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**Joint Responsibility System As The Key Success Of Women's Cooperative
Setia Bhakti Indonesian East Java Woman**

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ABSTRACT

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The aim of this study is to describe about the key success of women's cooperative "Setia Bhakti Wanita (SBW) Jawa Timur" which used a joint responsibility system to manage the cooperative's business so becomes a big cooperative in East Java Indonesia. It also becomes a learning place for the joint liability system for other cooperatives. This research is a descriptive qualitative research. The outcomes of this study found that the key to the success of the SBW women's cooperative in managing the cooperative business is consistently implementing a joint responsibility system, do monitoring and mentoring, using joint liability as an organizational culture, giving education and training to member, knowledge sharing between members.

Cooperatives, Joint Responsibility System, Knowledge Sharing

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INTRODUCTION

Cooperatives are organizations for mutual benefit, where members own, control, and benefit from the results of the cooperative. Its purpose is to serve the interests of members, from invested capital and to adopt democratic control of socio-economic outcomes, to make a distinction between cooperatives and other forms of business". (Bharadwaj, 2012). A cooperative is a social entrepreneurial organization that is legitimately integrated as a non-profit entity, with one or more owners who have official moralities to control the company and who are allowed to the outstanding salary and net assets. (Dees & Anderson, 2003). In Indonesia, "the existence of cooperatives is stipulated in the 1945 Constitution of the Republic of Indonesia", article 33, namely that cooperatives as the supports of the Indonesian economy lodge a very vital point in the economic system, for this the role of cooperatives in Indonesia are sheltered by regulation (Menteri Koperasi dan Usaha Kecil Menengah Republik Indonesia, 1992). "Cooperatives are economic institutions that are suitable to be

applied in Indonesia, because the principles of cooperatives are kinship and cooperation in accordance with Indonesian culture” (Hidayat, Setiana, & Situmeang, 2016)

Setia Bhakti Wanita (SBW) Jawa Timur” Women Cooperative is a savings and loan cooperative that uses a joint liability system in managing cooperative businesses, so it is also called a joint responsibility cooperative. According to Supriyanto (2000) the definition of joint responsibility is joint responsibility between members of a group for all debts to the cooperative on the root of openness and common belief, for this reason, a cooperative that uses its membership joint liability must be in groups. The joint responsibility system applied in the SBW women's cooperative is the same as the joint responsibility applied to the Grameen Bank which was founded by M. Yunus in Bangladesh, the difference is that the group members at Grameen Bank are mostly poor women because the purpose of establishing Grameen Bank is to alleviate poverty (Wahid & Hsu, 2000), while members of the women cooperative SBW members are not only for the poor because the purpose of this SBW women's cooperative is not only for the welfare of members but also for empowering women.

This SBW women's cooperative is a non-governmental cooperative that has a high enough risk because members borrow funds from the cooperative without providing collateral as collateral, but the group will guarantee or be responsible for all obligations of the members. From the results of previous research, the benefits of with joint responsibility include safe cooperative assets, since all threats are tolerated by the group (Faidah & Dewi, 2014), greatly contributed to the achievement of nil bad obligation (Arifin, 2008), can raise a sense of mutual solvency and duty, making control mechanisms (Wahyudi & Rustantia, 2017), shows solid social bonds (Carli & Uras, 2017), improve repayment performance (Rathore, 2017).

RESEARCH METHODE

The method of this research is a qualitative approach. Primary data was obtained from observations and interviews to explore in-depth information from various sources, both from one of the founders and several former administrators of the SBW cooperative, while secondary data was obtained from various sources, including articles, books and websites from the SBW cooperative.

RESULT AND DISCUSSION

History of the Formation and Progress of the Women Cooperative “Setia Bhakti Wanita Jawa Timur”

The formation of the Setia Bhakti Wanita Cooperative started with a women's arisan group of 19 people. Apart from arisan, they also carried out investments and loan actions for arisan members in 1975. The investments and credit commercial carry on and progresses so that it does not only help arisan members but also the neighboring communal, which aims to help the neighboring communal who are held by credit sharks. In 1977, Ms. Mursia Zaafril Ilyas, the initiator of the joint responsibility system, Ms. Zaafril presented a joint responsibility system to the women of the arisan group and driven them to arrangement a women's cooperative with a joint responsibility system.

In early 1978, the women of the arisan group formed a women's cooperative with a joint responsibility system in the management of a cooperative business with a total of 35 members, because the joint responsibility cooperative had membership in groups so that the members were separated into 4 groups based on the closeness of their house. Moreover, each group is tasked with hiring associates or neighbors they recognize to connect to cooperative. On May 30, 1978 this women's cooperative was instated by the Surabaya Cooperative Department under the name Setia Bhakti Wanita Surabaya Multiuse Cooperative (KSU).

The journey of SBW cooperative carried on to raise with the growth in the numeral of members and groups every year carry on to rise, numerous members who want to join not only the persons of Surabaya but from outside the city of Surabaya so that in 2006 the SBW cooperative working area was extended not only in the city of Surabaya. but it developed the province of East Java and the name of the cooperative was also changed to the SBW Jawa Timur women's cooperative. With the increase of their working area, persons from outside the city of Surabaya can join as members of SBW Jawa Timur cooperative as long as they are still in the province of East Java.

Based on data from the 2021 SBW cooperatives's Management Accountability report data, the number of registered members is about 12 thousand people divided into 467 groups distributed in the Surabaya, Sidoarjo, Gresik and Bojonegoro areas. This cooperative has varied groups both in terms of socio-economy and education so that each group has dissimilar features from one group to another, of course this is not easy for administrators to manage groups. the group in order to have the same opinion so that the aims of the cooperative can be achieved.

Table 1.
Number Of Members At The Beginning Of
Its Formation 1978 And 2021

| YEAR | NUMBER OF MEMBERS | NUMBER OF GROUPS |
|------|-------------------|------------------|
| 1978 | 35 | 4 |
| 2021 | <u>+ 12.000</u> | 467 |

**Key Success of Women's Cooperative "Setia Bhakti Wanita JAWA TIMUR"
With Joint Responsibility System**

Setia Bhakti Wanita East Java women's cooperative immediately applied a joint responsibility system to this day since it was built. After running for 44 years, the SBW women's cooperative still exists and is developing with an increasing number of members and groups, namely the initial number of members was only 35 person divided into 4 groups and at the end of 2021 the number of members became 12,938 which were divided into 467 groups. With an NPL of 0%, the assets of the cooperative have grown from 1977 to 2019. This is in accordance with the findings of previous researchers that implementing a joint responsibility system can greatly contribute to the achievement of zero bad debt (Arifin, 2008) so that it is harmless because all risks are tolerated by the group (Faidah & Dewi, 2014), and improve repayment performance (Rathore, 2017) so cooperative assets develop. The SBW women's cooperative is considered successful in implementing a joint responsibility system assessed based on:

1. Cooperative NPL value 0%
2. The development of the number of members and groups increases
3. Cooperative assets develop

The success of the SBW women's cooperative in implementing a joint responsibility system in the management of cooperative businesses in addition to making the cooperative's NPL 0%, the development of assets and the number of members and groups also developed so that the SBW women's cooperative became the largest cooperative that used the joint responsibility system. In addition, in 2017 the SBW women's cooperative was included in the top 100 cooperatives in Indonesia in 45th place (Muchtar, 2017). Even the director of the LPDB - UMKM stated that the female cooperative as a pioneer used the joint responsibility system so that it motivated other cooperatives in Indonesia to implement the joint responsibility system applied by the SBW women's cooperative that many other cooperatives came to the female cooperative to learn the system joint responsibility and its application.

At first the women's cooperative implemented a joint responsibility system used to secure cooperative assets circulating among members, but over time implementing a joint responsibility system emerged the values of joint responsibility, that is togetherness, openness, discipline, mutual help (Wahyudi & Rustantia, 2017) so that this joint liability system not only used to secure cooperative assets but also used as a cooperative organizational culture that can change the behavior of members, they became persons who had a great discipline and solidarity improve repayment performance (Suwangsih, Fatimah, Sukatmadiredja, & Emmywati, 2021)(Suwangsih et al., 2021).

Based on the results of interviews from several informants stated that the SBW cooperative was able to grow from the initial members of only 35 people to 12 thousand because it implemented a system of responsibility consistently. The management or representatives from the management also come to every group meeting which is held once a month to monitor the condition of the group, because at the group meeting, cooperative activities are carried out, both payment of obligations, application of loans and acceptance of new members are carried out through the group deliberation process. By coming to the group will be able to monitoring the condition and development of the group, certainty of member payments and obtain accurate data to plan the next work program or make a policy. This is in accordance with the results of previous research which stated that the success of credits with joint obligations was largely related to the giving out of monitoring efforts to members of the credit group (Gelade & Guirkingner, 2018). Group monitoring also aims to ensure payment of obligations from members, direct monitoring by lenders encourages high rates of return (Ghatak, 1999).

The purpose of group mentoring is not only to know the progress of the group, but also to motivate the groups to always carry out the rules set by the cooperative and to help provide solutions if there are problems between members in a group. If there is a group that deviates from the stipulated rules, it must be straightened out immediately, because if there are irregularities it is not immediately corrected it will cause a problem, including payment bottlenecks, as happened in the Grameen bank case, failure occurs because it deviates from what is the essence the original model of microfinance (Haldar & Stiglitz, 2016).

Some of these informants also stated that one of the keys to the success of the SBW cooperative is the joint responsibility system implemented in the SBW cooperative, which is not only used as a system to protected the assets of the cooperative but is also the organizational culture of the cooperative (Suwangsih, 2020). As an organizational culture, of course, all members must

behave in accordance with the organizational culture, and without realizing it, there is a progression of moving member behavior, namely behavior grounded on the values of wisdom which is then known as the value of shared responsibility (Suwangsih, Fatimah, Sukatmadiredja, & Emmywati, 2021). The value of wisdom in the shared responsibility system includes togetherness, deliberation, trustworthiness and openness, discipline, and responsibility. Every decision taken must always go through a process of deliberation by group members, and each group member must dare to express his opinion, so that there is openness between members in a group. In addition, communication between group members will certainly increase the group's solidity.

In addition to the culture of deliberation to reach an agreement, a culture of discipline is also applied, all members must be disciplined both in payments and attendance at group meetings. They must arrive on time according to the agreed meeting schedule. If one of the members pays late, the group must carry out joint and several responsibilities so that the group's obligations that are deposited with the cooperative are not jammed. If the group does not carry out joint and several responsibilities, the cooperative will give sanctions to the group, namely that the member's loan will not be disbursed at that time and the loan facility will also be reduced.

The SBW women's cooperative applies one of the cooperative principles which is to provide education for members by creating programs to provide education to members both about cooperatives and the shared responsibility system, the aim is that members have vision and understanding about cooperatives, especially regarding the rights and obligations as members of cooperatives and the application of the joint liability system in groups. The SBW cooperative also provides training to improve human resources or skills that have economic value so that they can increase their income by opening new businesses or developing their businesses. The aim is to make members more creative and productive so that they have no difficulty paying their obligations to the cooperative.

Members who have the expertise to improve the skills of members by the management are given the opportunity as instructors. Thus, members share knowledge with each other and feel the benefits of not only being able to borrow funds but also increasing their knowledge.

CONCLUSION

Based on the results of the interviews to several respondents stated that there are some factors which are influenced by the success using the joint liability system, namely:

- a. Using Joint Liability System Consistently
- b. Monitor and mentoring each group condition regularly and continuously
- c. Using Joint Liability system as an organizational culture
- d. Giving education and training to member's cooperative
- e. knowledge sharing between group members

It is not easy to run a business using a joint liability system because it has a high risk except with a high commitment to using a joint liability system in all components and consistently running it. In addition, as a manager, she must always monitor every condition of the group by visiting group meetings regularly and providing knowledge to all members on how to implement the joint liability system.

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