



Effectiveness of Competency and Organizational Culture in Encouraging Sustainable Cooperative Business Growth

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Abstract

This study aims to determine and validate examples derived from several hypotheses and existing theories. This research method is quantitative with a verification type that examines cooperatives consisting of all cooperatives in the city of Bandung that are active and fostered by the Office of Cooperatives and small businesses of West Java Province, using a total of 403 cooperatives with a sample of 80 respondents. This study uses the main data whose data collection uses questionnaires and interviews. The data analysis technique used means the classical assumption test and multiple linear regression analysis methods. The results of this study explain that there is a significant impact between competency on sustainable business growth, the influence of organizational culture on sustainable business growth. The coefficient of determination of Competency and Organizational Culture is simultaneously 60.3% on Sustainable Struggle Growth, while the remaining 39.7% is the amount of donation given by other variables that are not studied. This study highlights the important role of competency and organizational culture in promoting sustainable business growth in the cooperative sector.

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1. INTRODUCTION



In the era of globalization and increasingly fierce business competition, sustainable business growth is a desirable goal for every organization, including cooperatives. Cooperatives have an important role in the economy because they empower their members and encourage community welfare. As according to Law Number 25 of 1992 Article 3, the purpose of Indonesian cooperatives is to advance the welfare of members in particular and society in general and to participate in building the national economic order in order to realize an advanced, just and prosperous society based on Pancasila and the 1945 Constitution.

Cooperatives in Bandung City that are fostered by Diskuk Jabar Bandung City (Dinas Koperasi Usaha Kecil Kota Bandung, West Java Province) play an important role in economic development and community empowerment. The reason for choosing the location of cooperatives in Bandung City is because it is a strategic business unit and has a large contribution to the economy of the lower middle class in Bandung City. In addition, many rural people migrate to the city for entrepreneurship, trade and even looking for work. This results in a population density that is difficult to control. To deal with this problem, an agency emerged so that the community could be built and supported to become an independent community to carry out entrepreneurship, namely the Office of Cooperatives

and MSMEs (Micro, Small and Medium Enterprises). In this context, the influence of competency and organizational culture on sustainable business growth is something that needs to be studied. Competency refers to the skills, knowledge, and abilities of cooperative members and management in managing cooperative businesses effectively and efficiently. Meanwhile, organizational culture includes values, procedures, and attitudes that point to the creation of a mutually supportive work environment, including the active participation of members in making decisions and carrying out responsibilities.

There are three main pillars in cooperative development, namely institutionalization, empowerment, and supervision and examination. The institutional pillar covers the establishment of cooperatives and the opening of branches, while the empowerment pillar aims to facilitate the growth and progress of cooperatives by providing support and connections with financial institutions to obtain funds and other resources. The supervision and examination pillar plays a role in ensuring the sustainability of cooperatives by supervising regulatory compliance as well as conducting cooperative health checks.

One of the key factors that influence cooperative business growth is competency (Fu'ad & Aminudin, 2020). Competency refers to the knowledge, skills, and abilities possessed by the cooperative members and management in managing the struggle well (Herchenbach et al., 2023). By having adequate competencies, cooperatives can face the dynamic changes in the business environment and make the right decisions to improve their competitiveness (Wahyuningtyas et al., 2023).

In addition to competency, organizational culture also plays a significant role in sustainable business growth. Organizational culture encompasses the values, procedures, attitudes, and behaviors found within a cooperative. A powerful and positive organizational culture can help create a supportive, creative, and innovative work environment (Dharmanegara, 2019). This will encourage members' active participation in decision-making, increase motivation, and create a positive work climate, which in turn will impact the cooperative's business growth (Arnova, 2022).

Organizational culture has a very crucial role in sustainable business growth, apart from the competencies that are owned (Srisathan et al., 2020). Organizational culture encompasses the values, norms, behaviors, and attitudes found in cooperatives (Tulcanaza-Prieto et al., 2021). When the organizational culture is powerful and positive, it can shape a supportive, creative, and innovative work environment. Co-op members tend to actively participate in decision-making, their motivation increases, and a positive work atmosphere is generated (Bretos et al., 2018). These positive impacts ultimately contribute to the growth of the cooperative's business. Indicators of the existence of a strong organizational culture can be seen in the emphasis on organizational values, the level of member involvement in decision-making, positive attitudes and behaviors among members, promotion of creativity and innovation, increased levels of member motivation and satisfaction, and effective adaptation to change. In addition, respect for individual contributions, low conflict, and the achievement of sustainable business growth also reflect the role and success of organizational culture in achieving sustainable growth goals (Linnenluecke & Griffiths, 2010).

However, there are problems faced by cooperatives in carrying out their role. One of the problems faced by these cooperatives is the low sense of ownership and involvement of members. Members tend to only act as passive members who do not optimally utilize cooperative facilities and resources (Ajija et al., 2018). Although there are many active cooperatives, there are still a number of cooperatives that have not achieved optimal growth. This shows that despite the larger number of active cooperatives, there are still more than 500 cooperatives that have not achieved the expected performance. Factors contributing to this problem include the lack of quality human resources involved in cooperatives as well as some organizational cultural barriers, such as risk aversion (Robbins & Judge, 2018).

The phenomenon that emerges is the disparity between the number of active and inactive cooperatives in the Bandung City area. Although there are more active

cooperatives, there are still a number of cooperatives that have not achieved the expected growth and performance. Then there are the members who do not have a sense of ownership of the cooperative which is important, it shows that cooperative members have a sense of belonging and actively participate in the management and decision-making of the cooperative. A strong sense of ownership in cooperatives is important because it encourages active involvement, collective responsibility, sharing of risks and benefits, cooperative sustainability, and the creation of cooperative solidarity and values (Wilson & Bates, 2005). This trait helps maintain the stability, success, and growth of the cooperative over a longer period of time. Member engagement falls under organizational culture where a culture of engagement refers to an environment where all cooperative members are actively involved in the decision-making and management processes. A culture of ethics and integrity emphasizes the importance of high moral norms and values in every aspect of cooperative activities. This includes a commitment to transparency, honesty, social responsibility, and compliance with applicable laws and regulations. Some cooperative personnel are dishonest and abandon their responsibilities in managing cooperatives, such as misappropriating funds that are not used properly.

Another phenomenon that emerges, especially in the area of competency, is that there are variations in the level of competency between cooperatives. Some cooperatives have managers or members who are highly competent in technical or managerial areas, while others may face challenges in developing relevant competencies. Then differences in the quality of human resources involved in the cooperative can affect the competencies possessed. Cooperatives with members and managers who have adequate educational background, training, and experience tend to have better competencies in running operations and dealing with market changes. A dynamic business environment often requires adaptation and increased competency for cooperatives to remain relevant and competitive. Cooperatives need to be able to anticipate and respond to changing market needs, including developing new or improving existing competencies.

This study aims to determine and validate the model of origin of several existing hypotheses and theories. This research has benefits including providing additional insights and a deeper understanding of the social and economic context in Bandung City, as well as contributing new knowledge in the field of cooperative studies, especially in the context of sustainable business growth.

2. METHODS

The research method used is a quantitative method. Quantitative research is research that draws data on a large amount, such as tens, hundreds, or possibly thousands, due to the very large population of quantitative research respondents. The type of research used is verification. The verification method is research that can be carried out on certain populations / samples using the aim of testing predetermined hypotheses (Sugiyono, 2017). Verification research is carried out using the aim to test or prove the truth derived from pre-existing knowledge. In this study, the impact of competency and organizational culture on sustainable business growth will be tested, using reference to existing knowledge about the correlation between these variables.

The data collection technique uses a questionnaire. The variables and their operations are described in the table as follows:

Table 1. Operational Variables

Research variable	Variable Dimensions	Indicator
Competency (Dharmanegara, 2019) Adaptation Spencer & Spencer (1993)	1. Self concept 2. Knowledge 3. Skills 4. Attitude/Character 5. Motive	1. Improving HR performance in a cooperative. 2. A tool for measuring an individual's effectiveness in carrying out performance. 3. Basic knowledge that is important in running a cooperative. 4. Development of HR skills. 5. The importance of attitudes and behavior in a cooperative. 6. Motivation to perform.
Organizational Culture (Robbins & Judge, 2018)	1. Innovation and Risk Taking 2. Pay Attention to Details 3. Results Orientation 4. People Orientation 5. Team Orientation 6. Aggressiveness 7. Stability	1. Ethics and habits in cooperatives. 2. Rules applied in cooperatives. 3. Maintaining a positive organizational culture and environment in the cooperative. 4. What should and should not be done in a cooperative.
Sustainable Business Growth (Wilson & Bates, 2003)	1. Continuing excellent service to customers 2. Manage internal operations effectively and efficiently 3. Track record of sustained profitability 4. Sufficient credibility to raise the necessary finance externally	1. Build a good management team. 2. Risks faced by members in the cooperative. 3. The role of managers in cooperatives. 4. Services provided to support cooperative development. 5. Track record in cooperatives. 6. Build credibility for the cooperative. 7. Innovation and risk taking to develop cooperatives.

The population of this study consists of all cooperatives in Bandung City that are active and fostered by the Office of Cooperatives and Small Businesses of West Java Province, with a total of 403 cooperatives. The sample used with the Slovin formula was 80 respondents. The sampling technique uses simple random sampling.

Hypotheses are temporary answers to the formulation of research problems and are based on empirical facts obtained through data collection (Sugiyono, 2017). Based on the relationship between the variables in the framework, the research hypothesis is made as follows:

- a. There is an influence of competence on sustainable business growth.
- b. There is an influence of organizational culture on sustainable business growth
- c. There is a simultaneous influence of competence and organizational culture on sustainable business growth.

Test the research instrument, namely validity using Pearson's Product Moment with the provision that if the value of $r_{count} \geq r_{table}$ then the items are declared valid. While the reliability test uses the Alpha Cronbach reliability coefficient with the provision that if the Alpha Cronbach reliability coefficient value ≥ 0.6 then the instrument is declared reliable (Azwar, 2012).

Before hypothesis testing, classical assumptions are first carried out which include tests of normality, multicollinearity, autocorrelation and heteroscedasticity. Hypotheses were tested using multiple linear regression analysis with the F test (simultaneous) and t test (partial).

3. RESULT AND DISCUSSION

3.1. Results

The conceptual hypothesis proposed earlier will be tested and proven using statistical testing, namely multiple linear regression. The conceptual hypothesis in this study is that there is an influence of Competency on Organizational Culture, then there is an influence of Competency and Organizational Culture on Sustainable Business Growth.

Based on the results of distributing questionnaires to respondents, the respondent profile data is obtained as follows:

Table 2. Respondent Profile

Profile	Category	%
Types of Cooperatives	Service	2,50
	Consumer	36,25
	Marketing	2,50
	Producer	1,25
	Savings and Loan	57,50
Number of Members	10-20	6,25
	>20	93,75
Respondent's Position	Chairman	21,25
	Secretary	12,50
	Treasurer	6,25
	Management / Supervisor	10,00
Cooperative Founded in	Member	50,00
	< 1990	35,00
	1990-2000	16,25
	2001-2010	2,50
	2011-2020	18,75
	> 2020	10,00
	No answer	17,50

Source: Data Processed (2023)

Based on the results of the analysis, it is known that the tendency of the type of cooperative in this study is a savings and loan cooperative as many as 46 respondents (57.50%), the number of cooperative members in this study is > 20 members as many as 75 respondents (93.75%), members as many as 40 respondents (50.00%), the cooperative was founded under 1990 as many as 28 respondents (35.00%).

Based on the results of the instrument test to test the feasibility of the research questionnaire, the validity and reliability results are as follows:

Table 3. Validity Test Results

Variable	Indicator	Pearson Correlation	Validity
Competency	1	0,518*	Valid
	2	0,665**	Valid
	3	0,704**	Valid
	4	0,734**	Valid
	5	0,641**	Valid
	6	0,761**	Valid
	7	0,508*	Valid
	8	0,564*	Valid
	9	0,706**	Valid
	10	0,776**	Valid
	11	0,562*	Valid
	12	0,745**	Valid
	13	0,83**	Valid
	14	0,585**	Valid
	15	0,831**	Valid

Organizational Culture	16	0,729**	Valid	
	17	0,606**	Valid	
	18	0,827**	Valid	
	19	0,528*	Valid	
	20	0,640**	Valid	
	21	0,764**	Valid	
	22	0,524*	Valid	
	23	0,827**	Valid	
	24	0,692**	Valid	
	25	0,484*	Valid	
	26	0,542*	Valid	
	27	0,676**	Valid	
	28	0,468*	Valid	
	29	0,638**	Valid	
	30	0,541*	Valid	
	31	0,617**	Valid	
	32	0,572**	Valid	
	33	0,622**	Valid	
	34	0,496*	Valid	
	35	0,550*	Valid	
	36	0,853**	Valid	
	Sustainable Business Growth	37	0,751**	Valid
		38	0,624**	Valid
		39	0,507*	Valid
		40	0,756**	Valid
		41	0,817**	Valid
		42	0,730**	Valid
		43	0,844**	Valid
		44	0,722**	Valid
		45	0,754**	Valid
		46	0,743**	Valid
		47	0,66**	Valid
		48	0,791**	Valid

Source: Data Processed (2023)

For items regarding Competency, Organizational Culture and Sustainable Business Growth with 48 statement items, it can be seen that the validity coefficient value (r_{count}) is between 0.468 - 0.853. All items have a value of $r_{\text{count}} > r_{\text{table}}$ (0.444). Thus, it can be said that all items are valid.

Table 4. Reliability Test Results

Variable	Coefficient Reliability	Description
Competency	0,914	Reliable
Organizational Culture	0,923	Reliable
Sustainable Business Growth	0,918	Reliable

Source: Data Processed (2023)

The reliability coefficient values of Competency (0.914), Organizational Culture (0.923) and Sustainable Business Growth (0.918) are above the set standard of 0.6. The reliability coefficient value shows that the questionnaire is reliable / has good reliability in measuring Competency, Organizational Culture and Sustainable Business Growth. Thus, the research questionnaire is suitable for use.

The conceptual hypothesis proposed earlier will be tested and proven using statistical testing, namely multiple linear regression. The conceptual hypothesis in this study is that there is an influence of Competency on Organizational Culture, then there is an influence of Competency and Organizational Culture on Sustainable Business Growth.

Classical Assumption Testing

Normality Assumption Test

The normality assumption test in this study uses the Kolmogorov Smirnov Test (K-S) which is processed using the SPSS application. The basis for decision making can be done based on probability (asymptotic significance), namely:

Table 5. Normality Assumptions

One-Sample Kolmogorov-Smirnov Test		Unstandardized Residual
N		80
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	4.44331835
Most Extreme Differences	Absolute	.082
	Positive	.082
	Negative	-.077
Test Statistic		.082
Asymp. Sig. (2-tailed) ^c		.200 ^d

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: Data Processed (2023)

According to the results of the normality test presented in the table above, it can be concluded that the normality assumption for the regression model to be studied has been fulfilled, this was shown by Asymp. Sig. of 0.200 is greater than the origin of 0.05. This means that the residual data is normally distributed and fulfills the normality assumption.

Multicollinearity Assumption Test

Multicollinearity is a phenomenon of perfect correlation between one independent variable and another. This test is carried out using VIF with the criteria, if the tolerance value > 0.10 and the VIF value < 10 means that there is no indication of multicollinearity. Based on the results of the analysis, the value of each independent variable is obtained as follows:

Table 6. Multicollinearity Assumption Testing Results

Model	Coefficients ^a	
	Tolerance	VIF
(Constant)		
Competency	0,426	2,348
Organizational Culture (X2)	0,426	2,348

a. Dependent Variable: Sustainable Business Growth

Source: Data Processed (2023)

Based on the table above, it can be concluded that there is no indication of multicollinearity in the regression model to be formed, because all independent variables involved in the regression model have a Tolerance value (0.426) which is greater than 0.10 and a VIF value (2.348) of less than 10. That way, there is no indication of multicollinearity so that the assumption of multicollinearity has been met.

Autocorrelation Assumption Test

The autocorrelation assumption test uses the Durbin Watson value with the following results. When the value of $dU < D-W < 4 - dU$. The Durbin Upper (dU) value and the Durbin Lower (dL) value are found by looking at the numbers in the Durbin Watson table with a value of $\alpha = 5\%$ and the number n (sample) of the study.

Table 7. Autocorrelation Assumption Testing Results

Model Summary^b	
Model	Durbin-Watson
1	1.912

a. Predictors: (Constant), Organizational Culture, Competency

b. Dependent Variable: Sustainable Business Growth

Source: Data Processed (2023)

Based on the analysis results, the D-W value is 1.912, while for $n = 80$, k (number of independent variables) = 2 and alpha 5%, the dU value is 1.688 so that the value of $4 - dU = 2.312$. The D-W value is between $dU < D-W < 4 - dU$ or $1.688 < 1.912 < 2.312$, meaning that the research data escapes autocorrelation. Thus, the assumption of autocorrelation has been fulfilled.

Heteroscedasticity Assumption Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. If the variance from the residuals of one observation to another is permanent, it is considered homoscedasticity and if it is not aligned, it is claimed heteroscedasticity. A good regression model is one that is homokedatisitas or does not occur heterokedastisitas. The method used to determine the presence or absence of heteroscedasticity symptoms is the Glejser test as follows.

Table 8. Heteroscedasticity Assumption Testing Results

Model	Coefficients^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.828	2.192		.834	.407
Competency	-.101	.052	-.330	-1.941	.056
Organizational Culture	.085	.045	.324	1.905	.060

a. Dependent Variable: ABS_RES

Source: Data Processed (2023)

The results of the analysis of heteroscedasticity assumptions with the Glejser test obtained a Sig. value of 0.056 and 0.060 above 0.05, meaning that this research regression model does not occur heteroscedasticity. Thus, the assumption of heteroscedasticity has been fulfilled.

Multiple Linear Regression

The following are the results of multiple linear regression analysis using the help of SPSS 29.0 software.

Table 9. Multiple Linear Regression Test Results

Model	Coefficients^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	9.817	3.472		2.827	.006
Competency	.309	.082	.412	3.747	<.001
Organizational Culture	.269	.071	.416	3.784	<.001

a. Dependent Variable: Sustainable Business Growth

Source: Data Processed (2023)

The regression equation that will be formed is as follows:

$$Y = a + \beta_1X_1 + \beta_2X_2 + e$$

$$Y = 9.817 + 0.309 X_1 + 0.269 X_2 + e$$

According to the multiple linear regression equation, it is known that Competency and Organizational Culture have positive regression coefficients, where the better the Competency and Organizational Culture, it is predicted that it will increase Sustainable business growth.

Statistically, the values in the regression equation above can be explained as follows:

- The constant of 9.817 indicates the score value for Sustainable business growth when Competency and Organizational Culture are 0 (zero).
- The regression coefficient for Competency means as much as 0.309 with a positive coefficient which proves that every increase of one score in Competency and other independent variables is assumed to be continuous, it is predicted that it will increase the score of Sustainable struggle growth by 0.309.
- The regression coefficient for Organizational Culture is 0.269 using a positive coefficient which indicates that each increase of one score in Organizational Culture and other independent variables is assumed to be constant, it is predicted that it will increase the Sustainable business growth score by 0.269.

Hypothesis Test

F Test (Simultaneous)

This F test is used to test the significance of the hypothesis as a whole / together or simultaneously between variables X1 and X2 on variable Y. The statistical test used to test this simultaneous hypothesis is the F test. The F_{table} value used as a critical value in this simultaneous hypothesis test is 3.115 which is obtained from the F distribution table with $df_1 = 2$ and $df_2 = 77$ at the 5% significance level (α).

The simultaneous hypothesis formulation to be tested is as follows:

H_0 : There is no simultaneous influence of Competency and Organizational Culture on Sustainable Business Growth.

H_a : There is a simultaneous influence of Competency and Organizational Culture on Sustainable Business Growth.

The significance level (α) used is 5% or 0.05.

Simultaneous test decision making criteria (F test):

- Reject H_0 and Accept H_a if the significant value < 0.05 and $F_{count} > F_{table}$
- Accept H_0 and Reject H_a if the significant value is > 0.05 and $F_{count} < F_{table}$

The test results can be seen in the following table:

Table 10. Simultaneous Hypothesis Testing Results (F Test)

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2370.079	2	1185.039	58.503	<.001 ^b
Residual	1559.703	77	20.256		
Total	3929.782	79			

a. Dependent Variable: Sustainable Business Growth (Y)

b. Predictors: (Constant), Organizational Culture (X2), Competency (X1)

Source: Data Processed (2023)

Based on the calculation results, the information obtained that the F_{count} value is 58.503 with a Sig value. < 0.001 less than 0.05 (a). The F_{count} value (58.503) $> F_{table}$ (3.115) so that H_0 is rejected, then with a confidence level of 95% it can be decided to reject H_0 and accept H_a , which means that there is a simultaneous influence of Competency and Organizational Culture on Sustainable Business Growth.

Test t (Partial)

The impact of independent variables on the dependent variable partially can be known using the t test. The statistical method used to test this partial hypothesis means the t test.

The t table value used as a critical value in this partial hypothesis test (t test) is 1.991 which is obtained from the t distribution table with $df = 80 - 3 = 77$ at the significance level (α) of 5%. which will occur testing is summarized in the following table:

Table 11. Partial Hypothesis Testing Results (t test)

Relationship between variables	t	Sig.
(Constant)	2.827	.006
Competency -> Sustainable Business Growth	3.747	<.001
Organizational Culture -> Sustainable Business Growth	3.784	<.001

Source: Data Processed (2023)

The partial hypothesis formulation to be tested is as follows.

H_0 : There is no effect of Competency on Sustainable Business Growth.

H_a : There is an influence of Competency on Sustainable Business Growth.

Decision-making criteria:

- H_0 is rejected if the significant value < 0.05
- H_0 is accepted if the significant value > 0.05

Based on the results of the analysis, it is obtained information that the t_{count} value is 3.747 with a Sig value. $< 0,001$. The t_{count} value (3.747) $> t_{table}$ (1.991) or Sig value. < 0.001 less than 0.05 (α) means that H_0 is rejected, so with a confidence level of 95% it can be decided to reject H_0 and accept H_a , which means that there is an effect of Competency on Sustainable Business Growth.

The next partial hypothesis formulation to be tested is as follows.

H_0 : There is no effect of Organizational Culture on Sustainable Business Growth.

H_a : There is an influence of Organizational Culture on Sustainable Business Growth.

The significance level (α) used is 5% or 0.05. Decision-making criteria:

- H_0 is rejected if the significant value < 0.05
- H_0 is accepted if the significant value > 0.05

Based on the results of the analysis, information was obtained that the t_{count} value was 3.784 with a value of Sig. < 0.001 . The value of t_{count} (3.784) $> t_{table}$ (1.991) or the Sig value. < 0.001 less than 0.05 (α) means that H_0 is rejected, then with a confidence level of 95% it can be decided to reject H_0 and accept H_a , which means that there is an influence of Organizational Culture on Sustainable Business Growth.

Coefficient of Determination

The coefficient of determination is a value that expresses the ability of the independent variable to determine the dependent variable. Test results are displayed in the following table:

Table 12. Coefficient of Determination of Competency and Organizational Culture on Sustainable Business Growth

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.777 ^a	.603	.593	4.50065

a. Predictors: (Constant), Organizational Culture (X2), Competency (X1)

Source: Data Processed (2023)

As a result of the analysis, it provides a multiple correlation value between Competency and Organizational Culture on Sustainable Business Growth of 0.777, as a result, a coefficient of determination value is obtained, namely 60.3% (0.7772 x 100%). This means that sustainable business growth of 60.3% is determined by competency and organizational culture. The coefficient of determination value proves the ability of the independent variable to explain the dependent variable or in other terms competency and organizational culture simultaneously contribute 60.3% to sustainable business growth, while (1-R²) is

39, The remaining 7% means the large contribution made by other variables that were not studied. Thus, the magnitude of the impact of competency and organizational culture on sustainable business growth is 60.3%.

The Influence of Competency on Organizational Culture

The following are the results of linear regression analysis of the influence of Competency on organizational culture using SPSS 29.0 software.

Table 13. Results of Linear Regression Testing on the Effect of Competency on Organizational Culture

Model	Coefficients ^a		t	Sig.	
	Unstandardized Coefficients				Standardized Coefficients
	B	Std. Error			Beta
(Constant)	32.330	4.151		7.788	<.001
Competency	.878	.086	.758	10.253	<.001

a. Dependent Variable: Organizational Culture (X2)

Source: Data Processed (2023)

The regression equation that will be formed is as follows:

$$X_2 = 32.330 + 0.878X_1$$

Based on the linear regression equation, it is known that Competency has a positive regression coefficient, where the better the Competency, it is predicted that it will increase Organizational Culture.

Statistically, the values in the regression equation above can be explained as follows:

- The constant of 32.330 explains the score value for Organizational Culture. If Competency means 0 (zero).
- The regression coefficient for Competency is 0.878 with a positive coefficient which proves that every increase in one score in Competency is predicted to increase the Organizational Culture score by 0.878.

The statistical method used to test this hypothesis is the t test. The t table value used as the critical value in this partial hypothesis test (t test) is 1.991. The test results are summarized in the following table:

Table 14. Hypothesis Testing Results (t Test)

Model	t	Sig.
(Constant)	7.788	<.001
Competency -> Organizational Culture	10.253	<.001

Source: Data Processed (2023)

The formulation of the hypothesis to be tested is as follows.

H₀: There is no influence of Competency on Organizational Culture.

H_a: There is an influence of Competency on Organizational Culture.

Decision making criteria:

- H₀ is rejected if the significant value is <0.05
- H₀ is accepted if the significant value is > 0.05

Based on the results of the analysis, information was obtained that the t_{count} value was 10.253 with a value of Sig. < 0.001. The value of t_{count} (10.253) > t_{table} (1.991) or the Sig value. < 0.001 less than 0.05 (α) means that H₀ is rejected, then with a confidence level of 95% it can be decided to reject H₀ and accept H_a, which means that there is an influence of Competency on Organizational Culture.

The results of the coefficient of determination test are displayed in the following table:

Table 15. Coefficient of Determination of Competency on Organizational Culture

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.758 ^a	.574	.569	7.17394

a. Predictors: (Constant), Competency

Source: Data Processed (2023)

The results of the analysis share a correlation value between Competency and Organizational Culture of 0.758, resulting in a coefficient of determination value of 57.4% (0.7582 x 100%). This means that Organizational Culture is 57.4% influenced by Competency. The coefficient of determination value proves the ability of Competency to reveal Organizational Culture as much as 57.4%, while (1-R²) the remaining 42.6% is the large contribution made by other variables which were not studied. Using this, the magnitude of the effect of Competency on Organizational Culture means 57.4%.

3.2. Discussions

Based on the results of the original test of the first hypothesis, it illustrates that there is a significant impact between competency on organizational culture. This shows that the better a person's competency, the better the culture of an organization or habits in a work environment in the organization. which will happen this is synchronous using research Competency can hypnotize the formation of organizational culture, a competent person will be better able to know and implement the values and procedures that apply to the organization(Nursiah et al., 2018).

Based on the results of the first hypothesis test indicates a significant impact between competency on sustainable business growth. This shows that the better the competency of employees or members, the growth of the cooperative organization's struggle will be significantly sustainable for the better. what will happen is in sync with Sutrisno's research (Ony & Rinamurti, 2018) which explains that competency is needed to answer organizational demands, where there are very rapid changes, the development of complex and moving forward issues and future uncertainties in the order of people's lives. in the case of cooperative organizations, the changes that occur are also very fast, therefore competency is expected so that the growth in the cooperative organization quickly follows the situation and can significantly develop continuously.

Based on what will happen, the original test of the first hypothesis explains the significant impact between organizational culture on sustainable struggle growth. This explains that the better one's organizational culture, the better the growth and development of a business in the cooperative organization. these results are in sync using Sutarto's research (Putri & Yusuf, 2022) that a positive and strong organizational culture can have a positive impact on the growth of sustainable struggle, organizations face various kinds of challenges both originating within the organization and based on the environment so that it becomes the cause of the organization changing as better or worse.

According to the results of the original test of the first hypothesis, it shows that there is a simultaneous impact between competency and organizational culture on the growth of sustainable struggle. This is a sign that competency and organizational culture can simultaneously hypnotize the value of how business growth is sustainable in organizations, especially this cooperative. the results of this study are in line with the opinion (Fauzan & Purwaningdyah, 2017) that organizational culture and employee competency partially and simultaneously have a positive effect on the growth of struggle, similar to employee performance and a powerful positive organizational culture can help improve the quality of each person and open a wide door for the company to achieve more poly success. using this, it emphasizes the company to initiate a positive organizational environment in line using company values, while focusing on increasing the competency of employees to achieve sustainable business growth.

4. CONCLUSION

Based on the data obtained and the analysis that has been carried out in this study, it provides that competency has a positive and significant influence on cooperative organizational culture. Employees who have good competency will more easily adapt to a positive organizational culture. This is due to the increasing quality of a good work environment because of the cooperative that conducts good training as well. This research shows that there is a positive and significant impact between competency and sustainable struggle growth. with high competency, the quality of the value of the cooperative organization will also be higher in developing. The better the competency of cooperative members, the better the organization will be in carrying out its duties and responsibilities. This study explains the simultaneous positive and significant impact between competency and organizational culture with sustainable business growth. with high competency supported by the environment and positive values of organizational culture, a company and organization similar to a cooperative can continue to develop and survive in the long term. Competency and organizational culture play a positive role for the growth of quality struggles in cooperatives, because for the carrying capacity of cooperatives to develop it requires good competency in management and has a work culture, organization, and business culture that does deliver real results according to using the objectives of the small business Cooperative Service (Diskuk) West Java, namely delivering benefits to its members and providing healthy or competitive cooperatives which also indirectly causes good economic quality regionally at the provincial level.

It is necessary to improve employee competency, which can be done in many ways, such as training and development, professional benefits, and challenging assignments. This advice aims to be important because increasing the competency of competent employees will be able to work more effectively and efficiently, as a result it can increase productivity and the quality of products or services obtained. Competency improvement is also necessary because the environment is constantly changing and evolving. To compete and survive, organizations need to ensure that their employees have the competencies needed to meet the changing demands of the job. An organizational culture that supports sustainable business growth is one that prioritizes discovery, creativity, collaboration, and an orientation to what is to come. It is necessary to pay attention to such an organizational culture that will encourage employees to always innovate and form innovative new products or services, and work together harmoniously to achieve common goals. it is necessary for future research to be able to further study and examine future phenomena in society regarding competency, organizational culture and sustainable business growth, further discuss the concepts of competency and organizational culture, and their influence on sustainable business growth.

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