

# Respond, Recovery, and Renew Strategies in Strengthening Competitiveness of Cooperatives After COVID-19 Pandemic in West Java

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## ABSTRACT

The recent economic slump due to the COVID-19 pandemic causes major problems for cooperatives in West Java in maintaining their business activities. The pandemic significantly impacts the cooperatives and Small and Medium Enterprises (SMEs). Thus, developing strategies for cooperatives to recover, respond, and renew the issue becomes increasingly necessary. The research sought to contribute by developing alternative strategy recommendations for cooperatives in West Java, Indonesia. By doing so, it generated a competitive advantage in the post-pandemic industry. The research data were obtained through two main sources. Primary data came from Focus Group Discussion (FGD) activities involving cooperative stakeholders in West Java, consisting of cooperative managers, academicians, media, and government. Secondary data were taken from previous research. The collected data were analyzed using the Strength, Weakness, Opportunity, and Threat (SWOT analysis) approach to produce strategic recommendations visualized on the SWOT Matrix and categorized into Respond, Recovery, and Renew strategies. The results show five strategy alternatives to exploit opportunities with the cooperatives' strengths (SO strategy). Seven strategy alternatives were identified to overcome the cooperatives' weakness with external opportunities (WT). There are six strategy alternatives to anticipate external threats using cooperatives' strengths (ST). Last, seven strategy alternatives are found to overcome both cooperatives' weaknesses and external threats.

**Keywords:** respond strategy, recovery strategy, renew strategy, cooperative competitiveness

## INTRODUCTION

Indonesian economy bases its activity on a national ideology called Pancasila. One key point from the ideology is the principles of the economy of the people (*ekonomi kerakyatan*), represented by the existence of cooperatives as an economic entity. A cooperative is defined as, "A business entity with members or cooperatives' legal entities that conduct

activities based on principles and as the movement of the people" (Direktorat Utama Pembinaan dan Pengembangan Hukum Pemeriksaan Keuangan Negara, Badan Pemeriksa Keuangan, 2018). The role of cooperatives is to develop economic potential and the prosperity of its members, to develop the socio-economic prosperity of society, to strengthen the populist economy as the base of the national economy, and ultimately to develop the national economy as

a collective effort according to filial principles and democracy.

According to the data from Indonesian Statistics 2021, the number of cooperatives in Indonesia reaches 127,846 entities spreading among nations (Statistics Indonesia, 2021). The number leads to approximately Rp182 trillion in business assets. West Java has become one of the most prominent provinces in terms of residing cooperatives, amounting to 14,706 cooperative entities with an estimated asset value of Rp23 trillion (Statistics Indonesia, 2021). Despite the large number of cooperative entities, only 25% are deemed to be actively operating nationally. Meanwhile, in West Java, almost 50% of the cooperatives have been disbanded due to low quality and survivability issues (Kementerian Koperasi dan Usaha Kecil dan Menengah, 2020).

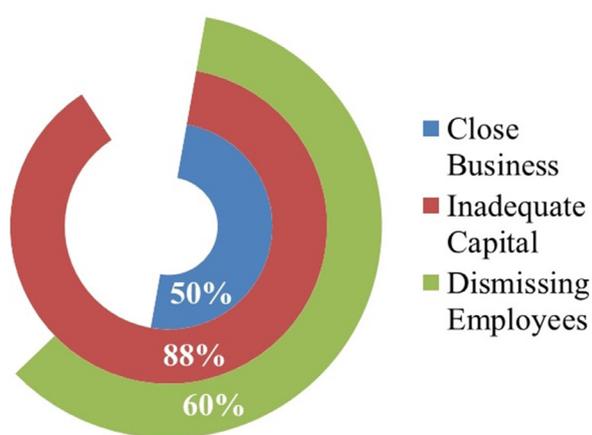


Figure 1 Percentage of Cooperatives and Small and Medium Enterprises (SMEs) Facing Challenges Due to COVID-19 Pandemic

Source: Cicilia (2021)

The recent economic slump due to the COVID-19 pandemic causes major problems for cooperatives in West Java in maintaining their business activities. The pandemic significantly impacts the cooperatives and Small and Medium Enterprises (SMEs). The government's policy on travel bans and physical distancing further impacts customers' demand (Avriyanti, 2021; Sugiri, 2020). Since cooperatives' business activities are mostly done through physical interaction, the restriction policy causes them to lose demand for their product altogether. As measured in June 2020, 50% of cooperatives and SMEs closed their business, 88% did not have liquid financial assets, and more than 60% dismissed their employees (see Figure 1) (Cicilia, 2021).

In addressing the problem caused by the pandemic, digital transformation becomes a strategic issue for cooperatives and SMEs to adapt and implement. The Indonesian Minister of Cooperatives and SMEs states that the government

is ready to support the digital transformation of cooperatives in addressing the recent challenges (Hamid, 2021). Conceptually, in the context of the Indonesian market, digital innovation is found to be the prominent factor in explaining competitiveness (Rismayani et al., 2021, 2022; Wahyuningtyas et al., 2023). Several empirical studies further support the findings. Implementing digital technology can become an alternative survival strategy in facing challenges from the pandemic (Hardilawati, 2020; Liu & Sukmariningsih, 2021; Redjeki & Affandi, 2021). Alternatively, a digital transformation strategy is also found to be an alternative for recovery and developing competitiveness (Arianto, 2021; Faizurrohman et al., 2021; Idah & Pinilih, 2020). To complement the findings of previous empirical studies, the research aims to generate a digital transformation strategy for cooperatives in West Java as a means to recover from the COVID-19 pandemic and develop competitiveness in the future economy.

SMEs play a key role in the Indonesian economy. However, they face major challenges in two aspects, specifically in increasing individual competitiveness and taking advantage of synergy in SMEs' networks (Gunasekaran et al., 2011; Hillmann & Guenther, 2021; Rashidirad & Salimian, 2020). In the context of SMEs, competitiveness is heavily influenced by key players. Alternatively, they are defined as the leading firms within the industry. Within the boundary of the Indonesian market, innovation becomes the prominent factor that explains SMEs competitiveness (Anton et al., 2015; Efendi et al., 2020; Khotimah & Budi, 2020). It is argued that human capital, financial resources, potential market, and business strategy complement innovation in providing sources of SMEs' competitiveness (Anton et al., 2015). Additionally, entrepreneurship becomes the key factor in explaining SMEs' competitiveness (Alam et al., 2020; Susanto et al., 2023).

The research is theoretically motivated by the Competitive Strategy theory by Porter (2007). Competitive strategy is a combination between the desired state and the firm's policy to achieve it (Porter, 2007). Furthermore, competitive strategy is defined as a formulation to increase an organization/firm's competitiveness in consumers' perspective (Chanyasak et al., 2022; Köseoglu et al., 2020; Vigfússon et al., 2021). It gives competitiveness that differentiates firms and creates a healthy competitive environment with segmented consumers. Competitive advantage becomes a method that indicates a firm or organization's competitiveness. It is an organizational strategy that leads to a result or strategic position according to certain strategic indicators (Pramudiana et al., 2017).

One of the key elements in developing a competitive strategy is strategy formulation. It is a composition of the firm's future steps by developing its vision and mission. It establishes strategic goals and specifies policies to achieve the defined vision and mission (Lestari & Rismayani, 2018; Novianto,

2019; Rachmawati & Rismayani, 2019). The strategy formulation technique can be mapped into a decision-making framework with matrixes in three steps.

As seen in Figure 2, the first stage is the input stage. The formulation strategy framework consists of External Factor Evaluation, Internal Factor Evaluation, and Competitive Profile matrices. The step summarizes the basic information required to develop a strategy. Then, it is followed by the second stage, which focuses on identifying strategy alternatives by paying attention to the organization's main external and internal factors. The technique comprises of several matrices, such as Strength-Weaknesses-Opportunity-Threat (SWOT) matrix, Strategic Position and Action Evaluation (SPACE) matrix, Boston Consulting Group (BCG) matrix, Internal-External (IE) matrix, and Grand Strategy matrix. The last stage is often called the decision stage. The technique used is the Quantitative Strategic Planning Matrix (QSPM). It is a technique to objectively establish an alternative strategy the organization prioritizes by using input information obtained in the input stage to evaluate the alternative strategy identified in the matching stage.

The input stage of strategy formulation requires a proper identification of strategic factors for the firm. A SWOT matrix is a key technique to help the identification and analysis of the factors. It explains

the company's external opportunities and threats and compares them to its internal strengths and weaknesses (David & David, 2017; Farid, 2022; Ghorbani et al., 2022; Ngo, 2023). The use of a SWOT matrix leads to a result of four typical strategies: Strength-Opportunity (SO), Weakness-Opportunity (WO), Strength-Threat (ST), and Weakness-Threat (WT). In the context of the Indonesian market, particularly SMEs, the SWOT matrix is a commonly used tool in strategy formulation (Fauziah & Rismayani, 2019; Fauziawati et al., 2021; Rismayani & Sari, 2019; Winarto, 2021).

The steps in using a SWOT matrix to generate strategy alternatives are adapted from previous studies (Benzaghta et al., 2021; Gürel, 2017; Maghfiroh et al., 2022; Namugenyi et al., 2019). First, it outlines the firm's key external opportunities. Second, it outlines the firm's key external threats. Third, it outlines the firm's key internal strengths. Fourth, it outlines the firm's key internal weakness. Fifth, it matches internal strengths with external opportunities and lists the results of the SO strategy. Sixth, it matches internal weaknesses with external opportunities and lists the results of the WO strategy. Seventh, it matches internal strengths with external threats and lists the results of the ST strategy. Lastly, it matches internal weaknesses with external threats and lists the results of the WT strategy.

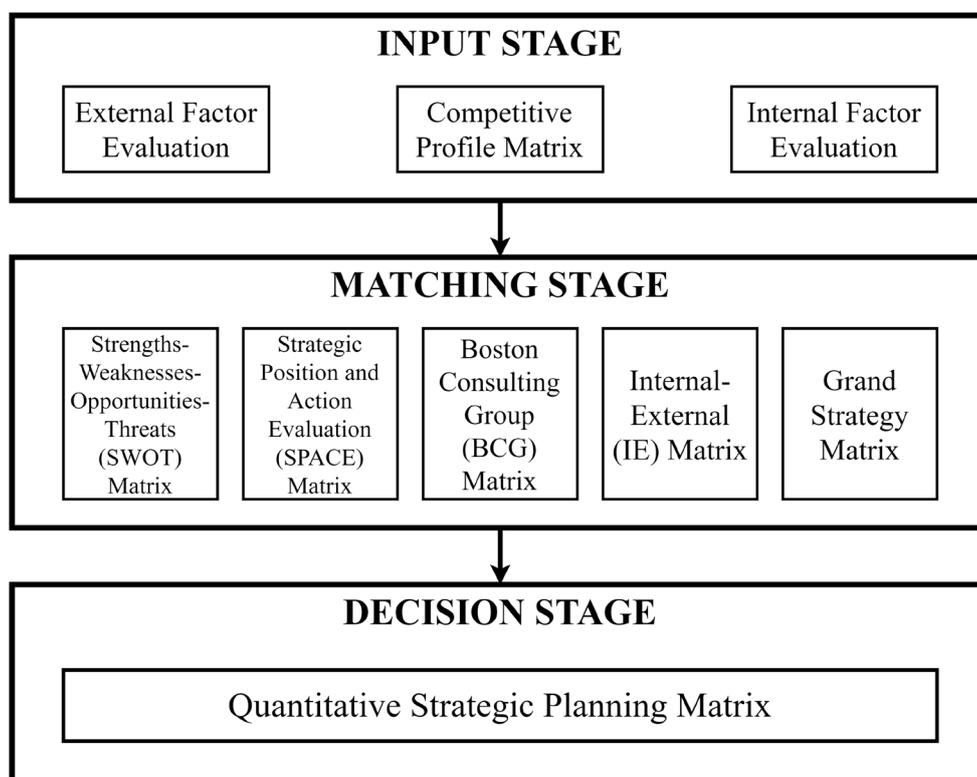


Figure 2 Strategy Formulation Framework

Source: David and David (2017), Pramudiana et al. (2017), and Rismayani et al. (2017)

In the wake of the COVID-19 pandemic, businesses have to learn a new approach to developing their strategy and business model. Digital transformation is presumed to be the strategic tool for SMEs to adapt as a means to survive and prepare for the post-pandemic market (Klein & Todesco, 2021; Musnaini et al., 2023). Proposing a more practical approach, researchers from Gartner develop a framework for businesses to implement in formulating strategies to face the pandemic. The framework consists of three major steps (see Figure 3). The response phase refers to immediate actions. It focuses on keeping people safe and essential business functions operating. It is a relatively short period marked by high effort and potentially chaotic activity. Key activities include temporary fixes to stop the problem. Then, the firm enters the Recovery phase. It is a more organized/coordinated effort to stabilize operations and has a medium duration. Key activities include creating a plan to restore a scalable state and identifying capabilities needed to strengthen, refactor, reopen, rehire, re-budget, and resupply. Lastly, it is the Renew phase. It refers to the extended period

marked by strategic and durable execution across the organization. Key activities consist of learning to conduct operations processes and workflows in new, repeatable, and scalable ways and using learned lessons and emergent patterns from prior phases to coalesce around a new foundation and way forward (Howard, 2021).

According to Howard (2021), “the Reset” strategy consists of three phases that leaders go through during the pandemic. The duration of each phase varies by country, industry, and enterprise, as well as by business unit, product, or service. While business leaders reset their strategies during the pandemic, they will go through three stages: Respond, Recover, and Renew (see Figure 3). ‘The Reset’ strategy states that businesses can respond based on scenarios. The lockdown puts businesses into the ‘Respond’ phase, inflicting immediate positive and negative impacts. Then, coming into the ‘Recover’ phase is where the reopening of society happens. Lastly, moving on to the ‘Renew’ phase, the future becomes more ‘plannable’, and it can accelerate business plans because they will know how customers behave.

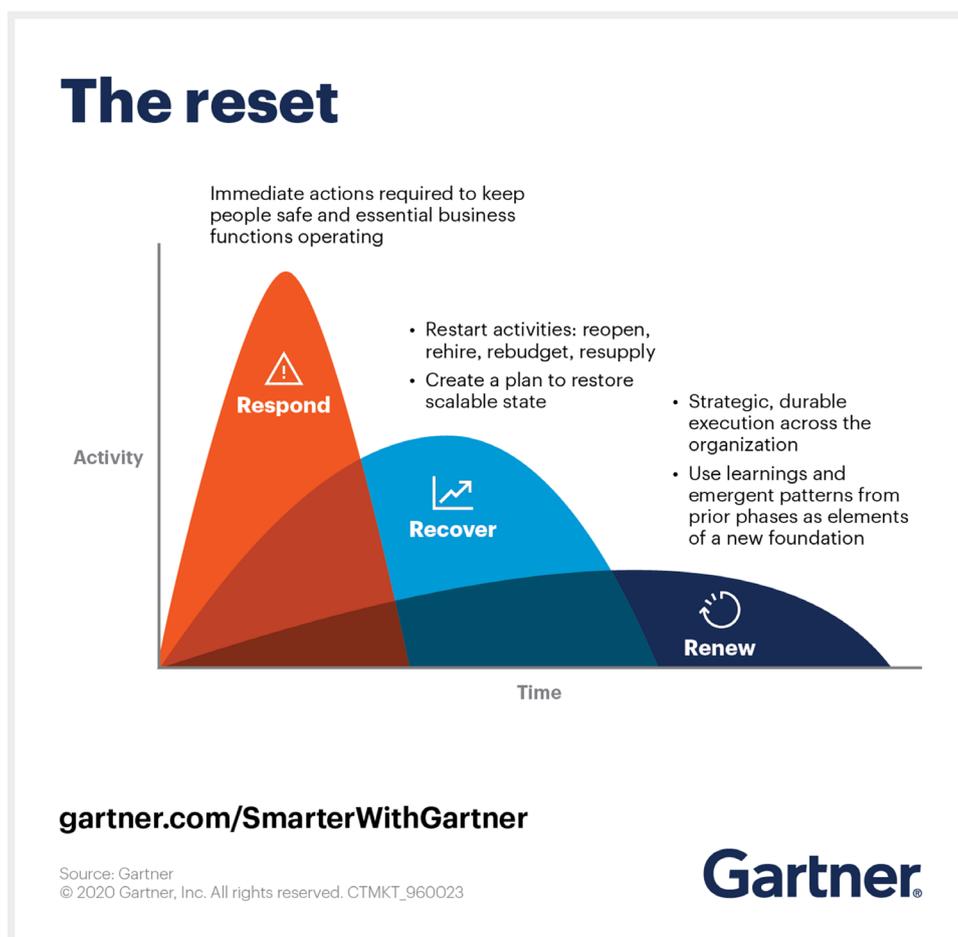


Figure 3 The Reset Business Strategy in COVID-19 Recovery

Source: Howard (2021)

However, the phases are not sequential. As seen in Figure 3, the phases can overlap. It is possible to think about the Renewal phase during highly disruptive times, even while grappling with the triage of Response and Recovery. Successful resets also build organizational resilience. As organizations weed out weaknesses and amplify strengths in their business and operating models, they will be better positioned to weather the next disruption.

The research aims to determine internal factors (strengths and weaknesses) along with external factors (opportunities and threats) in determining the SWOT matrix for the research object and developing a SWOT strategy. The research examines SWOT analysis from a stakeholders' perspective, which plays a vital role in the cooperative's digital ecosystem. Internal analysis output comes from internal stakeholders' Focus Group Discussion (FGD), while external analysis comes from external FGD. The internal analysis is divided into strengths and weaknesses by comparison with other industry cooperatives. Furthermore, external analysis is split into opportunity and threats analysis. After that, the researchers propose the Respond-Recover-Renew strategy for cooperatives in West Java. The research offers novelty by using an alternative approach for detailing a strategy to three-time horizons based on the Respond-Recover-Renew strategy in the planning scenario for the five-year development of cooperatives in West Java.

## METHODS

The research can be categorized as descriptive research. It applies quantitative and qualitative techniques. It uses the strategy formulation framework from David and David (2017). Only two stages are employed (input and matching stages). External and internal factor evaluations are analyzed in the Input stage. Meanwhile, the SWOT matrix is employed in the matching stage. The strategy alternatives are identified through the SWOT matrix and are categorized into Reset strategy (Howard, 2021). Differentiation is identified in each step as the basis for classification.

The population for the research is the cooperatives in West Java, which were determined to be actively operated in 2022. The purposive sampling technique is used to determine the sample size of research participants. Research data are gathered in two steps. The internal factors of cooperatives in West Java are from a questionnaire obtained from Wahyuningtyas et al. (2023). Afterward, the questionnaire results are exposed in the first FGD to obtain the key internal factors.

The external factors (opportunities and threats) are also collected through the FGD technique with the Pentahelix (academia, business, government, media, and community) stakeholders of the Indonesian cooperative environment. Table 1 lists the participants of the first FGD session. They are the management representative for the cooperatives studied in

the research. Their roles are to provide practical perspectives of cooperative management in West Java. After collecting the data, the second FGD session is conducted to formulate the recommended SWOT matrix. Table 2 lists the participants of the second FGD session. The second session represents perspectives from the academia, business, government, and media in West Java as the stakeholders of the cooperative's community. They are invited as recommendations from the Office of Industry, Commerce, and Small Medium Enterprises (SMEs). Representatives for respective institutions are invited to the second FGD session to contribute their opinions and perspectives. The validity of data gathered from various opinions within the FGD session is examined using the triangulation method. The SWOT matrix becomes the base of judgment for the formulation of recommended Respond-Recover-Renew strategy alternatives for cooperatives in West Java.

## RESULTS AND DISCUSSIONS

The research is different from the previous research. The strategizing research is a continuation of the previous research. The previous research identifies internal factors that influence the digitalization of cooperatives in West Java. Meanwhile, the current research applies a quantitative approach and primary data collection using questionnaires. The results are processed using SEM-PLS tools. The results are then presented in the first FGD to identify the strengths and weaknesses of cooperatives in West Java. From the results of the FGD, several unidentified factors were added. The results of questionnaire data are collected from previous research by Wahyuningtyas et al. (2023), which have been validated through the first FGD, and W5-W8 as additional weakness factors that are generated from the first FGD. It is summarized and presented in Table 3. It lists the internal factors of cooperatives in West Java as their strengths and weaknesses. There are several statements from the respondents' answers to the questionnaire and identification based on the first FGD results to be classified as the strengths and weaknesses of cooperatives in West Java. The values in the mean column are the average value of respondents' answers to the statement in the questionnaire. The response is on a scale of 1 to 5 in terms of the respondent's approval of the statement. All statements are obtained from the questionnaire, except for statements W5 to W8, which are added from the discovery in the first FGD session. The additional statements are added due to the repeated highlights from the FGD participants.

The first weakness of cooperatives in West Java is the optimization of digital technologies in their management activities (W5). It is found to be a major weakness because numerous cooperatives prefer to use manual and traditional approaches in their business process. The presumed cause is the high resistance to change in the cooperatives' members and

Table 1 The First Focus Group Discussion (FGD) Participants

No.	Name	Institution
1	Noneng Rubai'ah	Cooperative of Konsumen Harapan Kita Sejahtera
2	Iden Nurwahidin	Cooperative of Mitra Husada Sejahtera
3	Ai Suryani	Cooperative of Bina Lestari (Kopaga Rw 09)-Margahayu Permai
4	Taofik Abdurachman	Cooperative of Baiturrahim Syariah Indonesia
5	Ecin Kuraesin	Cooperative of WIRAJATI
6	Ujang Sodikin	Cooperative of Mitra Husada Sejahtera
7	Ojang Muhamad Sunardi	Cooperative of Pemasaran Alam Lestari
8	Vivi Hanifah	Cooperative of Karya Mandiri
9	Fachrina Fahny	Cooperative of PKK RW 02 Palasari
10	Tita Maelani	Cooperative of Bina Lestari
11	Wawan Somantri	Cooperative of Konsumen Mitra Husada Sejahtera
12	Lina Marlina	Cooperative of Karya Mandiri
13	Cucu	Cooperative of Andaya Wangi
14	Dian Mediana	Cooperative of LKP/HPI

Table 2 The Second Focus Group Discussion (FGD) Participants

No.	Name	Institution
		Academician and Association
1	Heri Nuraham	Indonesian Cooperative Management Institute (IKOPIN)
2	Rana Akbari Fitriawan	Telkom University Business
3	Tatty Mulyati	Cooperative of KSP Sejahtera Mandiri Management
4	Bernadus Chrisnadi	Cooperative of KSP Kopdit Borromeus Management
5	Endang Juhana	Cooperative of Kamola Management
6	Deden Syarif Hidayatullah	Cooperative of GIAT Management Government
7	Perdana Firmansyah	The Office of Cooperatives and Small and Medium-Sized Business of Bandung Regency
8	Hanni Haanuraini	
9	Atet Dedi Handiman	The Office of Cooperatives and Small and Medium-Sized Business of Bandung
10	Kurniadi	
11	Erna Abdillah	Cooperatives' Coordinator and Institutional – Office of Cooperatives, Bandung
12	Poltak Riky Anto	Cooperatives' Supervisor – Office of Cooperatives, Bandung
13	Licky	Attorney General on Cooperatives
14	Yusuf Effendi	The Agency of Cooperatives and Small and Medium-Sized Business of West Java Media
15	Tri Joko Her Riadi	Journalist of Bandung Bergerak

management since the changes require a large number of resources and time. The second major weakness is the regeneration of the cooperatives' management. It is very low or non-existent (W6). In extreme case, there is one cooperative entity led by an 80-year-old chairman. The third and fourth major weaknesses are the lack of democracy in the management (W7) and the capability to comply with the government's regulations (W8).

Moreover, cooperatives in West Java have strength in adaptability. They possess an openness to environmental changes, an urge to learn digital technologies, and an attempt to develop new skills. They also have numerous members with open minds and a voluntary spirit. Hence, they show motivation and intention to digitalize and adapt.

Moreover, Table 4 lists the external factors of cooperatives in West Java as their opportunities and threats. The results of the first FGD session are summarized into the recurring ten statements. Each statement is discussed with FGD participants to determine whether the issue is an opportunity or a threat for cooperatives in West Java.

Cooperatives in West Java have the opportunity to grow and digitize because the public, consumers, and other stakeholders positively respond to the existence of cooperatives. In addition, economic conditions show an improved performance after the pandemic period. The government also supports the ease of technology development to manage cooperatives. Cooperatives in West Java also have local potential to develop from the business model, investment, and growth. However, as a business unit, of course, cooperatives in West Java are not spared from the threat of increasingly fierce competition, low bargaining power compared to large companies, public perception of the quality of local businesses, less effective stimulus provided by the government, and lack of digital access literacy for cooperative managers.

The Long-Term Strategic Plan Document (Rencana Jangka Panjang/RJP) of cooperatives in West Java for 2020-2024 is used as a basis for strategy formulation, specifically, the development strategies of cooperatives to determine the strategy alternatives in the SWOT matrix. Table 5 illustrates the translated version of the strategic plan. Through

Table 3 The Internal Factors of Cooperatives in West Java

ID	Strength, Weakness, Opportunity, and Threat (SWOT) Factors	Mean	Decision
S1	Possessing openness to environmental changes	3.97	Strength
S2	Possessing the urge to learn digital technologies	4.57	Strength
S3	Showing attempts to develop new skills	4.05	Strength
S4	Having numerous members with open minds and a voluntary spirit	4.09	Strength
W1	Lacking collaboration with other cooperatives and/or external parties	3.69	Weakness
W2	Lacking the capability to foresee market potential	3.94	Weakness
W3	Lacking product innovation	4.00	Weakness
W4	Lacking optimization of digital technology in management activities	4.53	Weakness
W5	Lacking knowledge and skill in business management	-	Weakness
W6	Having infrequent or non-existent leadership regeneration	-	Weakness
W7	Lacking democracy	-	Weakness
W8	Lacking compliance with regulation	-	Weakness

Table 4 The External Factors of Cooperatives in West Java

ID	Strength, Weakness, Opportunity, and Threat (SWOT) Factors	Decision
O1	Positive public response to cooperatives' existence	Opportunities
O2	Economy showing positive conditions after pandemic	Opportunities
O3	Government's support	Opportunities
O4	Development of technology to ease management activities	Opportunities
O5	Local potential to be developed	Opportunities
T1	Competition issues in a free market	Threats
T2	Relatively low bargaining position with corporate	Threats
T3	Public perception of lower-quality products from local business entities	Threats
T4	The issue of the effectiveness of government stimulus	Threats
T5	Lack of information access about digitalization	Threats

the Ministry of Cooperatives, the government has developed a Long-Term Strategic Plan Document. Strategic plans mean governance has targeted the development of cooperative industry until 2024. There are four critical priorities for development: business model, partnership and network, increasing cooperative growth, and developing innovation. The business model is an alternative scheme for the cooperative to generate revenue. Hopefully, cooperatives have a good foundation in the producer business model, consumer business model, saving and loans innovation business model, preparation for an all-in-one cooperative business model, and finally, accommodating Sharia business model. A cooperative is a nonprofit organization and a small or medium enterprise characterized by doing business operations where investments come from donors. The donor is similar to consumers in banking saving money, and they will have benefits called *uang saku* in the last period. If cooperatives have many producers and a solid commitment to saving, it will impact performance. As a basis, cooperatives must have good offerings to producers as key stakeholders. After that, cooperatives, besides having upstream customers that are producers, must have many consumers as downstream customers. So, they must have a fit and attractive consumer business model.

Furthermore, business will grow with a good experience in saving and loans. In the digital era, it will be one ecosystem of digital cooperatives. There will be a robust relationship between actors and upstream and downstream customers, so the following cooperatives must develop an all-in-one business model to accommodate producer and consumer collaboration not only with one cooperation. Finally, in 2024, the Sharia lifestyle will still increase, so the

cooperatives must be adaptive to accommodate the Sharia cooperative business model. The other target is to increase partnerships and networks to strengthen funding. With the vast funding, cooperatives have strong capabilities to grow and innovate.

The research result is presented in a visualization of alternative strategies with a SWOT matrix (see Figure 4). The SWOT matrix describes several strategy alternatives in each SO, WO, ST, and WT category. First, five strategy alternatives are identified to exploit opportunities with the cooperatives' strengths (SO). Second, seven strategy alternatives aim to overcome the cooperatives' weaknesses with external opportunities (WO). Next, six strategy alternatives are found to anticipate external threats using cooperatives' strengths (ST). Lastly, seven strategy alternatives aim to overcome cooperatives' weaknesses and external threats (WT).

From the SWOT matrix, the identified strategies are further grouped into three categories of Respond-Recover-Renew strategies. The categorization is based on the degree of achievability within a specific timeframe. Table 6 summarizes the categorization of recommended strategy alternatives into Respond-Recover-Renew strategies.

The Respond strategies require the action to be put into action immediately. Thus, it should be achieved in under a year. The strategy encompasses immediate action, such as offering competency training for human resources, community development for information sharing, opportunity exploitation, knowledge sharing, *detasering* program, and digital innovation training for cooperatives' management, increasing innovation and productivity, and developing human resources competency. Building competency in human resources is a foundation for strengthening

Table 5 The Long-term Strategic Plan of Cooperatives in West Java

2020	2021	2022	2023	2024
Prepare business model for producer cooperatives	Prepare business model for consumer cooperatives	Prepare business model for saving and loan cooperatives	Prepare business model for all-in-one cooperatives	Prepare business model for Sharia cooperatives
Improve partnership and network of 10 cooperatives	Improve partnership and network of 15 cooperatives	Improve partnership and network of 20 cooperatives	Improve partnership and network of 25 cooperatives	Improve partnership and network of 30 cooperatives
Increase cooperatives growth by 5%	Increase cooperatives growth by 10%		Increase cooperatives growth by 15%	
Develop 2 cooperative innovations	Develop 3 cooperative innovations	Develop 4 cooperative innovations	Develop 5 cooperative innovations	
Improve the number of mid-large size cooperatives by 2.5%				

		STRENGTHS					WEAKNESSES				
		S1	S2	S3	S4	S5	W1	W2	W3	W4	W5
OPPORTUNITIES	O1	<b>SO STRATEGIES</b> <ul style="list-style-type: none"> <li>Increasing the number of accredited cooperatives (S2, S5, S6, O1, O2, O3, O5)</li> <li>Increasing the growth of cooperative by 10% (S2, S5, S6, O1, O2, O3, O5)</li> <li>Increasing the growth of medium/large size cooperatives by 2.5% (S2, S5, S6, O1, O2, O3, O5)</li> <li>Digitalization of West Java cooperatives (S1, S3, S4, O4, O5)</li> <li>Developing four innovations in digital cooperatives (S1, S3, S4, O4, O5)</li> </ul>					<b>WO STRATEGIES</b> <ul style="list-style-type: none"> <li>Increasing the collaboration and synergy between West Java cooperatives (W1, W2, W3, O1, O2, O3, O5)</li> <li>Competency training for the human resources (W1, W2, W3, O1, O2, O3, O5)</li> <li>Community development for information sharing, opportunity exploitation, and knowledge sharing (W1, W2, W3, O1, O2, O3, O5)</li> <li>Detasering program (W1, W2, W3, O1, O2, O3, O5)</li> <li>Digital innovation training for cooperative management (W4, W5, S4, O4, O5)</li> <li>Digital application development for cooperatives management (W4, W5, S4, O4, O5)</li> </ul>				
	O2										
	O3										
	O4										
	O5										
THREATS	T1	<b>ST STRATEGIES</b> <ul style="list-style-type: none"> <li>Increasing innovation and productivity (S1, S2, S5, S6, T1, T2)</li> <li>Expanding investment and funding opportunities for cooperatives (S1, S2, S5, S6, T1, T2)</li> <li>HR capacity development (S1, S4, S5, S6, T3, T4)</li> <li>Developing partnership and business relation (S1, S4, S5, S6, T3, T4)</li> <li>Digitalizing cooperatives (S1, S3, S4, T5)</li> <li>Developing four innovations in digital cooperatives (S1, S3, S4, O4, O5)</li> </ul>					<b>WT STRATEGIES</b> <ul style="list-style-type: none"> <li>Increasing partnership and business relation (W1, W2, T1, T2, T3)</li> <li>Increasing competitiveness through special funding scheme for cooperatives (W1, W2, T1, T2, T3)</li> <li>Developing product according to international standards (W1, W2, T1, T2, T3)</li> <li>Developing HR competency (W1, W2, T1, T2, T3)</li> <li>Digitalizing cooperatives (S1, S3, S4, T5)</li> <li>Developing four innovations in digital cooperatives (W4, W5, T4, T5)</li> <li>Developing partnership and business network (W4, W5, T4, T5)</li> </ul>				
	T2										
	T3										
	T4										
	T5										

Figure 4 Strength, Weakness, Opportunity, and Threat (SWOT) Matrix for Cooperatives in West Java

cooperatives' capacity because a good strategy will be the successful implementation with good competency of people in cooperatives.

Moreover, the digital era needs partnerships between stakeholders, primarily cooperatives, as actors to build connectivity through information sharing, opportunity exploitation, and knowledge sharing. Furthermore, *detasering* programs mean superior cooperation as a coach to help others that need to be developed, especially in digitalization development programs. However, there still needs to be a bottleneck to accelerating digitalization. Besides, they already have good infrastructure, so they will need training for cooperatives' management for sustainability digitalization in daily operations. Innovation and productivity should be the priorities to be adaptive in the digital environment, and critical success should be sustained and resilient during and after the pandemic. Adaptive organizations in cooperatives rely on competent human resources, especially for management roles.

Following the Respond strategies, Recovery strategies are initiatives that are achievable within a 1–2 year' timeframe. They are the follow-up actions and further development of previous strategies. The proposed Recovery strategies for

West Java cooperatives encompass the initiatives to develop further investment opportunities, partnerships, digital innovation, and standardization. Furthermore, the growing size of overall cooperatives and the proportionate growth in medium/large-size cooperatives are also proposed to showcase the ability to recover in the post-pandemic economy. Recovery means investment and funding opportunities for resilience and expanding the business. Cooperatives should have more partnerships and business relations to achieve and attract opportunities. It can be done by actively participating in business community programs or proposing investment programs to key stakeholders. Investors will be attracted by the innovation that is proposed. To attain investors for cooperatives, they need to build strong cooperative recognition through accreditation, profitability growth, and upscaling size. There are various funding schemes for cooperatives from government and private companies.

Lastly, the Renew strategies seek to establish an improvised version of cooperatives in West Java. Typically, they should be achieved in 2–3 years. The strategies encompass the development of internationally standardized products, digitalized cooperatives, and synergy between the cooperatives' community in West Java to achieve internationalization cooperatives.

Table 6 The Respond-Recovery-Renew Strategy of Cooperatives in West Java

Respond Strategy	Recovery Strategy	Renew Strategy
1. Competency training for human resources	1. Expanding investment and funding opportunities for cooperatives	1. Developing products according to international standards
2. Community development for information sharing, opportunity exploitation, and knowledge sharing	2. Developing partnership and business relation	2. Digitalizing cooperatives
3. <i>Detasering</i> program	3. Developing four innovations in digital cooperatives	3. Digitalizing cooperatives in West Java
4. Digital innovation training for cooperatives' management	4. Increasing the number of accredited cooperatives	4. Increasing the collaboration and synergy between cooperatives in West Java
5. Digital application development for cooperatives' management	5. Increasing the growth of the cooperative by 10%	
6. Increasing innovation and productivity	6. Increasing the growth of medium/large-size cooperatives by 2.5%	
7. Developing human resources competency	7. Increasing competitiveness through a special funding scheme for cooperatives	

## CONCLUSIONS

The research results present strategy alternative recommendations for cooperatives in West Java in anticipating the post-pandemic period. SWOT matrix matches the external and internal issues of cooperatives in West Java. It applies a descriptive qualitative approach with the FGD technique that involves the stakeholders of cooperatives in West Java, namely academician, cooperative's managements, governments, communities, and mass-media representatives. The research involves 29 stakeholders of the cooperative digital ecosystem in West Java. The first FGD formulates internal factors involving 14 internal cooperatives and cooperative offices. In contrast, the second FGD has stakeholders in formulating external factors for cooperatives in West Java.

Several strategy recommendations are generated based on the RJPP of cooperatives in West Java in 2020-2024, categorized into Respond, Recover, and Renew strategies. The categorization is based on the degree of achievability within a specific timeframe and resource capability consideration. The stakeholders in West Java cooperatives can be informed through the research about the cooperative's SWOT analysis after the pandemic in West Java, particularly about the urgency of capacity development, innovation, and digitalization of cooperatives to pursue strategic advantages. For instance, the analysis recommends that cooperatives in West Java and its related stakeholders adopt, develop, and implement digital transformation as the main Respond, Recovery, and Renew strategies. The results formulate 24 strategies: 5 SO, 6 ST, 6 WO, and 7 WT. Then, it is divided into 7 response strategies for the first year, 7 recovery strategies for the next 2 to 3 years, and 4 renewal strategies for the next 4 to 5 years.

The limited understanding of research participants about the context becomes the main limitation of the research. Hence, to enrich the result, future researchers should implement alternative

techniques in strategy formulation, such as QSPM and the Grand Strategy matrix for Indonesian cooperatives. This recommendation scheme will fit with the general condition of cooperatives in West Java. It can be implemented for each cooperative, but the priorities program will be done based on priorities for each cooperative and their resource capability. Furthermore, each cooperative can find the best recommendations for strategy priority through QSPM before implementing the strategy. For example, if a cooperative has implemented response strategies, they have a strong capability in recovery. Then, they can continue with the recovery strategy. Preferences for implementing strategy rely on resource capability, so if cooperatives have huge investments, they can respond, recover, and renew strategy simultaneously.

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