

Exploration of Human Resources (HR) Practices Based on Local Cultural Values in Cooperatives in Bali



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ABSTRACT: The purpose of this study is to find out whether human resources (HR) practices in cooperatives in Bali have adopted Balinese cultural values. How Balinese cultural values are applied to HR practices in cooperatives in Bali has never been studied. The title of this research is Exploration of HR Practices Based on Local Cultural Values in cooperatives in Bali. The number of respondents 79 who are managers of cooperatives in Bali. The analytical technique used is statistical analysis techniques. The results of the study show HR practices in cooperatives in Bali have been implemented based on local Balinese cultural values with high criteria. It can be said that HR practices in cooperatives are in a strong category. The results of the identification of HR practices based on local culture which include (1) Dimensions of performance appraisal, (2) Dimensions of career development, (3) Dimensions of compensation, (4) Dimensions of training and development, (5) Dimensions of the selection process. Implementation of HR practices that are in accordance with Balinese Cultural Values, among others: HR practices contained in the concept of *menyamabraya* are reflected in the dimensions: performance appraisal, career development, and the selection process. HR practices contained in the concept *taksu*, namely in the selection and recruitment process, HR practices contained in the concept of *jengah*: Implemented in selecting and awarding compensation.

KEYWORDS: Human resource Practices, Bali local values (*jengah, taksu, and menyamabraya*)

INTRODUCTION

The development of the business world cannot be separated from issues related to globalization and technological developments. Globalization brings changes in competition in business organizations and non-business organizations. The workplace has changed dramatically due to the use of various new information. This condition is experienced by every organization, including cooperative organizations. Cooperatives must compete with other organizations to the maximum. Competition must be faced cannot be separated from the support of quality human resources. Cooperatives in Bali are experiencing very rapid development. Cooperatives play a very significant role in supporting the tourism business in Bali. The development of cooperatives in Badung Regency as one of the regencies in Bali from 2015-2019 is presented in Table 1 as follows:

Table 1. Development of active and inactive cooperatives in Badung Regency

Year	Active Cooperartives	Inactive Cooperatives
2015	511	31
2016	523	36
2017	530	38
2018	541	42
2019	567	68

Data Source: Bank of Data of Badung Regency 2020

Based on Table 1, it shows that cooperatives in terms of number are growing rapidly, but the development of the number of cooperatives does not necessarily indicate that the performance of cooperatives is good. The existence of cooperatives that are

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not active shows that the performance of cooperatives still needs to be improved. Cooperative performance can be improved through employee performance. Based on the results of the study indicate that employee performance is determined by organizational culture. Organizational culture that is not in accordance with cultural values in society affects employee performance (Joiner, 2001, Olulana, 2015).

The culture of the community can be seen as part of the company's resources, which lead to competitive advantage. Like *Guanxi* culture is a culture in China that plays a very important role in Chinese business. The *Guanxi* culture which contains the meaning of brother is not only seen from the existence of blood relations (Ruixiang, 2012), it contains almost the same meaning as concept of *menyama braya* culture in Bali. *Guanxi* culture is a social capital that affects business performance (Arribas, 2013). The success of the Chinese is supported by the role of *Guanxi* culture which is actualized in business practices. The results of other studies show that culture supports organizational performance (Yadong 1997; Chung Lee, 2007, Wiengarten, 2010; Lucky et al., 2012; Wingarta, 2012; Aribas, 2013, Sitiari, 2016).

Based on the results of research conducted by Sitiari (2016) which explores that Bali also has a culture in the form of values which influence on organizational performance. The culture used in this study, namely the concepts of *Jengah*, *Taksu*, and *Menyama braya* were found to have a positive and significant effect on organizational performance. Other studies related to Balinese culture have investigated how the influence of Balinese culture on organizational performance is positive and significant (Riana, 2011, Korry, 2014). Sitiari (2018) also found that organizational culture based on local Balinese cultural values has a negative effect on employee stress. This means that organizational culture that is in accordance with local culture can reduce employee stress and improve performance. This research has not examined HR management practices that are in accordance with the local Balinese culture. Research needs to be carried out to explore by identifying HR practices that are in accordance with local cultural values and how they relate to stress and organizational performance.

In accordance with the results of the study by Suryani (2017) who found that HR management practices had a positive and insignificant effect on fairness and organizational performance. This means that the better HR practices, the better the organizational justice and the better organizational performance, but the relationship is not significant. Sani (2012) also found an insignificant relationship between HR practices and organizational performance. Ahmad and Schroeder (2003) state that best HR practices must be compatible with the organizational culture. There are indications that HR practices that are not in accordance with local cultural values are not able to bring about justice in an organization. So it is necessary to identify HR practices that adopt local cultural values, then examine how these HR practices influence stress and organizational performance. Research Problems: Do the HR practices of cooperatives in Bali adopted Balinese cultural values? How are Balinese cultural values applied to HR practices in cooperatives in Bali?

RESEARCH METHODE

This research is designed using quantitative research methods to identify, identify and explain HR practices based on local Balinese cultural values, and qualitative analysis to explore HR practices based on local cultural values. Location and Object of Research the research location is savings and loan cooperatives in Badung Regency and Denpasar City with cooperative managers as respondents. While the object of research is HR practices based on local Balinese cultural values. The total responden is 79 people Technique of Data Analysis Phase I uses quantitative and qualitative analysis to identify HR practices and explain the implementation of cultural values in HR practices. Quantitative Method, namely descriptive statistical analysis used to identify and describe respondents' answers to the questions. Qualitative methods to explain the implementation of HR practices that already refer to local cultural values.

RESULTS AND DISCUSSION

Identification of human resource practices based on local cultural values.

Based on the results of the descriptive statistical analysis identify HR Practices Based on Local Cultur. The criteria of respondents' response are classified into 5 classes with the following intervals:

$$Interval = \frac{\text{higher score} - \text{lower score}}{\text{Classes}}$$

$$Interval = \frac{5 - 1}{5}$$

$$Interval = \frac{4}{5}$$

$$Interval = 0.8$$

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Interval	Criteria
1.00 – 1.80	Very Low
1.81 – 2.61	Low
2.62 – 3.41	Moderate
3.42 – 4.21	High
4.22 – 5.00	Very High

Table 2. Descriptive analysis of respondents' Response

Code	Statements	Respondents Response					Score	Average	Note
		1	2	3	4	5			
X	HR Practices (Average Responses of Respondents)	1	2.867	12.53	36.87	21.73	300.47	4.01	high
1	SELECTION								
X1.1	Implementation of selection and recruitment is carried out based on skills to increase willingness or high enthusiasm to compete fairly.	3	3	7	37	25	303	4.04	high
X1.2	Providing orientation for new employees motivates them to excel.	0	0	6	40	29	323	4.31	very high
X1.3	Provide internal opportunities before opening new vacancies to increase enthusiasm to work hard in order to achieve a better life	0	2	14	40	19	301	4.01	high
X1.4	Applying the principle of honesty in determining every decision in the selection and recruitment process.	0	4	18	34	19	293	3.91	high
X1.5	In the selection and recruitment process, prioritizing brotherhood relationships, respect each other, establish good cooperation, and make decisions based on mutual agreement	5	15	17	26	12	250	3.33	moderate
	Average of Selection	5	24	62	177	104	1470	3,92	high
2	Training and development								
X1.6	Providing training programs for all employees to increase employee's ability and confidence. Confident in carrying out his profession	0	8	14	31	22	292	3.89	high
X1.7	Regular training schedule to provide enthusiasm for learning.	1	0	16	34	24	305	4.07	high
X1.8	Providing training in accordance with the needs of employees so that the ability to produce something interesting for others.	0	3	13	34	25	306	4.08	high
	Average of Training and Developments							4,01	high
3	Performance assessment								
X1.9	Performance assessment is carried out objectively by using the principle of honesty in determining every decision,	0	0	13	33	29	316	4.21	very high

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X1.10	Performance assessment helps employees in career development, namely to establish cooperation both for mutual benefit and for individual interests	0	0	12	43	20	308	4.11	high
	Average of performance assessment							4,16	high
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4	Compensation								
X1.11	Salary rise based on performance to increase competitive spirit.	1	0	11	46	17	303	4.05	high
X1.12	Giving higher salaries to employees who excel increases achievement motivation.	0	5	10	40	20	300	4.00	high
X1.13	Awards for employees who achieve the target of enthusiasm to work hard.	0	1	17	35	22	303	4.03	high
	Average of Compensation							4,02	high
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5.	Career development								
X1.14	Providing opportunities to discuss careers Prioritizing brotherly relationships, mutual respect, and mutual help and tolerance.	1	2	12	40	20	301	4.01	high
X1.15	Career development programs are structured and clear because they feel they need each other	4	0	8	40	23	303	4.04	high
	Average of Career development							4,025	high

Based on table 2, it shows that overall respondents stated that the average answer with a high score means that HR practices in cooperatives in Bali have been implemented based on local Balinese cultural values with high criteria. It can be said that HR practices in cooperatives are in a strong category. After being identified sequentially from the five dimensions of respondents' answers as follows:

1. Dimension of Performance Assessment.

Based on respondents' response from five dimensions, the highest score was the performance assessment with a score of 4.16. This means that HR practices in performance assessment on HR practices of the application of local cultural values have been applied with high or strong criteria reflected by the indicators: 1) Performance appraisal is carried out objectively using the principle of honesty in determining every decision with very high criteria namely 33 respondents agreed and 29 respondents stated strongly agree with a score of 4.16. 2) Performance appraisal helps employees in career development, namely to establish cooperation both for the common interest and for individual interests with a score of 4.11, 43 agree and 20 strongly agree.

2. Dimension of Career Development

Following the performance assessment, the next dimension is career development with a score of 4.025 with high criteria. Career development is measured by two indicators and the stronger one is a clear structure in career development because they feel they need each other with a score of 4.04 namely 40 people agree and 23 people strongly agree. While the second indicator is to provide opportunities to discuss careers Prioritizing relationships brotherhood, mutual respect, and mutual help and tolerance.

3. Dimension of Compensation

After career development, the next is the compensation dimension with a score of 4.02. Compensation is measured with three indicators. 1). Salary increase based on performance to increase competitive spirit, 2). Giving higher salaries to employees who excel increases achievement motivation. 3). Awards for employees who achieve the target of enthusiasm to work hard. The strongest indicator that has been applied is in the provision of salaries and awards to employees based on performance to increase the spirit of competition with a score of 4.05

4. Dimension of Training and Development.

After compensation, the next dimension is the dimension of Training and development which is reflected by the indicators: 1) Providing training programs for all employees to increase employee's ability and confidence. Confident in carrying out their profession, 2) Regular training schedule to provide enthusiasm for learning, 3) Providing training according to employee needs so that the ability to produce something interesting for others is the strongest indicator with a score of 4.08.

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5. Dimension of Selection Process

The last dimension is the selection process which is reflected by 5 indicators, namely the criteria for each indicator as follows: 1) Implementation of selection and recruitment is carried out based on skills to increase willingness or high enthusiasm to compete healthily. 2) Providing orientation for new employees to motivate them to excel, 3) Providing internal opportunities before opening new vacancies to increase enthusiasm to work hard in order to achieve a better life. 4) Using the principle of honesty in making every decision in the selection and recruitment process. 5. In the selection and recruitment process, we prioritize brotherly relations, respect each other, establish good cooperation, and make decisions based on mutual agreement.

Implementation of HR Practices in accordance with Balinese Cultural Values

The identification results of this study support the results of previous studies which state that local Balinese cultural values have been applied to cooperatives in Bali and are able to improve employee performance and cooperative performance. Previous research on local Balinese cultural values that have been implemented in managing cooperatives are the cultural values contained in the concepts of *menyama braya*, *jengah*, and *taksu* (Sitiari, 2016).

Based on the results of interviews with cooperative managers, it shows that Balinese cultural values have been applied to cooperatives, which are reflected in the concepts of *jengah*, *taksu*, and *menyama braya*. Based on the results of research (Sitiari et al., 2016) on the concepts of *jengah*, *taksu*, and *menyama braya* contain valid and reliable values reflecting local Balinese cultural values that are still maintained until now.

The concepts of *jengah*, *taksu*, and *menyama braya* are reflected by valid and reliable indicators as Balinese local culture. Anxiety is reflected by the following indicators: (1) having a high spirit to compete in a healthy manner, (2) having a high motivation for achievement, (3) having a passion to work hard in order to achieve a better life, (4) having a strong will to learn, (5) have the desire to improve socioeconomic status, (6) work to produce something useful to fulfill desires or ambitions, (7) have the spirit to be superior to competitors.

Taksu is reflected by the following indicators: (1) having internal strength that comes from belief in the power of God, (2) having the power as a role model for every action taken, (3) using the principle of honesty in making every decision, (4) being confident in carrying out his profession, (5) has the ability to produce something interesting for others, (6) has confidence in his abilities in work.

Menyama braya is reflected by the following indicators: (1) prioritizing brotherly relations with mutual respect, and helping each other in joy and sorrow, (2) upholding the principle of gotong royong, (3) cooperating both for the common good and for individual interests, (4) caring and maintaining solidarity with others, (5) looking for relationships because they feel they need each other, (6) making decisions based on mutual agreement, (7) increasing tolerance in life (Sitiari et al 2016).

Based on the results of interviews and research results, if it is associated with HR practices implemented by managers in accordance with the cultural values of *menyama braya*, *jengah*, and *taksu* are as follows: 1. HR practices contained in the concept of *menyama braya* are reflected in the dimensions:

1). Performance appraisal is reflected in the indicators of helping employees in career development, namely because of the mutual need between managers and employees. 2). Career development is reflected in indicators of a clear structure in career development because they feel they need each other. While the second indicator is to provide opportunities to discuss careers that prioritize brotherly relationships, mutual respect, and help and tolerance. 3). In the selection and recruitment process, we prioritize brotherly relations, with mutual respect, establish good cooperation, and make decisions based on mutual agreement.

2. HR practices contained in the *taksu* concept.

Using the principle of honesty in determining every decision in the selection and recruitment process. 2) Providing training programs for all employees to increase the ability and confidence of employees. Confidence in carrying out his profession. Providing training in accordance with the needs of employees so that the ability to produce something interesting for others. 3. HR practices contained in the *jengah* concept:

Implementation of selection and recruitment is based on skills to 1) increase willingness or high enthusiasm to compete fairly., 2) Provide orientation for new employees to motivate them to excel, 3) Provide internal opportunities before opening new vacancies to increase enthusiasm to work hard in order to achieve a better life. better, 4) Salary increase based on performance results to increase competitive spirit. 5) Giving higher salary to employees who excel increases achievement motivation. 6) Awards for employees who achieve the target of enthusiasm to work hard

CONCLUSIONS

Identification of Local Culture-Based HR Practices: 1). Dimensions of performance assessment. 2) Dimensions of career development, 3) Dimensions of compensation, 4) Dimensions of training and development, 5) Dimensions of the selection process. Implementation of HR Practices in accordance with Balinese Cultural Values.

1. HR practices contained in the concept of *menyama braya* are reflected in the dimensions: 1). Performance appraisal is reflected in the indicators of helping employees in career development, namely because of the mutual need between managers and employees. 2). Career development is reflected in indicators of a clear structure in career development because they feel they

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need each other. While the second indicator is to provide opportunities to discuss careers that prioritize brotherly relationships, mutual respect, and help and tolerance. 3). In the selection and recruitment process, we prioritize brotherhood relations, with mutual respect, establish good cooperation, and make decisions based on mutual agreement.

2. HR practices contained in the *taksu* concept, namely in the selection and recruitment process which are reflected in: 1) using the principle of honesty in determining every decision in the selection and recruitment process. 2) providing training programs for all employees to improve their abilities and employee confidence. Confidence in carrying out his profession. Providing training in accordance with the needs of employees so that the ability to produce something interesting for others.

HR practices contained in the concept of *jengah* includes 1) selection and recruitment are carried out based on skills to increase willingness or high enthusiasm to compete healthily., 2) Provide orientation for new employees to motivate them to excel, 3) Provide opportunities internally before opening new vacancies to increase enthusiasm to work hard in order to achieve a better life, 4) Increase in salary based on performance results to increase competitive spirit. 5) Giving higher salaries to employees who excel increases achievement motivation. 6) Awards for employees who achieve the target of enthusiasm to work hard.

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