



OPTIMIZATION OF COOPERATIVE MANAGEMENT CONTROL SYSTEM AISYIYAH MALANG

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Abstract

The management control system is a system used to influence its members to implement strategies efficiently and effectively to achieve organizational goals. The purpose of this study was to find out how the implementation of management control systems in the Asisyiah Savings and Loans Cooperative Malang. The data analysis method used is descriptive. The results showed that the management control structure and management control process at KSP Asisyiah Malang were effective. This is evidenced by the implementation of a control structure which is divided into an organizational structure, a delegation of authority and responsibility, and a responsibility center that covers all functions within the organizational structure. As well as the control process carried out starting from strategy formulation, budget preparation, implementation and measurement, as well as work evaluation which shows an improvement. Based on the results of the research, the servant can give suggestions that KSP Asisyiah needs to apply a division manager to separate the duties and responsibilities between the management and the manager. The addition of resources will improve performance for the progress of KSP Asisyiah Malang business. Work evaluation also needs to be compared between realization and what has been budgeted so that the results are more effective.

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1. Introduction

Competition between companies in this era of globalization will be sharper and logically three possibilities will occur, namely retreat, survive or stay in place and develop further. With the uncertain world economic situation, management demands to be more active and creative and able to overcome existing problems, so that the company can still maintain the continuity of the company and develop. Companies must be ready and able to face the threats and challenges that arise, namely through information and the implementation of a fixed strategy (Musa, 2013: 1).

The management control system is a system used by management to influence its members to implement organizational strategies efficiently and effectively to achieve organizational goals. A management control system is the entire organization that is used by the company effectively and efficiently to achieve goals (Djakatara: 2013). Every business that is run must have a control system in running its business, where the system is adjusted to the circumstances and conditions of each because the type and form of business being run is different.

The management control system applied to cooperatives is interesting to study because the management control system is a system used to influence organizational members, especially cooperative administrators, efficiently and effectively in organizing, planning, mobilizing and controlling all resources to ensure that the cooperative's performance is truly supervised. A management control system is the most important instrument in running a business. Without this system, fraud will often occur which will harm the company itself.

Naturally, cooperatives have various advantages in the form of comparative advantages in competition compared to other business entities in Indonesia. The advantages of cooperative cooperatives are built from the number of members as market share, various credit facilities offered at low costs

Government through the budget and allowance for BUMN profits, access to education and training programs from various institutions and so on. As a business entity design that is most in line with the Pancasila economic system, it is unfortunate that cooperatives have not been able to become the main actors in the Indonesian economy. Its position is still inferior to that of privately-owned companies and state-owned companies. The good ideas attached to the cooperative as an ideal business entity design in Indonesia have not been able to place it as the main business structure for at least three reasons. The first reason is the weak management and governance of cooperatives, especially in terms of management control systems. The second reason is that there

has not been a sense of belonging among cooperative members so that members often choose services or products provided by institutions other than cooperatives.

The third reason is the inability of cooperatives to transform their comparative advantages into competitive advantages due to the weak entrepreneurial spirit of the management, so that cooperatives that are supposed to provide goods and services at lower prices often sell their products at higher prices than their competitors. The weakness of the management control system in cooperative management has proven to have resulted in many cooperative failures due to fraud and irregularities committed by managers. The problems faced by cooperatives in the era of technological progress and increasingly competitive competition are those related to management in connection with the control carried out in achieving cooperative goals. In this case, the more optimal the implementation, the more likely the target will be fully achieved.

Therefore, a management control system is needed to guide and motivate to achieve organizational goals and to correct ineffective and inefficient performance. Good management control and accompanied by sound practices in financial governance will safeguard the company's assets in a preventive, detective and corrective manner. The implementation of a management control system within the framework of cooperative management can be done easily through the implementation of systems and procedures as well as the separation of authority and responsibility as well as placing supervisory institutions, administrators, managers and employees in their respective authorities and responsibilities..

2. Methods

Based on the problems that arise among cooperative managers, an appropriate approach is needed so that the objectives can be achieved. Based on the initial identification, the most optimal alternative is socialization followed by assistance to cooperative managers. The aim is to achieve an understanding of the importance of a management control system for members and supervisors of the Malang Aisiyah Cooperative. The purpose of the Management Control System according to Sumarsan (2013: 7) states the purpose of designing a management control system.

1. Obtained reliability and integrity.
2. Compliance with applicable policies, plans, procedures, rules and regulations. Compliance with applicable policies, plans, procedures, rules and regulations can be achieved through the management control system.
3. Protecting company assets, generally controls are structured and implemented to protect company assets.

4. The achievement of economic and efficient activities, limited resources encourage organizations to apply economic principles.

The benefit of a management control system for the company is that it can protect company assets from theft, fraud, misuse, or misplacement to avoid the most serious management control violation, namely fraud committed by employees. The method of this activity is the creation of an internal control system at the Aisiyah Cooperative Malang. The following are the stages of the training carried out:

1. The Preparation Stage, which is carried out includes:
 - a. Survey.
 - b. Consolidation and determination of locations and targets.
 - c. Preparation of training materials/materials, which include: papers and modules for training activities.

2. Implementation Stage

Training This stage explains the importance of implementing a good management control system and explains how to create or implement a good management control system.

3. Training Method

To carry out these activities, several training methods were used, namely:

- a. Lecture Method The lecture method was chosen to provide explain the employee members of the Malang Aisiyah Cooperative to find out the importance of making and implementing a good management control system.
- b. Question and Answer Method The question and answer method is very important for the participants, both when receiving explanations about the topics discussed and when practicing them
- c. Simulation Method This simulation method is very important given to the participants to provide an opportunity to practice the material obtained such as making a management control system.

Evaluation of the process and results (achievement of training objectives) was carried out using a question and answer the questionnaire, and observation. While the evaluation of the aspects of the implementation of the socialization is carried out by giving a questionnaire on the indicators of success in the implementation of the socialization of the Management Control System, there are 2 methods, namely:

1. Evaluation during the training process Evaluation during the training includes the involvement and ability of participants at each stage of socialization. In the final stage, participants are expected to understand the importance of implementing a management control system.
2. Post-Training Evaluation The success of this community service activity will be evaluated based on the level of completion of the socialization material, and the Service Team will evaluate by observing and examining the results of the Implementation of the Management Control System at the Aisiyah Cooperative Malang.

3. Result and Discussion

The results of this Community Service activity are generally classified into two, namely the presence and persistence of participants. The training participants are the administrators and supervisors of the Aisiyah Cooperative. The activity was carried out at the accounting laboratory at the University of Muhammadiyah Malang Malang City 5th floor. The service activity which was held on Saturday, September 5, 2021, was attended by 20 (twenty) cooperative administrators and supervisors. During the activity, the participants seemed enthusiastic and active in participating in the training. They took part in activities that were new to him. The things that were conveyed by the presenters were actively responded to by question and answer and discussion.

The survey preparation and coordination with the members and supervisors of the Aisiyah cooperative in Malang went well and smoothly. The results of field interviews identified several problems found in the members and supervisors of the Aisiyah cooperative Malang, namely 1) weak management and governance of cooperatives, especially in terms of management control systems. 2) there has not been a sense of belonging among cooperative members so that members often choose services or products provided by institutions other than cooperatives. 3) cooperatives have not been able to transform their comparative advantages into competitive advantages due to the weak entrepreneurial spirit of the management so that cooperatives that are supposed to provide goods and services at lower prices often sell their products at higher prices than their competitors. Digital Marketing Training for MSMEs.

1. Socialization of Mentoring Activities to Aisiyah Cooperative Malang



The socialization of the activities went well, and the Aisyiah Malang Cooperative welcomed the service program. The management control system optimization service is expected to be able to help the problems of the Aisyiah Malang Cooperative because in this advanced technology it is necessary to strengthen the management control system for the sustainability of cooperative operations.

2. Development of a management control system.

Making the system is directly practiced in the field, namely the Malang Aisyiah Cooperative because it is expected to be able to directly address technical problems in the field so that it can be adjusted. The management control system applied to cooperatives is interesting to study because the management control system is a system used to influence organizational members, especially cooperative administrators, efficiently and effectively in organizing, planning, mobilizing and controlling all resources to ensure that the cooperative's performance is truly supervised. The management control system is the most important instrument in running a business. Without this system, fraud will often occur which will harm the company it self.

3. Monitoring and Evaluation

Monitoring and Evaluation have been carried out entirely and no new problems have been found because this service has remained the target and in this activity the participation of partners is appropriate and inputs from partners have been received



Figure 1 : Presentation by presenter 1



Figure 2 : Presentation by presenter 2



Figure 3 : Closing of the event by the chief executive

Source : Photos of the activities, 2021

4. Conclusion

The results of field interviews identified several problems found in the members and supervisors of the cooperative Aisiyah Malang. During the activity, the participants seemed enthusiastic and active in participating in the training. They took part in activities that were new to him. The things that were conveyed by the presenters were actively responded to by question and answer and discussion. This socialization and training are very important for the management of this cooperative, regarding the strengthening of the Internal Control System (SPI) it needs to be improved because in this advanced technology it is necessary to strengthen the management control system for the sustainability of cooperative operations. Without this system, fraud will often occur which will harm the company itself.

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