Strengthening organizational capacity to enhance the sustainability of ornamental fish community cooperatives-based in Malang

Fadillah Putra a,1,*, Mikchaell Alfanov Pardamean Panjaitan b,2, Fajar Shodiq Ramadhan Ramdian c,3

aDepartment of Public Administration, Faculty of Administrative Sciences, University of Brawijaya, Jl. MT. Haryono No. 163, Malang, East Java 65145, Indonesia
bDepartment of Fisheries Product Technology, Faculty of Fisheries and Marine Sciences, University of Brawijaya, Jl. Veteran, Malang, East Java 65145, Indonesia
cDepartment of Political Science, Faculty of Social and Political Sciences, University of Brawijaya, Jl. Veteran, Malang, East Java 65145, Indonesia

*Corresponding author

Cooperatives play a crucial role in the Indonesian economy, cooperatives have high values in helping to improve the country’s economic welfare. Therefore, the development of a cooperative-based Indonesian economy is urgently needed to help boost the economy. Partners in this service activity are the Nusantara Ornamental Fish Malang community. Institutional strengthening is very influential in developing cooperative-based community businesses. This is based on the problems found in the form of weak ornamental fish community institutional systems, more optimal ornamental fish production, limited access to capital, and limited access to ornamental fish marketing. This service activity aims to provide knowledge and assistance in strengthening cooperative-based community business institutions. Assistance provided in the form of cooperative training and procedures for its establishment, cooperative management, facilities for procuring ornamental fish seeds, and ornamental fish marketing galleries. The result is the formation of an ornamental fish production cooperative that can run well and it is hoped that it will be able to help cooperative members and fish farmers in dealing with various problems including access to capital and assistance from the government.

Kata Kunci
Koperasi
Komunitas Ikan Hias
Penguatan Kelembagaan

A B S T R A C T


INTRODUCTION

The global ornamental fish market reached increasing demand every year. Ornamental fish have become part of the lifestyle of various groups of people who like brightly colored fish and the unique characteristics of these fish (Wulandari et al., 2021). Malang Regency is known as one of the freshwater ornamental fish farming areas which are scattered in several districts such as Dau, Karangploso, Bululawang, Wajak, Turen, and Gondanglegi as ornamental fish cultivation centers in Malang Regency. Ornamental fish communities can become agents of environmental education and conservation by educating the public about the importance of protecting aquatic ecosystems and the sustainability of the ornamental fish hobby (King, 2019; Walster et al., 2015).

The participation of human resources communities has great potential in the success of local development. Developing participation several people with make a community is important to share knowledge about the development and cultivation of ornamental fish to developing economic value (Sutarjo & Handajani, 2023). However, the development of freshwater ornamental fish cultivation in Malang, ornamental fish cultivators experience several problems that weaken their bargaining power such as management skills to negotiate, managing relationships and value chain for increasing economic values (Watson, 2000). In addition, ineffective community group dynamics can hinder collaboration, decision making, and problem solving. This weakens the negotiating position of ornamental fish cultivators and is easily influenced by middlemen. As a result, middlemen and other downstream traders benefit more from ornamental fish farming than the ornamental fish farmers themselves (Purcell et al., 2017; Kaminski et al., 2020).

Ornamental fish farmer community needs solid human resources backed by infrastructure, equipment, and credit (access to modal) to face the middleman. Therefore, ornamental fish farmers’ community development is need to to protect ornamental fish farmers in farming activities with support in the form of policies and institutions ranging from central to local (Rimmer et al., 2013; (Haryanti et al., 2023)). And community strengthening of ornamental fish requires the participation of many stakeholders, including academics (Tlusty et al., 2013; Pouil et al., 2020). Community strengthening through legal institutions envisaged that ornamental fish farmers in Malang Regency would have a stronger negotiating position through improving institutions. Additionally, ornamental fish farmers will find getting benefit for their ornamental fish farming business by legal institution (Bondad-Reantaso et al., 2005).

Ornamental fish lovers communities in the Malang area include the Malang Nishikigoi Community and the Nusantara ornamental fish Malang community. The ornamental fish Nusantara Malang community was established in 2020 with 25 members of ornamental fish farmers spread across several sub-districts in Malang Regency, such as Dau, Karangploso, Sinosari, Gondanglegi, Wajak to Ampelgading Districts. This community was founded to be a forum for exchanging ideas about ornamental fish cultivation between its members. Therefore, a cooperative-based ornamental fish community business institutional strengthening program was created. The establishment of the cooperative is anticipated to address the challenges its member ornamental fish producers (Ratnawati et al., 2021). The community business that will be assisted in this case is the Nusantara ornamental fish Malang community. Nusantara ornamental fish Malang community was chosen as a service partner because most of its members are ornamental fish farmers, although most of its members cultivate Koi ornamental fish, there are also some members who cultivate Betta and Canna ornamental fish.

Nusantara ornamental fish Malang community has not been able to solve the problems of its members related to access to modal, production, practices, and expanding market reach. Strong group dynamics are essential for a supportive and cooperative atmosphere. Therefore, ornamental fish farmers, related institutions and other stakeholders may need assistance to collaborate and develop the sector. Cooperative-based ornamental fish community business can be one potential solution to address the challenge of limited access to capital is the implementation of cooperative-based mechanisms that facilitate the provision of rotating capital. The existence of cooperatives has the potential to enhance the business capabilities of its members and augment the income and overall well-being of both members and the wider Community (Yuliamri et al., 2020). Therefore, institutional strengthening of the Malang Nusantara Ornamental Fish Cooperative is needed to help provide solutions to the problems of ornamental fish farming groups in Malang. The limited study and community service related to ornamental fish communities are challenges that need to be overcome within the framework of this study. To overcome these limitations, we strive to develop innovative approaches and methodologies while providing valuable contributions to understanding the dynamics of ornamental fish communities in greater depth.

The cooperative model has been selected as a means of strengthening this institution because it is in accordance with the societal traits of Indonesia, which are rooted in the notion of kinship (Hasan & Ardi., 2020). The establishment of cooperatives aims to reduce the difficulties that ornamental fish growers who are associated with these cooperative entities face. The implementation of a cooperative system that facilitates the availability of rotating capital can effectively address issues like limited accessibility to capital. The cooperative has the potential to build a marketing gallery that would serve as a platform for exhibiting the items derived from the ornamental fish production of its members. Furthermore, the cooperative has the capacity to arrange ornamental fish competitions, serving as a means to attract potential consumers and overcome challenges related to market accessibility. Hence, the existence of a cooperative has the potential to augment the commercial capabilities of its members, elevate their earnings, and foster the overall well-being of both the members and the surrounding community in pursuit of sustainable development goals.
METHOD

The initiation program for the establishment of ornamental fish community cooperatives consists of several stages, beginning with the pre-establishment phase, followed by the establishment phase, and concluding with the operational phase. The cooperative’s pre-establishment phases take the form of socialization, which the community service team in Malang Regency conducts in collaboration with the cooperative and UMKM services. The stages of establishing this cooperative are carried out by community service team assists the ornamental fish community in the submission process and manages cooperative administration. In addition, the team also assisted in the process of establishing the cooperative legal entity. The operationalization phases of this cooperative include socialization and training on cooperative administration, finances, and marketing cooperatively produced items. During the program, the community service team provided ornamental fish broodstocks and supporting equipment such as pumps, aerator, and aquarium for the cooperative marketing gallery. Survey of location is shown in Figure 1.

RESULTS AND DISCUSSION

The implementation of the initiation program for the establishment of ornamental fish cooperatives began with discussions between the heads of the Nusantara ornamental fish Malang community, the Doctor of community Service team, and the Department of Cooperatives and Micro Enterprises of Malang Regency and provide suggestions for carry out the cooperative’s pre-establishment socialization activities (shown in Figure 2), which attend the participation of members of the Nusantara ornamental fish Malang community. Representatives from the Office of Cooperatives and Micro Enterprises of Malang Regency will deliver this socialization material, which contains the requirements and steps for establishing a cooperative legal entity. This activity was carried out on February 6, 2022, and was attended by the Head of Cooperative Counseling and HR Development, namely Istiana Rahayu, and representatives of the Nusantara ornamental fish Malang community.

The activities of the Community Service team continue with activities to assist in the establishment of cooperatives. Members of the Nusantara ornamental fish Malang community who have received socialization from the Office of Cooperatives and Micro Enterprises of Malang Regency are advised to immediately hold an internal meeting to discuss all matters relating to the preparation plan for the establishment of cooperatives such as the name of the cooperative and the AD/ART of the cooperative. In the internal meeting it was agreed that the name of the cooperative to be used was: Nusantara Koi Farm. This name was chosen because the majority of community members are koi fish farmers. And it was also agreed that Akied Lahnudin Abbas would serve as chairman of the cooperative.
The process of establishing the cooperative continues with the selection of a notary to assist in the process of deed of establishment of the cooperative. In this case the selected notary must be a certified notary who can make the deed of establishment of a cooperative or a Notary for Making Cooperative Deeds (NPAK) from the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia. The notary finally chosen was Maharjani SH (shown in Figure 3). At the end of February 2022, a deed of establishment of the cooperative was issued which was ratified by the Ministry of Law and Human Rights with a decree numbered AHU-0015828.AH.01.26. In 2022, which authorized the establishment of the Nusantara Koi Farm producer cooperative based on Jl. Guava No. 29 RT 04 RW 01 Gadingkulon Village, Dau District, Malang Regency.
The formation of a cooperative legal entity that oversees the ornamental fish community will not necessarily answer the problems of its members. Like other organizations, cooperatives also need good management so that cooperative goals are achieved effectively and efficiently. The next activity carried out by the Doctor Serving team is cooperative management training for cooperative administrators and members (see Figure 4). The implementation of this cooperative management patihan takes the form of face-to-face class meetings packaged in a relaxed and kinship atmosphere. This training was held on July 5, 2022.

The problem that is also faced by the partners of the Doctor of Service program is the difficulty of opening wider market access. The solution to the problem offered by the team is the establishment of an ornamental fish marketing gallery. This gallery will be equipped with several aquariums, and a tarpaulin pond whose function is to display koi fish harvested by members of the cooperative. With this gallery, buyers can come directly to the location to choose the fish to be purchased. In addition, this marketing gallery also makes it easier for cooperative members to take photos of fish to sell through social media and marketplaces. Just like the domicile of the cooperative, this marketing gallery is also located at Jl. Guava No. 29 RT 04 RW 01 Gadingkulon Village, Dau District, Malang Regency (shown in Figure 5). The role of cooperatives in improving the quality of ornamental fish communities is vital and has a significant impact. Cooperatives, as community-based entities, can act as catalysts to advance the ornamental fish industry and improve the quality of life of members of the community (Mahanayak & Panigrahi, 2021). Cooperatives can be a means of combining common interests. In the ornamental fish industry, there are various stakeholders, including fish farmers, collectors, retailers, and ornamental fish hobbyists (Tlusty, 2002; Weerakoon, 2020). Cooperatives can serve as a platform that connects all these parties and ensures that profits from the ornamental fish industry are distributed fairly among community members. In this way, cooperatives can help create economic stability and improve members' welfare (Ankrah Twumasi et al., 2021).

Furthermore, cooperatives can facilitate access to resources and capital. One of the main challenges in the ornamental fish industry is access to the capital and resources needed to manage the business well (Ladislau et al., 2019; Tarihoran et al., 2023). Cooperatives can help overcome this problem by providing shared resources, such as rotating capital, infrastructure, and shared facilities. In this way, members of the ornamental fish community can more easily develop their businesses and improve the quality of ornamental fish production. In addition, cooperatives can also play an important role in education and training (Lawrence et al., 2023). Through training programs organized by cooperatives, members of the ornamental fish community can gain the knowledge and skills necessary to manage their businesses more effectively. This can include best practices in ornamental fish farming, financial management, and marketing. By improving these skills, the quality of ornamental fish production can be improved significantly (Stevens et al., 2017). Cooperatives can also...
promote sustainable practices in the ornamental fish industry. By understanding the long-term interests of ornamental fish communities, cooperatives can motivate members to implement sustainable cultivation practices, preserve the environment, and adhere to high ethical standards (Yan et al., 2023). This can create a positive reputation for the ornamental fish community and strengthen their position in the market.

**Figure 5.** Procurement of sales galleries

Strengthening cooperative institutions is a crucial step in maintaining business sustainability in the ornamental fish community (Muliati et al., 2023). The existence of cooperatives is not just a business entity but also a center of activity that binds members of the ornamental fish community within a larger framework (Abidin et al., 2019). Cooperative institutions enable members of the ornamental fish community to collaborate more effectively. In addition, cooperative institutions enable sustainable management of resources and the environment. In ornamental fish cultivation, maintaining water quality and environmental conditions is very important (Shahady & Boniface, 2018). Cooperatives can ensure that members follow sustainable practices in keeping ornamental fish and protecting their environment. This helps maintain the long-term sustainability of ornamental fish businesses and protects the local ecosystem (Ross et al., 2019; Engle & van Senten, 2022). Cooperatives have a very important role in improving the quality of ornamental fish communities. By facilitating collaboration, providing access to resources, providing education and training, and encouraging sustainable practices, cooperatives can contribute significantly to the development of the ornamental fish industry and improve the quality of life for members of the ornamental fish community. In this way, cooperatives become a solid foundation to maintain the sustainability of the ornamental fish business in the long term and provide benefits to the entire ornamental fish community.

**CONCLUSION**

Community Service Activities "Strengthening Cooperative-Based Community Business Institutions" that have been carried out include the establishment of the "Nusantara Koi Farm" cooperative legal entity, cooperative management training, training on aeromonas handlers on freshwater fish, and also the provision of a sales gallery. From the results of discussions with management and members of the cooperative starting from the beginning of coordination and during the implementation of the service, they really hope for training like this, especially in cooperative management, fish farming and handling diseases to marketing the harvested fish. It is hoped that this activity will not end in community service activities, but collaboration between Brawijaya University and the Nusantara Koi Farm cooperative can be formed, for example, fish farming locations can be used as research locations for lecturers and students, application of appropriate technology as a result of lecturer research.

**ACKNOWLEDGEMENT**

The authors would like to express their gratitude to the University of Brawijaya for providing financial support for this research through the research grant with the contract number 2993/UN10.F40/PT.01/2022.
REFERENCES


Wasave, Suhas & Sharma, Arpita. (2021). ORGANIZATIONAL ROLES PERFORMED BY MARINE FISHERIES COOPERATIVES OF MAHARASHTRA STATE, INDIA.


