



# The Role of Employee Performance in the Savings and Loan Cooperative (KSP) Mallomo Jaya Abadi, Makassar City

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|                                                                                                                                                                                                                           | Abstract                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <b>Keywords:</b><br>employee performance;<br>cooperative management; human<br>resource development;                                                                                                                       | This study aims to examine the role of employee performance in supporting the operational effectiveness of the Savings and Loans Cooperative (KSP) Mallomo Jaya Abadi in Makassar City, particularly in the context of growing competition among financial institutions. Employing a descriptive qualitative research design, data were collected through observation, documentation, and in-depth interviews with six informants, consisting of managerial and operational staff. The analysis was conducted interactively by reducing, categorizing, and interpreting data to reflect actual conditions. The findings reveal that employee performance, assessed through indicators such as work quantity, quality, punctuality, attendance, and cooperation, significantly contributes to the cooperative's service delivery and internal functions. However, several limitations were identified, including manual data processing due to limited access to digital tools, inadequate financial reporting skills, and a lack of targeted training programs. These factors hinder the cooperative's ability to compete effectively in a digitalized economy. The study underscores the need for continuous capacity building, technological investment, and collaboration with educational institutions to enhance employee competencies. The results are expected to inform cooperative management practices and encourage further research on performance improvement in similar financial institutions. |
| <b>Conflict of Interest Statement:</b><br>The author(s) declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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## Introduction

In the era of globalization and digital transformation, cooperatives in Indonesia face increasing pressure to maintain their competitiveness, particularly in the financial sector. One of the fundamental factors determining the sustainability and success of cooperatives is employee performance. The effective management of human resources not only improves internal operational efficiency but also strengthens the organization's ability to serve its members. However, many cooperatives, particularly those operating at the local level, still struggle to optimize human resource utilization, which limits their capacity to grow and adapt.

Several recent studies have highlighted the role of human capital in enhancing organizational competitiveness. For example, Ardi (2019) analyzed employee performance as a determinant of competitive advantage in micro-scale enterprises. Aryanti et al. (2022) focused on the influence of cooperative leadership on employee productivity, while Lestari (2020) examined how employee

performance affects customer service quality in financial cooperatives. Although these studies provide valuable insights, they often emphasize either structural or managerial aspects of performance without delving into contextual limitations, such as inadequate access to training and technology, which are commonly faced by smaller cooperatives.

What remains underexplored is the practical challenge of aligning employee performance with technological demands and market competition in grassroots cooperatives. Previous studies have not sufficiently addressed the operational bottlenecks and human resource limitations that hinder such alignment. Furthermore, there is limited empirical evidence on how performance indicators such as work quality, punctuality, and teamwork manifest within cooperative environments in transition toward digitalization.

This study addresses that gap by investigating the role of employee performance in KSP Mallomo Jaya Abadi, a cooperative in Makassar City, Indonesia. Specifically, it seeks to answer: How do employee performance factors contribute to the cooperative's operational outcomes and competitive readiness? The study aims to identify both strengths and challenges in employee performance using qualitative methods. The novelty of this research lies in its contextual examination of performance indicators within a cooperative's internal dynamics, thereby contributing to a localized yet critical understanding of performance management in under-digitalized financial institutions.

## **Literature Review**

Employee performance is a central concept in organizational studies, particularly in the context of human resource management. According to Mathis and Jackson (2012), employee performance is measured through key indicators such as quantity of work, quality of work, punctuality, attendance, and ability to work in teams. These indicators serve as benchmarks for assessing how individual contributions align with organizational goals. Performance is not only a reflection of individual capacity but also of organizational culture, training effectiveness, and the availability of resources.

Human Resource Management (HRM) plays a strategic role in improving employee performance. As Busro (2018) asserts, HRM functions—including planning, recruitment, development, evaluation, and compensation—are instrumental in shaping employee outcomes. Hasibuan (2014) emphasizes that the interaction between managers and staff determines the success of HRM policies. The theoretical foundation suggests that when HRM is executed with a strategic focus, organizations can achieve higher competitiveness and productivity.

Cooperatives, particularly savings and loans cooperatives (KSP), face unique challenges due to their organizational structure and member-based model. The Indonesian Cooperative Law No. 25/1992 underscores the importance of cooperatives in strengthening the national economy through mutual assistance and democratic management. However, empirical evidence reveals that cooperatives often struggle with technological lag, limited training, and inconsistent performance assessment practices (Nainggolan et al., 2022). These factors affect their ability to operate efficiently and maintain member satisfaction.

Several previous studies have explored the relationship between employee performance and organizational outcomes in cooperative settings. Ardi (2019) examined how employee performance influences the competitiveness of a small-scale design firm, highlighting the importance of training in enhancing skill sets. Aryanti et al. (2022) studied the impact of cooperative leadership on employee outcomes in women's cooperatives, finding that governance significantly affects performance levels. Setia (2018) conducted an assessment of employee performance in a KSP in Magelang, indicating that limited resources hinder operational effectiveness. Meanwhile, Lestari (2020) investigated the link between employee performance and service quality in a Sharia cooperative, demonstrating that performance quality directly correlates with customer satisfaction and organizational trust.

Despite the growing body of literature, limited research focuses on the integration of performance metrics in under-resourced cooperatives that are still transitioning toward digital tools. Most studies highlight structural or managerial inputs but overlook contextual constraints, such as insufficient training, limited infrastructure, or the absence of standardized reporting practices. Thus, the current study contributes to filling this gap by offering a nuanced, empirically grounded understanding of employee performance in a local cooperative setting.

## Research Design and Methodology

This study employed a descriptive qualitative research design to explore the role of employee performance in the operations of KSP Mallomo Jaya Abadi in Makassar City. This approach was chosen because it allows for an in-depth understanding of social phenomena within their natural context, particularly those related to workplace dynamics and performance factors in a cooperative setting.

The research was conducted at the KSP Mallomo Jaya Abadi office, located at Jl. Jipang Raya Ruko Blok A3/26, Makassar, South Sulawesi, Indonesia. The participants included six employees who were selected through purposive sampling based on their roles and involvement in the cooperative's operational activities. The informants consisted of two key decision-makers (the manager and a board member) and four supporting staff members (cashier, loan officer, recapitulation officer, and field collector). This selection ensured a comprehensive perspective across functional roles within the cooperative.

Data were collected using three techniques: direct observation, in-depth interviews, and documentation review. Observations were conducted during regular office activities to record employee behavior, work interactions, and task execution. Interviews were semi-structured, allowing for flexibility in probing key themes while maintaining consistency across participants. Documentation included internal reports, job descriptions, and performance records.

The primary instrument used was an interview guide designed to reflect five employee performance indicators—quantity of work, quality of work, timeliness, attendance, and teamwork—adapted from Mathis and Jackson's framework (2012). Notes from interviews and observations were recorded manually and digitally using audio recordings and transcription software.

Data analysis was carried out using an interactive model developed by Miles, Huberman, and Saldaña (2014), which involves three steps: data reduction, data display, and conclusion drawing. The data were coded and categorized to identify patterns and themes related to employee performance. The coding process ensured traceability of findings back to the raw data, allowing for consistency and credibility.

The methodology was designed to be replicable, with clear documentation of procedures, instruments, and sampling logic, ensuring transparency and reliability in capturing the realities of employee performance in a cooperative setting.

## Findings and Discussion

### Findings

Table 1. Informant Profile of the Study

| No. | Informant Position   | Informant Name | Role in the Study    |
|-----|----------------------|----------------|----------------------|
| 1   | Cashier              | Nur Asiah      | Supporting Informant |
| 2   | Recapitulation Staff | Ainun N.       | Supporting Informant |
| 3   | Loan Officer         | Irianti B.     | Supporting Informant |
| 4   | Collections Officer  | Ahmad Said     | Supporting Informant |
| 5   | Manager              | Alfian         | Key Informant        |
| 6   | Board Member         | Hasanuddin, SE | Key Informant        |

Source: Primary Data, 2024 – KSP Mallomo Jaya Abadi, Makassar

The findings of this study were derived from data collected through semi-structured interviews with six informants, direct field observations, and a review of internal cooperative documentation. The data were organized according to five performance indicators: quantity of work, quality of work, timeliness, attendance, and teamwork. The following summary captures the essential patterns, behaviors, and conditions identified during data collection.

**1. Quantity of Work**

Most employees reported fulfilling their daily responsibilities, although some expressed challenges in meeting target outputs. Loan and field collection staff noted that difficulties in data tracking and scheduling often disrupted work targets. Observations showed manual processing systems were time-consuming and lacked automation, leading to inefficiencies.

**2. Quality of Work**

The quality of work was generally consistent with job expectations; however, many employees relied on handwritten records due to limited access to computers. Interviews revealed gaps in staff knowledge regarding cooperative accounting standards, and documentation confirmed that financial reports were sometimes incomplete or delayed.

**3. Timeliness**

Employees were mostly punctual in completing assigned tasks. Cooperative rules enforce timely work delivery through routine supervision and consequences for late submissions. Observations during working hours confirmed that staff members actively worked within scheduled timelines despite operational constraints.

**4. Attendance**

Interview responses and attendance records indicated that staff were generally compliant with work schedules. The cooperative applied a three-day absenteeism policy without notice, which motivated employees to maintain consistent attendance. No significant issues were observed in this area during field visits.

**5. Teamwork**

Strong interpersonal cooperation was observed among staff. Employees coordinated on task sharing and frequently communicated with one another. Interviews supported this, with staff emphasizing a supportive work culture where team members assist each other during peak workloads or service complaints.

To facilitate clarity, the core findings are summarized in the table below.

**Table 2. Summary of Core Findings by Indicator**

| Indicator        | Condensed Finding Summary                                                              |
|------------------|----------------------------------------------------------------------------------------|
| Quantity of Work | Duties performed regularly; output targets occasionally unmet due to manual processes. |
| Quality of Work  | Work meets basic expectations; lacks standardization due to limited digital tools.     |
| Timeliness       | Tasks completed on time; management enforces deadlines effectively.                    |
| Attendance       | High adherence to attendance policy; staff generally punctual and compliant.           |
| Teamwork         | Employees collaborate effectively; communication and mutual support are strong.        |

**Source:** Field Data Compilation, 2024

**Discussion**

This study investigated the role of employee performance in KSP Mallomo Jaya Abadi based on five core indicators: quantity of work, quality of work, timeliness, attendance, and teamwork. The data were analyzed and synthesized from interviews, field observations, and document reviews. The processed findings are presented in **Table 4**, followed by a narrative interpretation of each indicator in relation to established concepts in human resource management.

Table 3. Synthesized Employee Performance Findings by Indicator

| Indicator        | Processed Findings                                                             |
|------------------|--------------------------------------------------------------------------------|
| Quantity of Work | Output is stable but occasionally below target due to manual work processes.   |
| Quality of Work  | Basic tasks completed, yet lack of standardization affects reporting accuracy. |
| Timeliness       | Deadlines are respected; rules and monitoring ensure punctual task delivery.   |
| Attendance       | High presence and discipline due to firm cooperative policies.                 |
| Teamwork         | Strong collaboration and communication enhance task completion.                |

The **quantity of work** reflects employees' commitment to task execution, yet is limited by systemic inefficiencies such as lack of automation and modern infrastructure. According to Mathis & Jackson (2012), work output is a critical performance benchmark; however, their framework assumes a stable operational environment. In contrast, the cooperative's under-resourced system directly impacts task volumes, supporting the need to contextualize performance within institutional constraints.

**Quality of work** appeared adequate in terms of task completion, yet interview evidence revealed inconsistencies in financial documentation, mostly caused by the absence of digital accounting systems. The cooperative's reliance on handwritten records limits efficiency and exposes errors. This outcome partially contradicts Robbins' (2016) assertion that performance reflects both behavior and system synergy. Here, employee effort is not matched by organizational support, leading to compromised output despite consistent commitment.

In the area of **timeliness**, performance met organizational expectations, with work schedules followed and tasks delivered on time. This confirms the cooperative's ability to enforce routine discipline. It is consistent with Effendi's (2019) position that internal rules significantly shape punctuality. Notably, while time management is operationally sound, it is reactive rather than strategic—aimed at maintaining flow, not maximizing productivity.

Regarding **attendance**, the data revealed strong internal discipline. Staff comply with attendance rules due to structured policies and a culture of accountability. While this aligns with previous studies (e.g., Agustini, 2019) that emphasize routine discipline, it does not directly indicate engagement or job satisfaction, which may warrant deeper inquiry in future studies.

**Teamwork** emerged as a consistent strength. Employees demonstrated mutual cooperation and coordinated behavior across tasks, particularly in peak service moments. This echoes Arifin's (2020) proposition that cooperative work culture can serve as a stabilizing force amid structural limitations. It also reinforces the foundational principle of cooperatives—collective effort and shared responsibility.

From a conceptual perspective, the findings support the premise that performance is not solely an individual variable but a product of systemic interaction—between employee capacity, organizational resources, and institutional policy. While indicators like attendance and teamwork thrive on cultural and managerial commitment, quantity and quality suffer due to infrastructural gaps. This imbalance confirms Hanggraeni's (2012) argument that performance management must be integrated with technological readiness and continuous staff development.

In relation to existing literature, this study partially supports previous findings. It agrees with Aryanti et al. (2022) that internal performance can be strong in cooperatives, but contradicts the assumption that such performance automatically translates into competitive advantage. Without strategic investment in training and systems, even motivated employees cannot realize their full potential.

## Conclusion

This study aimed to explore employee performance at KSP Mallomo Jaya Abadi, focusing on five key indicators: quantity of work, quality of work, timeliness, attendance, and teamwork. The findings indicate that while employee attendance and collaboration are consistently high, challenges persist in achieving optimal performance in quantity and quality of work. These challenges are largely attributed to limited digital infrastructure and the absence of structured training programs. Although employees perform their duties with discipline and dedication, performance outcomes are constrained by systemic and operational limitations, affecting the cooperative's ability to remain competitive in a digitalized financial environment.

From both scientific and practical perspectives, this research contributes to a better understanding of how internal employee performance operates within the context of under-resourced cooperatives. It provides empirical evidence that employee effort alone is insufficient without institutional support in the form of systems, tools, and capacity-building programs. The study offers original insight into how grassroots cooperatives in Indonesia may maintain operational stability while facing structural constraints. These findings are particularly valuable for cooperative management, policymakers, and institutions aiming to strengthen cooperative competitiveness through performance-based strategies.

This study is limited by its focus on a single cooperative, which may not fully represent other institutions with different organizational cultures or resource levels. Additionally, the research is qualitative in nature, limiting generalizability but allowing for depth in understanding. Future research could apply a comparative approach across multiple cooperatives or incorporate mixed-methods analysis to measure performance outcomes more comprehensively. Further investigation into the effects of digital adoption, leadership style, and incentive systems on employee performance in cooperatives is also recommended.

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