has Not Been Divided</i>	
6	<i>Self-Reliance And Growth</i>	10
	<i>Asset Rentability Ratio</i>	
A.	$\frac{\text{SHU before taxes}}{\text{Total assets}} \times 100\%$	3
	<i>Own Capital Rentability Ratio</i>	
B.	$\frac{\text{SHU of members}}{\text{Total own capital}} \times 100\%$	3
	<i>Ratio Of The Operational Independence Of Services</i>	
C.	$\frac{\text{Net participation}}{\text{Operating expenses+cooperation expenses}} \times 100\%$	4
7	<i>Cooperative Identity</i>	10
	<i>Gross Participation Ratio</i>	
A.	$\frac{\text{Gross participation}}{\text{Gross participation+Income}} \times 100\%$	7
B.	<i>Member Economic Promotion</i>	3

$$\frac{Pea}{\text{principal savings} + \text{obligatory savings}} \times 100\%$$

$$PEA = MEPPP + SHU \text{ of members}$$

Total

100

Table 2. determination of KSP and USP health level predicates

Score	Predicate
$80,00 \leq X \leq 100$	Healthy
$66,00 \leq X \leq 80,00$	Fairly Healthy
$51,00 \leq X \leq 66,00$	Under Surveillance
$<51,00$	under special supervision

III. RESULTS AND DISCUSSION

A family cooperative is a business entity established on the basis of a family with the aim of welfare for its members and especially to support activities and help in the development of the capital of members. Family cooperatives have been established for a long time at PGRI University Palembang with the current legal entity decree Number: 010248/BH/M.KUKM.2/X/2018. Koperasi family addressed on Jl. General A. Yani, Lorong Gotong Royong 9/10 Ulu Palembang whose members consist of all employees of PGRI University Palembang ± 463 active people. Determination of health assessment level of Family Cooperatives PGRI University Palembang. Based on the calculation of the score of each aspect of the cooperative health assessment, the results of the calculation are summed up based on the score provisions obtained from the overall assessment aspect that will be used to obtain the predicate level of health in cooperatives. Here are the results of the calculation of the Overall score of cooperative health assessment level.

Table 3. Calculation of Health Level Assessment Score of Family

Cooperatives of PGRI University Palembang				
No	Assessed Aspects	2018	2019	2020
1	Capital			
a.	Ratio of Own Capital to Total Assets	6	3	3
b.	Own Capital Adequacy Ratio	3	3	3
	Total Capital Aspect Score	9	6	6

2	<i>Quality of Productive Assets</i>			
a.	<i>Ratio of Loan Volume in Members to Loan Volume Given</i>	10	10	10
b.	<i>Risk Ratio of Non-Performing Loans to Loans Provided</i>	5	5	5
c.	<i>Ratio of risky loans to loans provided</i>	5	5	5
	<i>Total Score of Quality Aspects of Productive Assets</i>	20	20	20
3	<i>Management</i>			
a.	<i>General Management</i>	3	3	3
b.	<i>Institutional</i>	3	3	3
c.	<i>Capital Management</i>	3	3	3
d.	<i>Asset Management</i>	1,8	1,8	1,8
e.	<i>Liquidity Management</i>	3	3	3
	<i>Total Management Aspect Score</i>	13,8	13,8	13,8
4	<i>Efficiency</i>			
a.	<i>Ratio of Operating Expenses to Gross Participation</i>	4	4	4
b.	<i>Gross Operating Expenses to SHU Ratio</i>	3	1	3
c.	<i>Service Efficiency Ratio</i>	2	2	2
	<i>Total Efficiency Aspect Score</i>	9	7	9
5	<i>Liquidity</i>			
a.	<i>Cash Ratio</i>	10	10	5
b.	<i>Ratio of Loans Given to Funds Received</i>	5	5	5
	<i>Total Efficiency Aspect Score</i>	15	15	10
6	<i>Self-Reliance and Growth</i>			

a.	<i>Asset Rentability Ratio</i>	3	3	3
b.	<i>Own Capital Rentability Ratio</i>	3	3	3
c.	<i>Ratio of Operational Independence of Services</i>	4	4	4
	<i>Total Score Aspect of independence and growth</i>	10	10	10
7	<i>Cooperative Identity</i>			
a.	<i>Gross Participation Ratio</i>	5,25	5,25	5,25
b.	<i>Member Economic Promotion</i>	3	3	3
	<i>Total Score of Cooperative Identity Aspects</i>	8,25	8,25	8,25
	TOTAL SCORE OF OVERALL ASPECTS OF COOPERATIVE HEALTH ASSESSMENT	85,05	80,05	77,05

Based on the results of each assessment of cooperative health assessment, the next is the determination of the predicate of family cooperative health level of PGRI Palembang University in 2018-2020, as follows:

Table 4. Determination of Cooperative Health Level Predicates

	2018	2019	Year 2020
<i>Total Score</i>	85,05	80,05	77,05
<i>Predicate</i>	<i>Healthy</i>	<i>Healthy</i>	<i>Healthy Enough</i>

Based on the final result of the total overall score of Seven (7) Aspects of cooperative health assessment, namely consisting of capital aspects, productive assets quality, management, efficiency, liquidity, independence, and growth as well as cooperative identity. The final score of the Seven (7) Aspects of the assessment from 2018 – 2020 is 2018 and the score obtained is 85.05, experiencing a decrease of 5 points in 2019 to 80.05 and in 2020 it obtained a score of 77.05 which means a decrease of 3 points, this is due to the decrease in cooperative capital every year and the lack of minimizing in controlling the cost and utilization of existing funds. It is hoped that family cooperatives can increase capital by adding members and can use existing funds to expand their business. So it can be concluded that the Health of Family Cooperatives PGRI Palembang University throughout the last three (3) years, namely in 2018, 2019, and 2020 tends to decrease every year.

IV. CONCLUSION

Based on the results of calculations and discussions that have been conducted in this study, namely by conducting interviews, questionnaires, and financial calculations of RAT results (Annual Working Meeting) from 2018 to 2020. Guided by the Deputy For Supervision of the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 06/Per/Dep.6/IV/2016 concerning Guidelines for Health Assessment of Cooperatives Save Borrow and Save Borrow Units containing 7 Aspects of Health Assessment, namely Capital Aspects, Aspects of Productive Asset Quality, Management Aspects, Efficiency Aspects,

Liquidity Aspects, Aspects of Independence and Growth And Aspects of Cooperative Identity, it can be concluded that the financial health of family cooperatives at PGRI University Palembang in 2018 with a score of 85.05 obtained a healthy predicate; and in 2019 obtained a Healthy Predicate with a score of 80.05; and in 2020 with a score of 77.05 stated to obtain a fairly Healthy predicate.

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