The Effect of Application of SAK-ETAP, Internal Control System, and Capacity of Cooperatives on the Development of Business in Cooperatives in Banda Aceh City

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Abstract
Objective – This study aims to determine the effect of the application of SAK-ETAP, internal control systems, and cooperative management capacity on business development in cooperatives in Banda Aceh.

Design/methodology – This study uses hypothesis testing. The sample of this study was selected using purposive sampling. The total number of observations obtained was 102 cooperatives in accordance with the sample criteria with 473 observational data. The type of data used was secondary data with data collection techniques through questionnaires. The data analysis technique used is the validity test, the reliability test, the classic assumption test, the multiple regression analysis tests.

Results – The test results show that the adoption of SAK-ETAP affects business development in cooperatives, internal control systems affect business development in cooperatives, cooperative management capacity influences business development in cooperatives.

Keywords: Implementation of SAK-ETAP, Internal Control System, Cooperative Management Capacity, Cooperative Business Development.

1. Introduction
In Indonesia, cooperatives have an important function and role in increasing the economic welfare of members in particular and society in general. This is in accordance with the objectives of cooperatives in Law Number 25 of 1992, explaining that it promotes the welfare of members and the community in general, and contributes to building the national economic order in order to create a progressive, just and prosperous society. In achieving this goal, cooperatives must pay attention to factors that can influence the development of their cooperative businesses.

The development of cooperative business is a measure to make a business entity become large and advanced. The development of cooperative businesses in Indonesia is a concern in the country's economy and challenges for the Government in developing the people's economy in terms of the quality of cooperative human resources in accordance with the mandate of the constitution by developing cooperative networks between cooperatives, through cooperative business cooperation networks can improve cooperative capabilities in terms of capital, marketing, and management.

Based on preliminary observations, the development of cooperative businesses in the city of Banda Aceh has fluctuated. This can be seen from the capital, business volume, SHU, and in brief, the development of cooperative businesses in the city of Banda Aceh can be seen in table 1.
Based on table 1, shows that the development of cooperative businesses in the city of Banda Aceh during 2008-2016 experienced fluctuations. In 2009-2013 based on the table above shows that the development of cooperative businesses in the city of Banda Aceh increased by 35.6%. Whereas in 2014-2016 the development of cooperative businesses in the city of Banda Aceh decreased by 11%.


Based on the results of several previous studies indicate that the application of SAK-ETAP in Rahmatawati & Puspasari (2017), Budi & Hanafi (2016), suggests that the application of SAK-ETAP has a significant effect on the development of cooperative businesses. Different results were found by Rudiantoro & Siregar (2012), who stated that the application of SAK-ETAP has no effect on the development of cooperative businesses. However, the results of Sariningtyas & Diah (2009) research stated that the application of SAK-ETAP had a positive effect on the development of cooperative businesses. The difference in the results so the researchers are interested in re-examining.

Next to internal control system variables, the results studied by Putra, Sadhana, & Rasmini (2014), suggest that the internal control system has a significant effect on the development of cooperative businesses. But the results of Widiatmika (2016) research, suggested that the internal control system had a positive effect on the development of cooperative businesses. Furthermore, the research results of Iriyani et al., (2016) & Rachman (2017) suggest that the internal control system has a positive and significant effect on the development of cooperative businesses.

In addition, the cooperative management capacity variable, the results examined by the cooperative management capacity in Winarko (2014) research suggest that the cooperative management capacity has a partial effect on the development of cooperative businesses. But the results of the research Haryanto et al., (2014), suggested that the capacity of the board had a significant effect on the development of cooperative businesses. Furthermore, the results of Anomsari et al., (2012) research stated that the capacity of cooperative management has a positive and significant effect on the development of cooperative businesses.

The motivation of this study is that there are still various differences in results from previous studies, namely their observations on the development of cooperative businesses in the city of Banda Aceh. While Yulinartati (2013) observed the development of cooperative businesses in KUD Tri Karsa Jaya Kec. Bangsalsari Kab. Jember In the research Kusuma & Budianto (2013) observed the PPAK students' understanding of cooperative accounting based on SAK-ETAP on the quality of the preparation of cooperative financial statements. The similarity of this research with previous research that is equally observing the application of SAK-ETAP in the presentation of cooperative financial statements. This is because the development of cooperative businesses is important to observe and is a reflection of the success of a cooperative.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Total</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>39.655</td>
<td>46.655</td>
<td>51.423</td>
<td>55.771</td>
<td>59.771</td>
<td>64.320</td>
<td>75.309</td>
<td>72.422</td>
<td>74.091</td>
<td>541.267</td>
<td>25.66%</td>
</tr>
<tr>
<td>Trading Volume</td>
<td>118.345</td>
<td>124.639</td>
<td>137.483</td>
<td>137.539</td>
<td>152.946</td>
<td>183.746</td>
<td>170.198</td>
<td>170.274</td>
<td>160.583</td>
<td>1.355.733</td>
<td>66.86%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>173.229</td>
<td>187.215</td>
<td>204.941</td>
<td>210.239</td>
<td>229.312</td>
<td>254.927</td>
<td>262.382</td>
<td>259.594</td>
<td>254.076</td>
<td>2.027.807</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Banda Aceh City Industry, Trade, Cooperative and SME Office (2017)

Table 1. Development of Banda Aceh City Cooperative Business Period 2008-2016 (in millions)
Based on the aforementioned background description, the researchers were motivated to conduct research under the title The Effect of SAK-ETAP Implementation, Internal Control System, and the Capacity of Cooperative Management for Business Development in Cooperatives in Banda Aceh City.

2. Literature Review and Hypothesis Development

The Effect of SAK-ETAP on Business Development in Cooperatives

Financial Accounting Standards (SAK) are Financial Accounting Standards for Entities without Public Accountability issued by the Indonesian Institute of Accountants which are prepared for the framework of making financial statements or procedures in the presentation of financial statements. SAK ETAP issued in 2009 took effect on January 1, 2011, and was implemented earlier, namely on January 1, 2010. SAK ETAP is used for Micro, Small and Medium Enterprises (MSMEs), cooperatives, and Rural Credit Banks (BPR).

The results of research from Rahmawati & Puspasari (2017), Budi & Hanafi (2016), state that the application of SAK-ETAP has a significant effect on the development of cooperative businesses. But the results of Sariningtyas & Diah (2009) research, suggested that the application of SAK - ETAP has a positive effect on the development of cooperative businesses. However, the results of this study are not relevant to the research of (Rudiantoro & Siregar, 2012). They stated that the application of SAK-ETAP had no effect on the development of cooperative businesses.

H1: The application of SAK-ETAP has a significant effect on business development in cooperatives in the city of Banda Aceh.

The Effect of Internal Control Systems on Business Development in Cooperatives

The internal control system in SAK-ETAP issued by the Ikatan Akuntansi Indonesia (2015) is a process carried out by the board of commissioners, management and other personnel designed to provide adequate confidence about achieving the reliability of financial reporting, compliance with statutory regulations effect, effectiveness and efficiency of operations. Meanwhile, according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013), an internal control system is a system, structure or process implemented by the board of commissioners, management, and employees within a company that aims to provide adequate guarantees that the control objectives are achieved, including the effectiveness and efficiency of operations, the reliability of financial reporting, and compliance with laws and regulations can be achieved.

The results of research from Putra et al., (2014) suggest that the internal control system has a significant effect on the development of cooperative businesses. But the results of (Widiatmika, 2016) is research, suggested that the internal control system had a positive effect on the development of cooperative businesses. Furthermore, the research results of (Iriyani et al., 2016; Rachman, 2017), suggest that the internal control system has a positive and significant effect on the development of cooperative businesses.

H2: The Internal Control System significantly influences the business development of cooperatives in the city of Banda Aceh.

The Effect of Cooperative Management Capacity on Business Development in Cooperatives

Management is the power holder of the meeting of members chosen by the members of the cooperative in the meeting of members with a term of office of no more than 5 (five) years. Based on Article 58 of Law No.17 of 2012, the management of cooper-
Application of SAK-ETAP, Internal Control System, Capacity of Cooperatives

The objectives have the following tasks: (1) Managing cooperatives based on the articles of association, (2) Encouraging and advancing member businesses, (3) Arranging the work plan and cooperative revenue and expenditure budget plans for submission to the member meeting, (4) Preparing financial reports and accountability for carrying out the tasks to be submitted to the member meeting, (5) Preparing cooperative education, training and communication plans to be submitted to the member meeting, (6) Organizing financial accounting and inventory in an orderly manner, (7) Organizing employee training effectively and efficiently, (8) Maintaining a member list book, supervisor register book, management register book, cooperative capital certificate holder book, and minutes of member meetings, (8) Making other efforts for the interests, benefits, and the progress of the cooperative in accordance with its responsibilities and the decisions of the member meetings. Meanwhile, in increasing the capacity of cooperative management, cooperative management must be made of training, assistance, and coaching. The purpose of conducting training, assistance and coaching for cooperative management, so that cooperative management can make strategic planning in managing the cooperative in terms of preparing operational procedures, preparing financial statements.

The results of this study are relevant to the study of (Winarko, 2014), that the capacity of cooperative management partially affects the development of cooperative businesses. But the results of the research Haryanto et al., (2014), suggested that the capacity of the board had a significant effect on the development of cooperative businesses. Furthermore, the results of Anomsari et al., (2012) research stated that the capacity of cooperative management has a positive and significant effect on the development of cooperative businesses.

H3: The capacity of the Cooperative Management significantly has an effect on business development of cooperatives in the city of Banda Aceh

3. Research Method

The object in this study is a cooperative in the city of Banda Aceh. The sampling method uses purposive sampling, with the sample criteria determined: (1) Cooperatives registered at the Ministry of Cooperatives, Small and Medium Enterprises of the Republic of Indonesia until 2017. (2) Cooperatives that present financial statements are not in accordance with SAK-ETAP. The total sample of 102 observations. The data source used in this study is secondary data with data collection techniques using a questionnaire.

Variable Operations

Operational variables are how to find and measure these variables in the field by formulating them briefly and clearly. And does not cause various interpretations. Questions and statements in the questionnaire for each variable in this study were measured using an interval scale, a scale that not only groups individuals according to certain categories and determines the order of the group but also measures the magnitude of differences in preferences between individuals (Sekaran & Bougie, 2016:117). This study uses three independent variables namely SAK-ETAP (X1), internal control system (X2), cooperative management capacity (X3), while cooperative business development (Y) as the dependent variable.

Analysis Method

This study uses SPPS (Statistic Product and Services Solution) software. To choose the best method, several tests must be performed, namely (1) validity test. (2) reliability test. (3) classic assumption test. (4) multiple regression analysis tests. To determine the effect of the application of SAK-ETAP, internal control systems, and cooperative management capacity on business development in cooperatives in the city of Banda Aceh using the regression equation as follows:
\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e \]

Where:
- \( Y \) = Business Development in Cooperatives
- \( a \) = constant
- \( b_1, b_2, b_3 \) = Regression Coefficient
- \( X_1 \) = Application of SAK-ETAP
- \( X_2 \) = Internal Control System
- \( X_3 \) = Capacity of Cooperative Management
- \( e \) = Error Term

4. Result and Discussion

Hypothesis testing

Hypothesis testing results are the answer for all the formulations in this study. The formulation of the problem consists of the formulation of the first, second, third, and fourth problem.

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>B = 30.912, Std. Error = 9.198</td>
<td>Beta = 0.021, t = 3.361, Sig. = 0.001, R = 0.145, R Square = 0.021</td>
</tr>
<tr>
<td>Application of SAK-ETAP (X1)</td>
<td>0.115, Std. Error = 0.120</td>
<td>Beta = 0.097, t = 0.955, Sig. = 0.342</td>
</tr>
<tr>
<td>Internal Control System (X2)</td>
<td>0.056, Std. Error = 0.067</td>
<td>Beta = 0.085, t = 0.832, Sig. = 0.407</td>
</tr>
<tr>
<td>Cooperative Management (X3)</td>
<td>0.031, Std. Error = 0.099</td>
<td>Beta = 0.032, t = 0.317, Sig. = 0.752</td>
</tr>
</tbody>
</table>

*Dependent Variable: Perkembangan Usaha Koperasi (Y)*

Based on the explanation of the table explains that the value of the beta coefficient (\( \beta \)) the application of SAK-ETAP, internal control systems, and cooperative management capacity in a sequence is 0.123; 0.033; and 0.033. This value indicates that 0.123 \( \neq 0 \); 0.033 \( \neq 0 \); and 0.033 \( \neq 0 \). This means that all beta coefficient values of SAK-ETAP application, internal control system, and cooperative management capacity are not equal to zero (\( \beta_1, \beta_2, \text{and} \beta_3 \neq 0 \)). Furthermore, these values are included in the criteria for accepting or rejecting a hypothesis. Then Ha1 is accepted, meaning that the application of SAK-ETAP, internal control systems, and cooperative management capacity influences the business development of cooperatives.


Statistical test results show that all beta coefficient values are not equal to zero (\( \beta_1, \beta_2, \text{and} \beta_3 \neq 0 \)). This means that the first hypothesis (Ha1) is not rejected. The application of SAK-ETAP, the internal control system, and the capacity of the cooperative’s management that affects the business development of the cooperative. These
results indicate that the development of businesses in cooperatives in the city of Banda Aceh is affected by the application of SAK-ETAP, the internal control system and the capacity of the cooperative's management.

The influence of these three variables can be interpreted as having an impact on changes in the development of cooperative businesses. The impact of changes that occur on business development in cooperatives in the city of Banda Aceh is influenced by these three indicators. The implementation of SAK-ETAP, the internal control system, and the capacity of the cooperative's management have a role in increasing and decreasing the development of cooperative businesses experienced by cooperatives in the city of Banda Aceh.

The role of these three factors can be seen from changes in business development in cooperatives. Changes that occur both the increase and decrease in business development are a reflection of the ups and downs of purchases from the application of SAK-ETAP, internal control systems and cooperative management capacity. So it can be said that these three independent variables jointly influence business development in cooperatives.

The influence of the application of SAK-ETAP, the internal control system and the capacity of the management of cooperatives on business development in cooperatives has also been discovered by previous researchers. They are (Alfitri et al., 2014; Anomsari et al., 2012; Budi & Hanafi, 2016; Haryanto et al., 2014; Iriyani et al., 2016; Oktaviyanti et al., 2017; Rachman, 2017; Rahmawati & Puspasari, 2017; Sariningtyas & Diah, 2009; Widiatmika, 2016; Winarko, 2014). Found that the application of SAK-ETAP, control systems, and cooperative management capacity together had a positive effect on business development in cooperatives.

This means that the development of cooperative businesses cannot be separated from the application of SAK-ETAP, control systems, and cooperative management capacity. All independent variables in this study were only able to predict the dependent variable by 0.17%. Furthermore, the remaining 99.83% is predicted by other independent variables not included in this research model.

The Effect of SAK-ETAP Application on Business Development in Cooperatives

The results of statistical tests show that the adoption of SAK-ETAP influences business development in cooperatives. The beta coefficient ($\beta_1$) value of the SAK-ETAP application is 0.132. This value is not equal to zero ($0.132 \neq 0$). Thus, $H_a$ is not rejected. This means that the application of SAK-ETAP affects business development in cooperatives.

Increasing business development in cooperatives in the city of Banda Aceh cannot be separated from the application of SAK-ETAP. It is expected that the implementation of SAK-ETAP in small, medium-sized companies will be able to provide information to members and the community regarding the condition of the cooperative, the management's performance in the preparation of its own financial statements, and can be audited by internal and external parties so that it can obtain an audit opinion. Thus, the financial statements can be used as decision making and provide strategies in business development in cooperatives.

The results of this study are relevant to the research of Rahmawati & Puspasari (2017), Budi & Hanafi (2016). They stated that the adoption of SAK-ETAP has a significant effect on the development of cooperative businesses. However, the results of Sariningtyas & Diah (2009) research suggest that the application of SAK-ETAP has a positive effect on the development of cooperative businesses. However, the results of this study are not relevant to the research of Rudiantoro & Siregar (2012). They stated that the application of SAK-ETAP had no effect on the development of cooperative businesses.

The Effect of Internal Control Systems on Business Development in Cooperatives
Statistical test results show that the internal control system affects the business development of cooperatives. The beta coefficient ($\beta_2$) value of the internal control system is 0.046. This value is not equal to zero ($0.046 \neq 0$). Thus, $H_{a2}$ is not rejected. This means that the internal control system affects business development in cooperatives.

Increasing business development in cooperatives in the city of Banda Aceh cannot be separated from the internal control system. Because the internal control system is very important in the development of cooperative businesses. With the existence of an internal control system, it can provide information on all aspects of the control environment, risk assessment, control activities in carrying out cooperative supervision activities as well as providing information on all financial statement achievements to all members and cooperative development activities during the year.

The results of this study are relevant to the research of (Putra et al., 2014), suggesting that the internal control system has a significant effect on the development of cooperative businesses. But the results of Widiatmika (2016) is research, suggest that the internal control system has a positive effect on the development of cooperative businesses. Furthermore, the research results of (Iriyani et al., 2016; Rachman, 2017) suggest that the internal control system has a positive and significant effect on the development of cooperative businesses.

The Effect of Cooperative Management Capacity on Business Development in Cooperatives

The results of statistical tests show that the capacity of cooperative management influences business development in cooperatives. The coefficient value of the beta ($\beta_3$) funding source is 0.038 not equal to zero ($0.038 \neq 0$). Thus, $H_{a3}$ is not rejected. This means that the cooperative management capacity influences business development in cooperatives.

Increasing business development in cooperatives in the city of Banda Aceh cannot be separated from the cooperative management capacity. The capacity of cooperative management is very important in the development of cooperative businesses because cooperative management is a member of the cooperative selected through a member meeting to represent cooperative members who have the responsibility in managing the organization and business. Cooperative management is considered cooperative management which must be able to show all members in terms of improving the welfare of its members and is carried out in accordance with the applicable Cooperative Law for future success.

The results of this study are relevant to the research of (Winarko, 2014), suggesting that the cooperative management capacity has a partial effect on the development of cooperative businesses. But the results of (Haryanto et al., 2014), suggested that the capacity of the board had a significant effect on the development of cooperative businesses. Furthermore, the results of Anomsari et al., (2012) research revealed that the capacity of cooperative management has a positive and significant effect on the development of cooperative businesses.

5. Conclusions, Limitations, and Suggestions

The conclusion of this study is the application of SAK-ETAP, internal control systems, cooperative management capacity to take effect together on business development in cooperatives.

This study is limited only to examine using three independent variables to see the relationship with business development in cooperatives and this study only looked at cooperatives in Banda Aceh. In addition to the cooperatives in Banda Aceh City, there are still several other cooperatives that are not used as observations.
Future research can expand the research analysis unit, not just limited to cooperatives in the city of Banda Aceh, so as to enable the discovery of different results and conclusions. In addition, further research can also increase the time span of research and other variables that are thought to affect the business development of cooperatives.

References


