

**IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE TOWARDS
INVESTMENT DECISION-MAKING: A CASE STUDY OF KOPERASI WANITA
ANGGREK BULAN IN BANDAR LAMPUNG**

(Undergraduate Thesis)

By:

RELIFIDI AUDREY

2211011032



**STUDY PROGRAM OF MANAGEMENT
ECONOMIC AND BUSINESS FACULTY
UNIVERSITAS LAMPUNG**

2026

**IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE TOWARDS
INVESTMENT DECISION-MAKING: A CASE STUDY OF KOPERASI WANITA
ANGGREK BULAN IN BANDAR LAMPUNG**

By:

**RELIFIDI AUDREY
(2211011032)**



(Undergraduate Thesis)

**As One of the Requirements to Obtain
BACHELOR'S DEGREE IN MANAGEMENT**

at

**The Department of Management
Management Undergraduate Program**

**STUDY PROGRAM OF MANAGEMENT
FACULTY OF ECONOMY AND BUSINESS
UNIVERSITAS LAMPUNG**

2026

ABSTRACT**IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE TOWARDS
INVESTMENT DECISION-MAKING: A CASE STUDY OF KOPERASI WANITA
ANGGREK BULAN IN BANDAR LAMPUNG****Oleh:****Relifidi Audrey**

Urgensi implementasi tata kelola yang kredibel dalam memitigasi risiko pengambilan keputusan investasi menjadi determinan utama bagi keberlanjutan organisasi berbasis kerakyatan. Penelitian ini bertujuan untuk melakukan eksplorasi mendalam mengenai implementasi prinsip-prinsip Good Corporate Governance (GCG) dalam proses pengambilan keputusan investasi, sekaligus menganalisis dinamika hambatan serta perumusan strategi penguatan tata kelola pada Koperasi Wanita Anggrek Bulan di Bandar Lampung. Fokus kajian ini dititikberatkan pada mekanisme keputusan kredit yang diposisikan sebagai instrumen investasi strategis dalam menjaga stabilitas portofolio lembaga. Penelitian ini menerapkan metodologi kualitatif deskriptif dengan pendekatan studi kasus untuk memperoleh pemahaman yang komprehensif terhadap fenomena yang diteliti. Data dihimpun melalui teknik triangulasi yang mencakup wawancara mendalam terhadap delapan informan kunci yang merepresentasikan struktur organisasi, observasi partisipatif, serta analisis dokumentasi internal. Proses pengolahan data dilakukan secara sistematis menggunakan bantuan perangkat lunak NVivo 15, melalui tahapan reduksi, kodifikasi, dan visualisasi data guna memastikan objektivitas dan validitas temuan. Hasil penelitian mengungkap bahwa Koperasi Wanita Anggrek Bulan telah mengasimilasi lima pilar GCG—Transparansi, Akuntabilitas, Responsibilitas, Independensi, dan Keadilan—ke dalam ekosistem pengambilan keputusan investasinya. Strategi mitigasi risiko dilakukan melalui seleksi keanggotaan yang rigid dan analisis kapasitas finansial yang presisi sebagai upaya preventif terhadap risiko kredit macet. Meskipun dihadapkan pada tantangan fluktuasi jumlah anggota dan restrukturisasi administratif, koperasi mampu mempertahankan keberlangsungan organisasinya melalui optimalisasi teknologi informasi dan penguatan kepercayaan anggota melalui keterbukaan informasi. Penelitian ini menyimpulkan bahwa konsistensi penerapan kerangka GCG bukan sekadar kewajiban administratif, melainkan fondasi strategis dalam mewujudkan kesehatan finansial dan daya saing koperasi di masa depan.

Kata Kunci: Good Corporate Governance, Keputusan Investasi, Koperasi Wanita, Keberlangsungan Organisasi, Manajemen Risiko.

ABSTRACT**IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE TOWARDS
INVESTMENT DECISION-MAKING: A CASE STUDY OF KOPERASI WANITA
ANGGREK BULAN IN BANDAR LAMPUNG****By:****Relifidi Audrey**

The urgency of implementing credible governance to mitigate risks in investment decision-making serves as a primary determinant for the sustainability of community-based organizations. This study aims to conduct an in-depth exploration of the implementation of Good Corporate Governance (GCG) principles in the investment decision-making process, while simultaneously analyzing the dynamics of obstacles and the formulation of governance strengthening strategies at Koperasi Wanita Anggrek Bulan in Bandar Lampung. The focus of this research is centered on credit decision mechanisms, which are positioned as strategic investment instruments to maintain the stability of the institution's portfolio. This research adopts a descriptive qualitative methodology with a case study approach to obtain a comprehensive understanding of the phenomenon. Data were gathered through triangulation techniques, including in-depth interviews with eight key informants representing the organizational structure, participatory observation, and internal documentation analysis. The data processing was carried out systematically using NVivo 15 software to ensure the objectivity and validity of the findings through data reduction, codification, and visualization stages. The results reveal that Koperasi Wanita Anggrek Bulan has assimilated the five pillars of GCG—Transparency, Accountability, Responsibility, Independency, and Fairness—into its investment decision-making ecosystem. Risk mitigation strategies are executed through rigorous membership selection and precise financial capacity analysis as preventive measures against bad debt risks. Despite facing challenges such as membership fluctuations, the cooperative has been able to maintain its operational sustainability through the optimization of information technology and the strengthening of member trust through information disclosure. This study concludes that the consistent application of the GCG framework is not merely an administrative obligation but a strategic foundation for achieving financial health and long-term sustainability of the cooperative.

Keyword: Good Corporate Governance, Investment Decision-Making, Women Cooperative, Sustainability of Organization, Risk Management

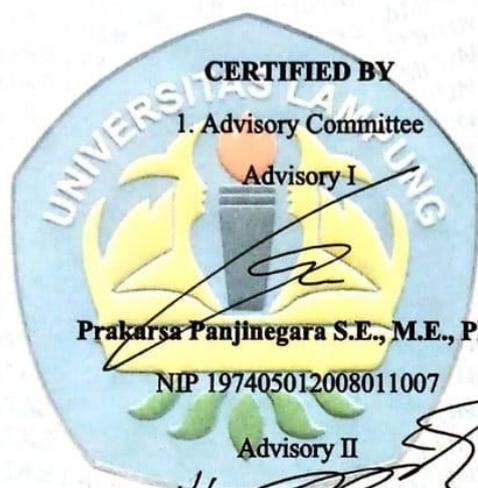
Title : IMPLEMENTATION OF GOOD CORPORATE GOVERNANCE TOWARDS INVESTMENT DECISION-MAKING: A CASE STUDY OF KOPERASI WANITA ANGGREK BULAN IN BANDAR LAMPUNG

Student Name : Refifidi Audrey

Student Number : 2211011032

Major : Management

Faculty : Economics and Business



Prakarsa Panjinegara S.E., M.E., Ph.D

NIP 197405012008011007

Advisory II

Nindyta Puspitasari Dalimunthe, S.E., M.Si.

NIP 1990052420019032013

2. Head Of Management Department

Dr. Ribhan, S.E., M.Si.
NIP 19680708 200212 1 003

APPROVED BY

1. Examiner Committee

Advisor : Prakarsa Panjinegara S.E., M.E., Ph.D

Principal Examiner : Prof. Dr. Ernie Hendrawaty, S.E., M.Si.

Secretary Examiner: Nindytia Puspitasari Dalimunthe, S.E., M.Si.

2. Dean of The Faculty of Economics and Business



Prof. Dr. Ngirabi, S.E., M.Si.

NIP.196606211990031003

Tanggal Lulus Ujian Skripsi: **29 Januari 2026**

PERNYATAAN BEBAS PLAGIARISME

Nama : Relifidi Audrey
Nomor Pokok Mahasiswa : 2211011032
Fakultas : Ekonomi dan Bisnis
Jurusan : Manajemen
Judul Skripsi : Implementation of Good Corporate Governance Towards Investment Decision-Making: A Case Study of Koperasi Wanita Anggrek Bulan In Bandar Lampung

Dengan ini menyatakan bahwa penelitian ini adalah hasil karya saya sendiri, dan dalam skripsi ini tidak terdapat keseluruhan atau sebagian dari orang lain yang saya ambil dengan cara menyalin atau meniru dalam bentuk rangkaian kalimat atau simbol yang menunjukkan gagasan atau pendapat pemikiran dari penelitian lain tanpa pengakuan peneliti aslinya. Apabila di kemudian hari terbukti bahwa pernyataan ini tidak benar, saya siap menerima hukuman atau sanksi sesuai dengan peraturan yang berlaku.

Bandar Lampung, 9 Januari 2026

Yang Membuat Pernyataan



Relifidi Audrey

2211011032

RIWAYAT HIDUP

Relifidi Audrey lahir di Jakarta pada tanggal 29 Februari 2004. Penulis merupakan anak ke-2 dari dua bersaudara, pasangan dari Bapak The Tjoan Lie dan Ibu Reni Hasan. Saat ini penulis berdomisili di Kelurahan Kaliawi, Kecamatan Tanjung Karang Pusat, Kota Bandar Lampung.

Riwayat Pendidikan Formal:

- **SD Xaverius 1 Bandar Lampung**, lulus pada tahun 2016.
- **SMP Xaverius 1 Bandar Lampung**, lulus pada tahun 2019.
- **SMA Xaverius Bandar Lampung**, lulus pada tahun 2022.
- Pada tahun 2022, penulis melanjutkan studi untuk meraih gelar Sarjana di **Universitas Lampung (Unila)** dengan program studi Manajemen dan konsentrasi Keuangan.

Selama menempuh pendidikan di Universitas Lampung, penulis merupakan mahasiswa yang aktif dalam kegiatan akademik maupun non-akademik. Penulis tergabung sebagai anggota Himpunan Mahasiswa Jurusan (HMJ) Manajemen serta mengikuti kegiatan *volunteer* dan organisasi, seperti AIESEC in Unila. Pada tahun 2025, penulis melaksanakan Kuliah Kerja Nyata (KKN) di Desa Kalibening Raya, Kecamatan Abung Selatan, Lampung Utara, Provinsi Lampung.

MOTTO

“In their hearts humans plan their course, but the Lord establishes their steps.”

Proverbs 16:9

PERSEMBAHAN

Puji Syukur dan kemuliaan bagi Tuhan Yesus Kristus atas kasih karunia dan penyertaan-Nya yang luar biasa, sehingga saya dapat menyelesaikan tugas akhir ini. Skripsi ini saya persembahkan sebagai bentuk rasa syukur saya kepada:

Papa dan Mama

Terima kasih telah menjadi perpanjangan tangan Tuhan yang paling nyata dalam hidup aku. Terima kasih atas setiap dukungan, dan doa-doa yang tidak pernah putus dinaikkan ke hadirat Tuhan demi keberhasilan aku. Semoga, Papa dan Mama selalu diliputi kebahagiaan dan kedamaian dari Tuhan, melebihi apa yang telah diberikan utukku.

Om dan Tante

Terima kasih kepada Tante yang selama ini telah menjadi sosok orang tua kedua dan pendukung yang luar biasa. Terima kasih sudah selalu hadir, peduli, dan mendoakan keberhasilanku hingga di titik ini. Harapanku, semoga Om dan Tante selalu diberkati Tuhan dengan kesehatan dan kebahagiaan yang melimpah atas segala kebaikan yang telah diberikan selama ini.

Koko

Terima kasih untuk Koko yang sudah menjadi saudara sekaligus teman sejak kecil. Harapanku, semoga Tuhan Yesus memberkati setiap rencana dan masa depan Koko.

Guru dan Dosen

Terimakasih atas segala ilmu, bimbingan, dan arahan dengan penuh kesabaran selama ini. Semoga Tuhan selalu memberikan kesehatan dan diberkati dalam segala hal.

Sahabat

Terima kasih untuk sahabat-sahabatku yang sudah menemani perjuangan ini. Semoga kita semua selalu sehat dan diberkati Tuhan dalam dalam hal.

Almamater Tercinta

Universitas Lampung

SANWACANA

Puji Syukur saya panjatkan ke hadirat Tuhan Yesus Kristus, karena atas kasih karunia, hikmat, dan penyertaan-Nya, saya dapat menyelesaikan skripsi yang berjudul “Implementation of Good Corporate Governance Towards Investment Decision-Making: A Case Study of Koperasi Wanita Anggrek Bulan in Bandar Lampung.” Penyusunan skripsi ini merupakan salah satu syarat untuk memperoleh gelar sarjana di Universitas Lampung.

Saya menyadari bahwa selesainya karya ini tidak lepas dari dukungan, bimbingan, serta doa dari berbagai pihak. Oleh karena itu, pada kesempatan ini saya ingin menyampaikan terima kasih yang tulus kepada:

1. Prof. Dr. Nairobi, S.E., M.Si., selaku Dekan Fakultas Ekonomi dan Bisnis Universitas Lampung atas perhatian serta bantuannya.
2. Dr. Ribhan, S.E., M.Si., selaku Ketua Jurusan Manajemen Fakultas Ekonomi dan Bisnis Universitas Lampung atas perhatian serta bantuannya.
3. Dr. Zainnur M. Rusdi, S.E., M.Sc., selaku Sekretaris Jurusan Manajemen Fakultas Ekonomi dan Bisnis Universitas Lampung atas perhatian serta bantuannya.
4. Bapak Prakarsa Panjinegara, S.E., M.E., Ph.D., selaku Dosen Pembimbing I, atas kesediannya memberikan dukungan, semangat, bimbingan serta arahan dengan penuh kesabaran dalam proses penyelesaian skripsi ini.
5. Ibu Nindytia Puspitasari Dalimunthe, S.E., M.Si., selaku Dosen Pembimbingan II, atas kesediannya memberikan dukungan, semangat, bimbingan serta arahan dengan penuh kesabaran dalam proses penyelesaian skripsi ini.
6. Prof. Dr. Ernie Hendrawaty, S.E., M.Si., selaku Dosen Penguji yang telah memberikan dukungan, semangat serta kritik dan saran yang membangun selama proses penyusunan skripsi ini.
7. Ibu Faila Shofa, S.E., M.S.M., selaku Dosen Pembimbing Akademik yang telah memberikan dukungan, semangat serta bersedia mendengarkan dan memberikan bimbingan selama masa perkuliahan.
8. Seluruh Dosen Fakultas Ekonomi dan Bisnis, Universitas Lampung yang telah memberikan ilmu dan pembelajaran berharga bagi penulis selama menempuh program pendidikan S1 di jurusan manajemen.
9. Seluruh staf Fakultas Ekonomi dan Bisnis Universitas Lampung yang telah banyak membantu baik selama proses perkuliahan maupun penyusunan skripsi, terima kasih

atas segala bantuan.

10. Orang tua terkasih yang telah memberikan dukungan, semangat, dan doa dalam setiap proses yang dijalani, serta Koko yaitu Relifidi Adrian yang menjadi salah satu motivasi dalam menyelesaikan skripsi ini.
11. Sahabat-sahabat sejak sekolah yang selalu mendengarkan keluh kesah penulis, Angel, Sherly, Felice, Joana, Kenzie, Farlin, Caca, Stella, Eli, Joanna, Angie, Michelle dan Cindy.
12. Sahabat-sahabat semasa perkuliahan, Zafira, Rhea, Tiara, Rafa, Affan, dan Rivo.
13. Teman-teman seperjuangan seluruh mahasiswa kelas internasional angkatan 2022 Program Studi Manajemen, dan yang tidak bisa disebutkan namanya satu persatu.
14. Teman-teman organisasi yang memberikan dukungan serta semangat dalam proses perkuliahan, Daffa, Vito, Farros, Embun, Bella, Syafira, dan Rafki.

Semoga Tuhan senantiasa memberikan balasan berkat dan sukacita yang berlimpah atas segala kebaikan serta bantuan yang telah diberikan kepada saya. Semoga skripsi ini dapat membawa manfaat positif bagi semua pihak yang membacanya.

TABLE OF CONTENT

I. INTRODUCTION	1
1.1 Background	1
1.2 Problem Formulation	5
1.3 Objectives.....	5
1.4 Research Benefits.....	5
II. LITERATURE REVIEW	7
2.1 Agency Theory	7
2.1.1 Divergence of Interests and Information Assymetry	7
2.1.2 Risk Differential and Organizational Inertia.....	7
2.1.3 Agency Costs	8
2.1.4 Governance as a Mitigating Mechanism.....	8
2.2 Good Governance.....	8
2.2.1 Definition	9
2.2.2 Transparency.....	9
2.2.3 Accountability.....	10
2.2.4 Responsibility	10
2.2.5 Independence	11
2.2.6 Fairness	11
2.3 Investment	12
2.4 Investment Decision Making.....	12
2.5 Cooperative.....	13
2.5.1 Definition	13
2.5.2 Cooperative Fundamental	14
2.5.3 Form and Type of Cooperative	14
2.6 Previous Research	14
2.7 Theoretical Framework.....	21
III. RESEARCH METHODS	21
3.1 Research Type and Approach.....	21
3.1.1 Research Type.....	21
3.1.2 Approach.....	21
3.2 Object of Research.....	21
3.3 Research Location.....	22
3.4 Data Source.....	22
3.5 Data Collection Methods	25

3.6 Data Analysis Technique	26
3.7 Validity and Reliability of Data	26
IV. RESULT	28
4.1 Cooperative Overview	28
4.1.1 Koperasi Wanita Anggrek Bulan	28
4.2 Analysis and NVivo Test	30
4.3 Research Result & Finding	35
4.3.1 Process of good corporate governance at Koperasi Wanita Anggrek Bulan in making investment decisions	35
4.3.2 Challenge and Strategies in Implementing Good Corporate Governance at Koperasi Wanita Anggrek Bulan in Investment Decision-Making	43
4.3.3 The Strategies to Overcome Challenges in Implementing Good Corporate Governance in Investment Decision-Making at Koperasi Wanita Anggrek Bulan.....	46
4.4 Discussion	51
4.5 Relevance of The Findings to the Good Corporate Governance Theory	53
5.1 Conclusion	56
5.2 Suggestion	57
REFERENCES	59

I. INTRODUCTION

1.1 Background

Cooperatives are a form of economic organization that is based on the principles of democracy and member participation. Cooperatives are one of the concrete forms in realizing the ideals of the national economy. In Indonesia, cooperatives play a very strategic role in the national economy, especially in improving the welfare of the people, reducing poverty, and creating jobs. Soebijono (2018) stated, a cooperative is an independent business entity that holds onto kinship, openness, and fairness for its members to ensure the cooperative's growth. And cooperative not only serve as a platform for members to save and obtain loans but also function as a means of economic empowerment that encourages the financial independence of its members is the cooperative main point according to Supriyadi (2022).

In 2022, Badan Pusat Statistik reported there are 130,354 active cooperatives in Indonesia with a business volume reaching IDR 197.88 trillion. This figure shows an increase of 1.96% from the previous year, which recorded 127,846 units with a business volume of IDR 182.35 trillion. Although the number of active cooperatives increased from 2011 to 2017, in 2018, the number decreased by 16.97% to 126,343 units. This decline occurred along with the dissolution of several cooperatives by the Ministry of Cooperatives and SMEs. As time goes by, cooperatives are faced with various challenges, such as competition with other financial institutions, changes in consumer behavior, and the advancement of information technology.

According to Suharto (2019), although cooperatives have great potential to contribute to local and national economic development, many cooperatives face difficulties in managing and developing their businesses. Based on data by Badan Pusat Statistik from 2021-2024, the number of cooperatives in Indonesia continues to increase, but it is not matched by an improvement in performance and competitiveness. In 2021, there were 127,864 active cooperatives in Indonesia, and had an increase to 130,354 in 2022, which shows growth after efforts to rehabilitate and organize the cooperative's data. However, in 2023 the number slightly decreased to 130,119 units, possibly due to the dissolution of inactive cooperatives or those that are only registered administratively. And, in 2024 the number of cooperatives increased again to 131,617 units, signaling a trend of recovery and stability in the existence of cooperatives in Indonesia. Yet, in recent years, many cooperatives in Indonesia have faced serious challenges related to good governance, which has implications for their performance

and sustainability.

Cooperative management is based on the applicable regulations for example: AD/ART, policy, organizational structure, roles and rules which have their respective functions based on the jobdesk of the supervisor, manager, and operator, that done systematically based on the vision and mission also the good corporate governance of the cooperatives that transparent, independence, have accountability, responsibility, and fairness. According to Soebijono (2018) the implementation of good corporate governance that applied to cooperatives is important so that in management of cooperatives can change the organizational system, with the aim of creating great performance, great internal control, and minimize the weakness of the governance. Governance is defined here to achieve the happiness of citizens to protect individuals' basic rights and liberty as well as to come up with those desired outcomes (Rivera, 2024). And according to Besly (2019), governance is a key factor for growth, development and poverty reduction. In terms of good governance, challenges in the implementation of principles are increasing, especially for cooperatives operating in Indonesia.

However, in reality, many cooperatives still face difficulties in implementing the principles of good corporate governance. Data from the Otoritas Jasa Keuangan (OJK, 2022) indicates that only 41% of cooperatives have adequate internal control systems, while 73% of cooperatives do not provide regular financial reports for members. These issues are exacerbated by the lack of understanding among members about their rights and obligations in the cooperative. A survey conducted by Nurhayati & Rahman (2021) showed that 65% of cooperative members do not understand their rights in decision-making. This creates a gap between the management and the members, which in turn can lead to dissatisfaction and a decline in member participation. Furthermore, poor good corporate governance practices can lead to abuse of power by managers, which can potentially harm members and threaten the sustainability of the cooperative itself. Cases of deviations occurring in several cooperatives, such as fraudulent funds and lack of transparency in management, demonstrate the need for reform in cooperative governance (Kompas, 2023). Applying good governance practices in cooperative settings can enhance member involvement in decision-making and guarantee that decisions represent shared interests. This statement is aligned with the saying that a cooperative that implements good governance will be more capable to adapt with changes and increase competitiveness (Mardiasmo, 2018).

The implementation of good corporate governance in cooperatives has become a

global concern, especially in developed countries with established cooperative systems. In countries like Canada, Sweden, and Germany, cooperatives have successfully adopted good corporate governance principles, which contribute to their success and sustainability. In Canada, for example, cooperatives are governed by strict laws that emphasize transparency and accountability. According to a report from the Canadian Cooperative Association (2021), cooperatives in Canada are required to prepare annual reports that include clear financial and operational information, as well as involve members in decision-making. This not only increases trust among members but also encourages active participation in the management of cooperatives. In Sweden, cooperatives also implement good corporate governance principles effectively. Cooperatives in Sweden are known for the 'cooperative democracy' model, where every member has an equal vote in decision-making.

According to research by the Swedish Cooperative Union (2020), the application of GCG principles has helped cooperatives in Sweden remain competitive and responsive to the needs of their members, as well as adapt to market changes. Meanwhile, in Germany, cooperatives are regulated by laws that require strict internal oversight. Cooperatives in Germany must have an independent supervisory board to ensure that the management acts in the interests of the members. Research by the German Cooperative and Raiffeisen Confederation (2021) shows that the implementation of good corporate governance (GCG) in German cooperatives has contributed to the stability and growth of the cooperative sector as a whole.

One of the key factors influencing cooperative sustainability is the implementation of Good Corporate Governance (GCG). According to Safitri et al. (2025), the application of GCG principles using TARIF – Transparency, Accountability, Responsibility, Independence, and Fairness, can strengthen trust between cooperative management and its members. Similar findings are reported in a study on Koperasi Karyawan PT VITAPHARM (VIVA Cosmetic), which indicates the implementation of Good Corporate Governance in savings and loan activities has a positive impact on member satisfaction and well-being. These findings suggest that effective cooperative governance not only improves managerial performance but also holds a crucial role in maintaining member trust and long-term participation.

In Indonesia, to be precise in Bandar Lampung, Koperasi Wanita Anggrek Bulan is one of the woman-centered cooperatives that has been established for over twenty years, and not only served as an independent entity but also helped in community economic empowerment, especially women. From the beginning, Koperasi Wanita Anggrek Bulan aims to enhance the well-being of its members through the save and loans program, and other

beneficial social programs.

At the micro-level, the case of Koperasi Wanita Anggrek Bulan in Bandar Lampung reveals a significant empirical paradox. Despite an operational history spanning over two decades, the cooperative's membership trajectory has reached a state of structural stagnation. Recent data indicates a marginal decline in membership from 129 to 128 individuals, characterized by an outflow of 6 members and a minimal inflow of only 5 new participants. While such figures might appear statistically negligible, they signal a critical halt in the cooperative's regenerative capacity and its fundamental mission of community-wide economic empowerment.

The management's justification of this stagnation as a "selective membership policy" for risk mitigation warrants an examination through the lens of Agency Theory. This phenomenon suggests a potential Agency Conflict, wherein the interests of the management (agents) diverge from those of the members (principals). There is a strong indication of organizational stays in the comfort zone, where the management may intentionally maintain a minimalist membership scale to reduce managerial complexity and ensure ease of oversight. By prioritizing a "manageable" status quo over organizational expansion, the agents may be securing their own administrative convenience at the expense of the principals' interests in achieving larger economies of scale.

Furthermore, this research scrutinizes the application of Good Corporate Governance (GCG) principles—specifically Transparency, Accountability, Responsibility, Independence, and Fairness (TARIF). There is a critical concern that GCG frameworks in this context are being utilized not as instruments of empowerment, but as mechanisms of exclusivity. A rigid interpretation of "prudence" may serve as a strategic facade to limit member participation and stifle internal criticism. Consequently, the implementation of GCG requires a deeper evaluation to determine whether it truly safeguards member welfare or if it has been leveraged to institutionalize a stagnant, risk-averse environment that undermines the cooperative's inclusive mandate.

Therefore, this study aims to examine the actual implementation of GCG at Koperasi Wanita Anggrek Bulan in the face of this membership stagnation. The focus is to determine whether GCG truly serves the members' welfare or if it is being leveraged to maintain a rigid, risk-averse environment that benefits the management. By investigating this, the research hopes to provide insights into how cooperatives can remain professional and accountable without losing their core mission of social and economic growth.

1.2 Problem Formulation

1. How is the process of good corporate governance at Koperasi Wanita Anggrek Bulan in making investment decisions?
2. How Koperasi Wanita Anggrek Bulan overcome the challenges in implementing the good corporate governance in investment decision-making?
3. How does Koperasi Wanita Anggrek Bulan build the strategies to overcome challenges in implementing the good corporate governance in investment decision-making?

1.3 Objectives

1. To identify the process of good corporate governance in investment decision-making at Koperasi Wanita Anggrek Bulan.
2. To identify and analyze how Koperasi Wanita Anggrek Bulan overcomes the challenges in implementing good corporate governance in investment decision-making?
3. To identify and describe the strategies develop by Koperasi Wanita Anggrek Bulan to overcome the challenges in implementing good corporate governance in investment decision-making?

1.4 Research Benefits

1. Theoretical Benefits

This research is expected to provide theoretical contributions to the development of cooperative governance studies, particularly related to the implementation of Good Corporate Governance (GCG) principles in women's cooperatives. By analyzing governance practices in Koperasi Wanita Anggrek Bulan, this study enriches the existing literature on how transparency, accountability, responsibility, independence, and fairness are applied in cooperative investment decision-making especially in credit management.

In addition, this research contributes to qualitative governance studied by offering an in-depth understanding of governance practices from the perspective of cooperative managers and members. The findings may also serve as a reference for future studies that focus on governance issues, member participation, and sustainability in cooperatives, especially in community-based and women-led cooperatives.

2. Practical benefits

Practically, this research is expected to provide useful insights for Koperasi Wanita

Anggrek Bulan in evaluating and improving its governance practices, particularly in managing credit distribution and member participation. The findings may help cooperative management identify strengths and potential governance gaps that influence member trust, loyalty, and participation.

Furthermore, this study can be used as a reference for other cooperatives facing similar challenges, especially those experiencing a decline in membership. By understanding how selective membership policies and governance practices are implemented, cooperatives may adopt more effective strategies to maintain sustainability while minimizing operational risks.

For policymakers and cooperative development institutions, this research may serve as input in designing guidance, training programs, or governance frameworks that support cooperative sustainability through the strengthening of Good Corporate Governance principles.

3. For writer

This research provides benefits for the writer by enhancing understanding of the practical implementation of Good Corporate Governance (GCG) principles in cooperatives, particularly in the context of savings and loan activities. Through direct observation, interviews, and data analysis, the writer gains deeper insight into how governance principles are applied in real organizational settings.

In addition, this research improves the writer's analytical and critical thinking skills in examining governance issues, member participation, and cooperative sustainability. The process of conducting this research also strengthens the writer's ability to apply theoretical concepts to practical problems, which is valuable for future academic research and professional development in the fields of management, governance, and cooperative studies.

II. LITERATURE REVIEW

2.1 Agency Theory

Agency theory is a framework that addresses the complexities inherent in delegated decision-making. As established in the seminal work of Jensen and Meckling (1976), an agency relationship is defined as a contract under which one party (the principal) engages another party (the agent) to perform services on their behalf, involving the delegation of specific decision-making authority. In the context of a cooperative, this relationship is distinctive; the members function as the collective principals who provide capital and mandate, while the board of directors and management serve as agents entrusted with the fiduciary duty to manage resources in alignment with the members' socio-economic interests (Spear, 2004).

2.1.1 Divergence of Interests and Information Assymetry

The fundamental premise of Agency Theory posits that if both parties to the relationship are utility maximizers, there is a substantial reason to believe the agent will not always act in the best interests of the principal. This divergence of objectives creates the Agency Problem, characterized by a lack of goal congruence. While cooperative members typically seek organizational growth and maximized dividends (SHU), agents may prioritize personal utility, such as job security, reduced cognitive load in administration, or the mitigation of personal reputational risks.

According to Fama and Jensen (1983), this conflict is exacerbated by Information Asymmetry, wherein agents possess superior access to internal operational data and risk profiles compared to the principals. In investment decision-making, this imbalance facilitates Managerial Discretion. Agents may strategically opt for a stagnant or "hyper-prudent" investment path, exemplified by the membership stabilization at Koperasi Wanita Anggrek Bulan to circumvent financial volatility that could threaten their tenure, even when such a strategy sub-optimizes the economic potential for the collective membership.

2.1.2 Risk Differential and Organizational Inertia

A critical dimension of the agency relationship is the Risk Differential between the two parties. Agents are inherently more risk-averse because their specialized human capital and professional livelihood are concentrated within the single institution they manage. In contrast, the principals (members) possess more diversified economic interests and may favor calculated expansion.

Cornforth (2004) argues that this risk aversion often manifests as "institutionalized

prudence." When management prioritizes asset preservation as a shield against personal accountability, it triggers Organizational Inertia. This theoretical perspective provides a rigorous explanation for why governance may transition from a tool of empowerment into a mechanism of exclusion. In this scenario, agents favor a "closed-loop" system involving a fixed cohort of familiar members, currently totaling 128 to minimize the complexity and institutional risks associated with external recruitment and organizational growth.

2.1.3 Agency Costs

To align the agent's actions with the principal's interests, the organization inevitably incurs Agency Costs. Jensen and Meckling (1976) delineate these costs into three distinct components:

1. **Monitoring Expenditure:** Costs incurred by the principals to regulate the agent's behavior, including external audits and the formal mechanisms of the Annual Members' Meeting (RAT).
2. **Bonding Costs:** Expenditures undertaken by the agent to guarantee that their decisions will not deviate from the principal's interests, such as the implementation of rigorous internal controls and transparent financial reporting.
3. **Residual Loss:** The unavoidable reduction in the principal's welfare resulting from the inherent impossibility of perfectly aligning the agent's decisions with the principal's optimal utility.

2.1.4 Governance as a Mitigating Mechanism

Agency Theory concludes that while agent-principal conflicts are structurally inherent, they can be mitigated through institutionalized governance mechanisms. Within a cooperative, Good Corporate Governance (GCG) serves as the primary instrument for reducing agency costs and bridging the information gap through transparency and accountability (Spear, 2004). Therefore, an application of Agency Theory is essential to evaluate whether the GCG implementation at Koperasi Wanita Anggrek Bulan represents a genuine alignment of interests or merely an administrative instrument used by management to safeguard a stable, yet stagnant, status quo.

2.2 Good Governance

Theory of good corporate governance is a conceptual framework that explains how organizations, including cooperative, are supposedly maintained transparently, accountable, and efficiently to protect the interest of stakeholders. Good Corporate Governance was spelt

out the methods of governance needed to achieve a balance between the essential powers of the Board of Directors and proper accountability according to the Cadbury Committee (1992). In the context of cooperatives, good corporate governance not only functions as an internal monitoring tool, but also as a mechanism to increase the members' trust, strengthen the participation, and making sure the decision-making, including the investment decision-making, was responsibly made and favors the mutual interest.

According to Jensen & Meckling (1976) Good Corporate Governance (GCG) is also linked with the agency theory where there is a relationship between the party granting the trust (members as the principal) and party that receive the trust (managers or boards of cooperative as an agent). Hence, good governance of an organization or a cooperative will not only support the strategic and rational investment decision-making process but also directly affect the increasing of cooperative performance in every aspect.

2.2.1 Definition

Good Corporate Governance, often referred to as good corporate governance, has become a prominent issue in Indonesia. The poor governance of both the government and companies in Indonesia during the economic crisis since 1997 has had adverse effects. This resulted in the Indonesian economy falling into disarray. Since then, all parties have agreed that to rise from this turmoil, Indonesia must start with good governance from the government, state- owned enterprises, and private companies. Various efforts to improve governance have been made by applying GCG principles across all sectors of society. Good Corporate Governance is a process and structure used by corporate organs to enhance company value, as well as to increase stakeholder trust, through the principles of transparency, accountability, responsibility, independence, and fairness (TARIF). Good Corporate Governance in Indonesia has been introduced by the Indonesian government and the International Monetary Fund (IMF) as part of the economic recovery after the crisis. Global attention to Good Corporate Governance began to increase sharply in Asian countries following the collapse of major leading companies in the world, including Enron Corporation and Worldcom in the United States, HIH Insurance Company Ltd and One-Tell Pty Ltd in Australia, as well as Parmalat in Italy in the early 2000s. According to Margaret & Daljono (2023) Good Corporate Governance used by an institution or company to create a conducive pattern of relationship between the board of manager.

2.2.2 Transparency

One of the main principles in good corporate governance that emphasizes openness in

disclosing material and relevant information accurately and in a timely manner. According to the Komite Nasional Kebijakan Governansi (KNKG, 2006), transparency is openness in the decision-making process and the disclosure of adequate information for all stakeholders so that they can understand and monitor the organization's operations. The information provided must be easily accessible, conveyed honestly, not misleading, and include both financial and non-financial aspects. In the context of cooperatives, the principle of transparency is manifested through the regular presentation of financial reports, openness about work plans, and providing access to information for cooperative members as a form of responsibility and public trust.

2.2.3 Accountability

The principles of Good Corporate Governance (GCG) demand clarity of functions, implementation, and accountability of each organ within an organization so that management can be carried out effectively. And accountability is an obligation for every actor in the organization to be able to account for their performance in carrying out their duties and authorities transparently, fairly, and evaluably. This principle ensures that decision-making and the implementation of activities are carried out in accordance with applicable regulations and based on the roles and responsibilities that have been established. In the context of cooperatives, accountability can be seen from the clarity of the organizational structure, measurable division of tasks, and the obligation for periodic reporting by the management to the members as a form of accountability for their performance.

2.2.4 Responsibility

Responsibility is the attitude and awareness of individuals and groups in fulfilling obligations and performing roles in accordance with applicable functions, rules, and norms. Responsibility reflects a commitment to act correctly, ethically, and to be accountable for all decisions and actions taken. This concept also includes compliance with laws, social norms, and the willingness to bear the consequences of any actions. Responsibility is not only individual but also attached to institutions or organizations that are expected to demonstrate moral and social accountability in carrying out their duties. In the principle of Good Corporate Governance (GCG), it refers to the obligation of every organ of the organization to carry out its duties and functions in accordance with applicable laws and regulations as well as sound ethical principles. According to the National Committee on Governance Policy (KNKG, 2006), responsibility is the commitment to comply with laws and regulations, as well as social responsibility towards all stakeholders. This principle requires organizations not only to pursue profit but also to pay attention to their impact on the environment, society, and other related

parties. In cooperatives, this form of responsibility is reflected in compliance with the articles of association, the implementation of the annual member meeting (RAT), and concern for the welfare of members and the surrounding community.

2.2.5 Independence

Is the ability of a person or an entity to think, act, and make decisions freely without pressure, influence, or intervention from others. An independent attitude reflects integrity, objectivity, and confidence in performing tasks or responsibilities, as well as not being bound by specific interests that may affect judgment or actions. In the context of individuals, independence reflects autonomy in determining the direction of life or personal decisions. Independence in the principles of Good Corporate Governance (GCG) is a condition where each organ in the organization, especially the management and supervisors, can carry out their functions and responsibilities objectively, professionally, and free from domination or intervention by any party that does not align with the interests of the organization. According to the National Governance Policy Committee (KNKG, 2006), the principle of independence aims to ensure that decision-making is based on honest and impartial considerations, thereby preventing conflicts of interest. In practice, independence also reflects a clear boundary between the authority of management, supervisors, and capital owners, and ensures that each party can effectively oversee one another.

2.2.6 Fairness

Moral principle that emphasizes equal, impartial, and proportional treatment of all individuals or parties, without discrimination or unlawful bias. The concept of fairness encompasses respect for others' rights, providing equal opportunities, and making judgments or treatments based on objectivity and rationality. According to Rawls (1971) in his theory of Justice as Fairness, justice must guarantee equal freedom for all individuals and equal opportunities within the social structure. Additionally, Beauchamp & Childress (2001) in the context of bioethics also state that fairness is the equitable and equal distribution of benefits and burdens, in accordance with accountable moral principles. Meanwhile, according to the National Committee on Governance Policy (KNKG, 2006), fairness demands that there is no discrimination or special treatment that harms other parties and emphasizes the importance of enforcing rights based on legal principles, compliance, and morality. This principle also includes fairness in the distribution of results, provision of information, and decision-making. The goal is to create trust, guarantee the protection of rights, and create a healthy and balanced environment in organizational management.

2.3 Investment

Investment is a central concept in finance and economics, generally referring to the allocation of resources (money) into assets or ventures with the expectation of generating future returns or benefits. According to Bodie et al. (2014) investment is a type of commitment of the current resources in the expectation to obtain a greater resource in the future. It is also similar to sacrificing present consumption to future gain.

Gitman and Joehnk (2008) define investment involves foregoing current consumption to earn a return in the future. It also implies the presence of risk, as future returns are uncertain.

Fisher, I. (1930) on *The Theory of Interest* once framed investment in terms of intertemporal choice or more like how individuals allocate consumption and income across time. Another statement is an investment is the conversion of present consumption into the stream of future income or utility. According to Fisher (1930) there are types of investment:

1. Real Investment (Productive Investment)

He described investment as the creation or acquisition of productive assets, such as buildings, machinery, and infrastructure. Those are the real assets, that could directly contribute to the production of goods and services or income and outcome.

2. Financial Investment (Capital Allocation)

Though it is less emphasized by Fisher, financial investment is a type of investment that refer to acquisition of financial instruments, such as stock and bonds, which represent claims on future earning rather than the direct production of goods and services.

Another study by Sharpe et al. (1999) also mentions Fisher's distinction by formally categorizing investment into real investment and financial investment types. They elaborate that real investments are associated with capital budgeting and long-term economic planning, while financial investment involves the purchase of marketable securities to earn returns through dividends, interest, or capital appreciation.

2.4 Investment Decision Making

It refers to a process by which individuals or institutions evaluate, select, and allocate capital to investment opportunities with the goal of maximizing returns while managing risk. The investment decision-making process in lending involves careful analysis of various factors that may affect the feasibility and risk of the loan. According to Simon (1979), with the Rational

Decision Theory, it involves a systematic process consisting of problem identification, information gathering, alternative analysis, and selecting the best solution. In the context of savings and loans cooperative, the management must gather data about member profiles, loan objectives, and associated risks before deciding.

From a behavioral perspective, Kahneman (1979) highlights that investment decisions are not always rational, rather could be influenced by psychological biases such as loss aversion, overconfidence, and framing effects. In line with this, Ricciardi (2000) contends that feelings and mental shortcuts have a big influence on investment decisions, especially for individual investors. Decisions on investments also vary depending on the context and demographic. For example, investors' evaluation and selection of investment options are influenced by factors such as age, gender, and financial knowledge (Lusardi, 2007) And other studies also show that women tend to be more risk-averse than men, which can lead to more conservative investment decisions.

2.5 Cooperative

2.5.1 Definition

A cooperative is an organization formed by a group of individuals to collectively meet their economic, social, and cultural needs. The basic principles of cooperatives, such as voluntary membership, democratic management, member participation, and fair distribution of surplus, serve as the operational foundation of cooperatives. (Kasmir, 2014)

According to Bichall, J. (2003), a cooperative is an organization that is owned and managed by its members, aimed at meeting their needs and aspirations together. Cooperatives operate on the principles of democracy and solidarity and focus on the welfare of their members.

The purpose of cooperative according to Utting, P. (2015) in their research “Social and Solidarity Economy: A Pathway to Sustainable Development.” are empowering its members economically, socially, and culturally. The cooperative aims to improve the welfare of its members by providing services and products that meet their needs. Second, the cooperative aims to improve the economic well-being of its members by providing access to resources, capital, and markets. The cooperative helps its members to achieve better profits compared to operating individually. And cooperative aims to enhance the economic independence of its members by reducing dependence on external parties. By managing resources collectively, members can create better economic opportunities.

2.5.2 Cooperative Fundamental

A cooperative is a business entity composed of individuals or a legal body of a cooperative that bases its activities on the principles of cooperation, while also serving as a people's economic movement based on the principle of kinship according to Law No. 25 of 1992 Article 1 Paragraph 1 concerning cooperatives. It also functions as a medium for organizing the utilization and management of resources owned by cooperative members, in accordance with PSAK No. 27 of 2007.

2.5.3 Form and Type of Cooperative

According to Davis, P. J., & Evers, A. (2015) in “Cooperative Governance: A Review of Literature.” *Journal of Cooperative Organization and Management.*” There are several types of cooperatives. 1) Consumer cooperatives, which are created to fulfil the members’ needs or more focusing on members. 2) Production cooperatives, created for products to increase the bargaining power in the marketplace. That cooperative helps the members to produce, market, and distribute the products. 3) Savings and loan cooperatives, provides the savings and loan for its members. This cooperative helps the members to fulfil their financial needs. 4) Multi-purpose cooperative provides several services and products to its members, including, productions, services, or consumptions. This cooperative is flexible and could adapt depending on the members’ needs.

2.6 Previous Research

In conducting the research “Challenge and Implementation of Good Corporate Governance Towards Investment Decision-making: A Case Study From Koperasi Wanita Anggrek Bulan in Bandar Lampung”, the researcher conducted a literature study of previously conducted research. These studies are shown in the following table.

No.	Researchers	Research Title	Method	Difference
1.	Lilis Binawati, Martinus Sony, Erstiawan Tony Soebijono (2020)	<i>Analisis Good Corporate Governance Pada Koperasi</i>	Quantitative	The research titled “ <i>Analisis Good Corporate Governance Pada Koperasi</i> ” examines the implementation of Good Corporate Governance (GCG) principles in Employee Cooperatives in Surabaya. Using descriptive analysis through

				questionnaires and interviews, the study found that the cooperative implements GCG principles well, with index scores for transparency (3.25), independence (3.71), accountability (3.00), responsibility (2.71), and fairness and equality (3.43). Key practices include annual financial audits by public accounting firms, self management without external intervention, and structured execution of RAT and RKRAPB.
2.	Martinus Sony, Erstiawan Tony Soebijono, Lilis Binawati (2021)	<i>Analisis Good Corporate Governance Pada Koperasi Studi Kasus Koperasi Setia Bhakti Wanita di Surabaya.</i>	Quantitative	The document, published approximately in 2023, utilizes a quantitative research approach through the deployment of structured questionnaires to assess the implementation of Good Corporate Governance (GCG) within a cooperative organization. The collected data are systematically analyzed to evaluate key GCG principles, including transparency, independence, accountability, responsibility, and fairness. The findings

				indicate that the cooperative demonstrates a generally positive adherence to these principles, with scoring indices and interpretative criteria employed to determine the maturity level of GCG practices within the organization.
3.	Waleed M. Al ahdal, Faozi A. Almaqtari, Mosab I. Tabash, Abdulwahid Abdullah Hashed, Ali T. Yahya (2021)	Corporate Governance Practices and Firm Performance in Emerging Markets: Empirical Insights from India and Gulf Countries	Quantitative	This article analyzes the impact of corporate governance on the performance of 100 listed non-financial firms from India and Gulf countries between 2010 and 2017 using secondary data. Findings show Indian companies generally have better corporate governance practices. Corporate governance negatively affects firm performance measured by return on assets (ROA) in both regions, except for governance effectiveness (GE), which has a positive effect. Using Tobin's Q (TQ) as a performance measure, board structure (BS) negatively impacts 21 performance, while transparency, disclosure, leverage, and GE positively influence it. The study offers insights for managers and

				<p>policymakers and is among the first to compare corporate governance between India and Gulf Cooperation Council countries.</p>
4.	<p>Nabil Messabia, Edouich Beauvoir, Chokri Kooli (2023)</p>	<p>Governance and Management of a Savings and Credit Cooperative: The Successful Example of a Haitian SACCO</p>	<p>Qualitative</p>	<p>This research investigates the success factors of the Haitian 'MEN ALE MEN VINI (MAMEV)' cooperative, focusing on its managerial and governance dimensions through interviews with founding directors. It concludes that the cooperative's success stems from the directors' personal attributes, effective management, good governance (including participatory decision-making and transparency), and strong community integration through adapted services. This approach fostered sustainability, viability, and improved living conditions for members, offering a valuable model for other developing cooperatives.</p>
5.	<p>Kgs. M. Nurkholis, Vhika Meiriasari, R.M. Rum Hendarmin (2023)</p>	<p><i>Analisis Peran Jati Diri, Koperasi Sebagai Wujud Pengimplementasian Good Corporate Governance Koperasi di Indonesia</i></p>	<p>Qualitative</p>	<p>Cooperatives have a long history dating back to the pre-independence era, requiring standardized rules set by governments to</p>

				<p>support their role in national economic development.</p> <p>Cooperative identity is complex and viewed through essentialist, institutional, and nominalist approaches, all emphasizing member and community welfare. Good Corporate Governance (GCG), as defined by the Organization for Cooperation and Development (OCD), involves universal principles shaped by culture, laws, and values. Economic crises often stem from failures in implementing GCG. A key solution lies in cooperative efforts where people work together to build a sovereign economy, reflecting the core identity and values of cooperatives developed globally over time.</p>
6.	Ibrahim Mohammed Umar, Hasri Mustafa, Shafie Sidek, Wang Yeng Lau (2024)	<i>Moderating role of trust in the relationship between corporate governance and performance of agricultural cooperatives in Nigeria</i>	Quantitative	<p>This study examines how trust moderates the relationship between corporate governance and the performance of agricultural cooperatives in North-Western Nigeria. In a context of widespread corruption and weak legal enforcement, trust is crucial for effective</p>

				<p>management. Using surveys from 384 rice farmer cooperatives and qualitative data, the study found that both corporate governance and trust significantly improve cooperative performance, with trust strengthening the impact of governance. The findings are explained by social capital theory and highlight the importance of trust in challenging environments. This is the first study to explore trust's moderating role in African social capital theory within Agricultural cooperatives.</p>
7.	Riska Amanda, Indah Respati Kusumasari (2024)	<p><i>Implementasi Good Corporate Governance Pada Program Simpan Pinjam Koperasi Karyawan PT VITAPHARM (VIVA COSMETIC) dan Dampaknya Terhadap Kesejahteraan Kepuasan Anggota.</i></p>	Qualitative	<p>The research investigates the implementation of Good Corporate Governance (GCG) principles within the savings and loan program of the employee cooperative at PT Vitapharm (Viva Cosmetic). It found that applying GCG such as transparency, accountability, responsibility, independence, and fairness significantly enhances members' financial stability, trust, and overall satisfaction. Despite these positive</p>

				<p>outcomes, the study identifies challenges including limited Technological adaptation and low member participation, which could hinder effective governance. To address these issues, the recommendations focus on digitalizing services and increasing member engagement through educational programs, aiming to foster more sustainable and inclusive cooperative management.</p>
--	--	--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2.7 Theoretical Framework

This theoretical framework aims to explore the relationship between good governance and investment decision-making within the context of Koperasi Wanita Anggrek Bulan. It identifies key components that influence governance practices and investment decisions, highlighting challenges and implementation strategies.



Figure 2.1: Conceptual Framework

Reference: The data were analyzed by the researcher (2025).

Based on the picture shown above, the conceptual framework shows the correlation between variables in context of governance in cooperatives and the effects toward the investment decision-making as well as the cooperative performances in terms of the sustainability of the cooperative itself. At the top stated the main entity which is cooperative that being the main focus in the conceptual framework. As a membership based financial institution, cooperatives heavily rely on good organizational governance to operate optimally, accountably, and sustainably. Hence, it is important for a cooperative to implement good corporate governance for a strong managerial foundation in the management of resources and policy-making.

Good governance in cooperatives is reflected in five interconnected main principles, namely transparency, accountability, responsibility, compliance, and fairness. Transparency refers to the inclusivity of information towards the member and public regarding the activities, financial, and regulations in a cooperative that could create a trust. Accountability means each

board and managers in a cooperative holds responsibility of the decisions that are being made and their behaviors towards the members. Responsibility showed professionalism in carrying out the functions and roles of the organization with full awareness of its impact. Independence refers to how an individual could think, act, and make decisions freely without influence or intervention from others. Lastly, fairness showed equal treatment to all members without discrimination and special treatments.

Those five principles are the base to create good governance in a cooperative. If the principles are followed and used in a long run consistently, the investment decision-making will be affected directly. In this context, the investment decision-making will be taken rationally, more strategically, and based on data as well as the analysis that is accountable. Good governance could also minimize the risk of decision-making errors.

And the investment decision-making quality will affect the corporate performance. The performances will not only be assessed from financial aspects such as asset and profit growth, but also from non-financial aspects such as members' satisfaction, the sustainability of the program, and reputation of the cooperative. In other words, the implementation of good corporate governance based on those five principles will strengthen the cooperatives managerial, enhancing the investment decision-making quality that will give positive impacts to the cooperative performances and the sustainability.

III. RESEARCH METHODS

3.1 Research Type and Approach

3.1.1 Research Type

This research uses a descriptive qualitative approach. Without changing the variables, descriptive research is used to methodically explain the facts and features of the subject being studied. In-depth insights into the difficulties and application of good governance concepts in Koperasi Wanita Anggrek Bulan's investment decision making process are investigated using the qualitative technique. Understanding the actual circumstances, member perspectives, and tactics employed by the cooperative to implement good governance in credit lending decisions is the researcher's goal. Because it enables in-depth investigation of social phenomena and organizational processes through observations, interviews, and document analysis, this kind of study is appropriate.

3.1.2 Approach

This study adopts a qualitative approach, which aims to explore and understand the meaning behind social phenomena, particularly how good governance is applied in investment decision-making within cooperatives. A qualitative approach allows the researcher to gain deep insights into participants' experiences, perceptions, and organizational processes through naturalistic inquiry. In this research, the data will be collected through interviews, observation, and document review at Koperasi Wanita Anggrek Bulan, focusing on how members and managers interpret and implement governance principles in the context of credit loan decisions. This approach is considered appropriate because it provides flexibility and depth in analyzing complex human behaviors and interactions within an organizational setting.

3.2 Object of Research

The object of this research is the implementation of good governance principles in investment decision-making at Koperasi Wanita Anggrek Bulan in Bandar Lampung. Specifically, this study focuses on how the cooperative applies the core principles of good governance transparency, accountability, responsibility, participation, and fairness in managing credit loan decisions for its members. The research also aims to explore the challenges faced and the strategies implemented by the cooperative in promoting member involvement and trust through proper governance practices.

3.3 Research Location

This research will be conducted at Koperasi Wanita Anggrek Bulan, which is located in Bandar Lampung, Indonesia. This cooperative was selected as the research site because it represents a women-focused cooperative that plays a significant role in local economic empowerment. Moreover, Koperasi Wanita Anggrek Bulan provides savings and loan services to its members, making it a relevant case for studying the implementation of good governance in investment decision-making. The cooperative's experience and challenges in managing loans transparently and accountably make it an appropriate object for this qualitative research.

3.4 Data Source

This research uses primary and secondary data sources:

- a. Primary Data: Obtained directly from field observations, in-depth interviews, and direct interactions with stakeholders of Koperasi Wanita Anggrek Bulan, including board members, cooperative staff, and active members involved in credit loan decision-making. These data aim to capture firsthand perspectives, experiences, and challenges in applying good governance principles.
 - Interview In-depth and semi-structured interviews will be conducted with key stakeholders of Koperasi Wanita Anggrek Bulan, including board members and staff. and the purpose of the interview is to gather detailed information regarding their understanding, experiences, and perceptions about the implementation of good governance principles in investment decision-making, especially in the credit loan process.

Table 3.1

Profile of Interviewees (Manager of Koperasi Wanita Anggrek Bulan)

	N	%
Gender		
Female	8	100
Male	0	0
Total	8	100
Age		
21-30	1	12.5
31-40	0	0
>41	7	87.5
Total	8	100

Education		
Junior High School	0	0
Senior High School	6	75
Bachelor's Degree	2	25
Total	8	100
Tenure		
<5 years	2	25
5-10 years	0	0
11-15 years	2	25
16-20 years	3	37.5
>20 years	1	12.5
Total	8	100
Position		
Manager	3	37.5
Supervisor	3	37.5
Operator	2	25
Total	8	100

References: The data analyzed by the researcher (2025)

Table 3.2

List of Question

Theme	Main Question	Follow-up Question
Good Governance Implementation in Investment Decision-Making	How is the process of good corporate governance at Koperasi Wanita Anggrek Bulan in making investment decisions?	1. How are the principles of transparency, accountability, responsibility, independence, and fairness applied in the cooperative's investment decision-making process?
		2. How do the board members and management collaborate in the decision-making process?
		3. How are written policies or standard procedures used to guide investment decisions?
		4. How does the cooperative ensure that investment

		decisions remain transparent, accountable, and fair for members?
Challenges in Implementing Good Corporate Governance	How Koperasi Wanita Anggrek Bulan overcome the challenges in implementing the good corporate governance in making investment decisions?	1. How do internal and external factors create challenges for the implementation of GCG principles in investment decision-making?
		2. How does leadership or member participation affect the effectiveness of GCG implementation?
		3. How does the cooperative handle issues related to transparency or accountability when making investment decisions?
Strategic Steps to Strengthen Good Corporate Governance Implementation	How does Koperasi Wanita Anggrek Bulan build the strategies to overcome challenges in implementing the good corporate governance in making investment decisions?	1. How are strategies formulated to strengthen the application of GCG in investment decision-making?
		2. How does the cooperative use training, innovation, or technology to improve transparency and governance practices?
		3. How does the cooperative increase members' trust and involvement in investment processes?
		4. How do these strategies contribute to the sustainability and performance of the cooperative?

- Observation

Direct observation will be carried out during cooperative activities such as meetings, decision-making forums, or member discussions. The goal is to observe real behaviors, interaction patterns, and governance practices within the cooperative.

b. Secondary Data: Collected from documents and materials relevant to the cooperative's governance and investment practices. These include internal

reports, meeting minutes, organizational structures, financial reports, statutes/bylaws, and previous research related to good governance and cooperative management.

3.5 Data Collection Methods

In this research, the data collection methods will use the triangulation approach, a strategy that combines several techniques or data sources to enhance the validity or reliability of research findings. Chitwattanakorn et al., (2024) stated triangulation serves as a strategy to develop comprehensive understanding. The usage of triangulation approach will give the writer new perspectives of a phenomenon. The triangulation of methods is carried out by combining three main approaches in data collection, namely in-depth interviews, direct observation, and documentation. Primary data were obtained through in- depth interviews with eight participants consisting of three managers, three supervisors, and two operators at Koperasi Wanita Angrek Bulan. All participants were female, with most of them being over 41 years old, representing different perspectives within the cooperative's organizational structure to obtain the information regarding the implementation of good governance, the process of investment decision-making, and perception about the cooperative's performance. The interview will help the writer to create data comparison from several parties that could give a clearer perspective. In addition to interviews, direct observation was conducted during meetings, decision-making processes, and daily cooperative activities to capture real-time practices and interactions.

Furthermore, documentation analysis was performed using financial reports, meeting minutes, and internal regulations to provide formal and historical evidence and will be conducted to observe the real situation that is linked to transparency, accountability, and the process of decision-making. According to Patton (1999) this approach is in purpose to inform the findings from one source to another source that could strengthen the validity of the data at the end. The combination of interviews, observations, and document analysis through triangulation allowed the researcher to cross-verify data from multiple sources, ensuring a comprehensive understanding of good corporate governance implementation and the challenges faced in investment decision-making. This method strengthens the credibility and trustworthiness of the research findings.

It is expected that this study will deliver reliable and valid results through the use of in-depth triangulation techniques, which will provide a strong foundation for examining the relationship between investment decision-making, cooperative governance, and the overall performance of cooperatives.

3.6 Data Analysis Technique

The data analysis technique in this study adopted the interactive model of Miles and Huberman (1994), consisting of data reduction, data display, conclusion drawing, and verification through triangulation. Prior to the data reduction stage, the researcher applied open coding to categorize interview transcripts, observation notes, and documentation into thematic groups based on the principles of good corporate governance and investment decision-making processes. This coding step was not intended for theory development but rather to organize qualitative data systematically, ensuring clarity before further analysis.

Subsequently, data reduction was conducted to select and focus on information relevant to the research objectives. The reduced data were then displayed in narrative form and summarized into tables to highlight key findings. Finally, conclusion drawing and verification were performed by interpreting emerging patterns, supported by triangulation across multiple data sources to ensure the credibility and reliability of the research results.

Furthermore, the interactive model of Miles and Huberman is not only used to organize and interpret qualitative data but also to understand the relationship between the implementation of good corporate governance principles and the investment decision-making process in the cooperative. During the data reduction stage, interview transcripts and observations were coded and categorized based on good corporate governance indicators which are TARIF (Transparency, Accountability, Responsibility, Independence, and Fairness). Finally, in the conclusion drawing and verification stages, the researcher interpreted how the application of GCG principles influenced the quality, transparency, and accountability of investment decisions in Koperasi Wanita Anggrek Bulan.

3.7 Validity and Reliability of Data

To ensure the validity and reliability of the research findings, this study applied data triangulation using a strategy proposed by Creswell (2014). According to Creswell (2014) through the use of Source Triangulation. Rather than relying on a single account, the researcher gathered perspectives from 8 different respondents, including the board of management and supervisors of Koperasi Wanita Anggrek Bulan.

This approach allows for a thorough cross-verification process, by comparing the narratives from the various respondents, the researcher could identify consistent themes regarding how Good Corporate Governance principles actually influence investment decisions. And the goal is to find ‘corroborating evidence, from multiple sources. By cross-checking the interview result with cooperative’s internal documents, the researcher could ensure the findings

are not just subjective opinions, but a credible reflection of the reality within the organization.

Triangulation was conducted through three techniques:

- **Source Triangulation:** Comparing information from different participants, including managers, supervisors, and operators, to verify consistency.
- **Method Triangulation:** Combining in-depth interviews, direct observations, and documentation analysis to obtain comprehensive and balanced data.
- **Time Triangulation:** Conducting data collection at different times to reduce potential bias from temporary conditions or participant perceptions.

In addition, the researcher applied member checking by confirming the accuracy of interview transcripts and interpretations with selected participants to enhance the credibility of the findings. A detailed audit trail of data collection and analysis procedures was also maintained to strengthen the dependability and confirmability of the study results.

V. CONCLUSION

5.1 Conclusion

This study concludes that the implementation of Good Corporate Governance (GCG) within the investment decision-making process at Koperasi Wanita Anggrek Bulan is fundamentally driven by a highly conservative and incremental approach. While governance principles are effectively integrated into daily operations, the findings reveal a critical tension between professional risk management and the cooperative's long-term strategic growth.

The application of accountability within the cooperative is manifested through a selective and gradual investment approval framework. By prioritizing long-term repayment behavior and member discipline, the management has successfully mitigated financial risks and ensured capital security. However, this intensive focus on prudence has inadvertently fostered a "stability bias." While the reliance on historical track records guarantees fund safety, it simultaneously creates a structural barrier for new members or those lacking established personal ties with the management. This phenomenon provides an explanation for the cooperative's membership stagnation, where the organizational scale remains restricted to a familiar circle, fluctuating minimally from 129 to 128 members to preserve administrative ease and minimize institutional or cooperative risk.

In regards to the principle of fairness, the cooperative faces a significant challenge concerning managerial discretion. The decision-making process frequently relies on subjective assessments and informal evaluations rather than standardized, objective criteria. While this relational approach strengthens trust among existing participants, it introduces a "familiarity bias" that obstructs the formal institutionalization of governance. This suggests that GCG practices are not yet fully depersonalized but instead operate on a relational basis. Consequently, the criteria for investment approval may vary according to the management's personal proximity to specific members, reinforcing an exclusive organizational culture that inadvertently discourages broader community participation.

Furthermore, while the cooperative's hybrid documentation system has improved administrative accuracy, the resulting transparency remains largely internalized. Information circulates effectively within the existing membership through formal forums such as the Annual Members' Meeting (RAT), yet it is not proactively utilized as a tool for external engagement. The governance model is thus characterized as adaptive but inward-looking, prioritizing the maintenance of the status quo over leveraging transparency to catalyze

organizational expansion or member recruitment.

Ultimately, this research identifies a profound governance paradox within Koperasi Wanita Anggrek Bulan. The effective execution of GCG principles has successfully secured financial stability and minimized non-performing loans; however, this success is achieved at the expense of organizational inertia. The rigid application of risk-averse policies has stifled innovation and inclusivity, leading to a state of institutional stagnation. Although the cooperative is financially resilient, its long-term sustainability is threatened by a lack of regeneration. Without a strategic shift toward a more inclusive and objective governance framework designed to reduce subjective bias, the cooperative risks evolving into a "closed-loop entity" that fails to realize its broader social mandate of community-wide economic empowerment.

5.2 Suggestion

Based on the findings and conclusions of this study, several recommendations are proposed to strengthen the implementation of Good Corporate Governance (GCG) in investment decision-making at Koperasi Wanita Anggrek Bulan, as well as to support future research in this area.

1. For Future Researchers:

Future researchers are encouraged to expand this study by examining the implementation of Good Corporate Governance (GCG) in cooperatives using comparative, quantitative, or mixed-method approaches. Comparative studies across different types or sizes of cooperatives may provide broader insights into variations in governance practices, while quantitative analysis could explore the relationship between specific governance mechanisms and financial performance indicators such as loan repayment rates or SHU stability. In addition, future research may involve a wider range of stakeholders and adopt longitudinal designs to capture changes in governance practices over time, thereby contributing to a deeper and more comprehensive understanding of cooperative governance.

2. For Koperasi Wanita Anggrek Bulan

Based on the findings of this study, Koperasi Wanita Anggrek Bulan is encouraged to maintain and further strengthen its selective and gradual approach to investment decision-making, particularly by formalizing assessment indicators related to members' repayment capacity, discipline, and participation. In addition, gradual improvement in the use of technology for administrative and financial records is recommended to enhance data accuracy,

transparency, and efficiency, while remaining aligned with the cooperative's capacity and resources. Capacity-building efforts for administrators, such as more structured training in cooperative governance and financial management, should also be strengthened to support more effective implementation of Good Corporate Governance (GCG). Furthermore, continued efforts to encourage active member participation through monthly meetings and the Annual Members' Meeting (Rapat Anggota Tahunan/RAT) are important to reinforce transparency, accountability, and a shared sense of ownership within the cooperative.

REFERENCES

- Soebijono, E. T. (2018). *Koperasi sebagai pilar perekonomian nasional*. Jakarta: Rajawali Pers.
- Supriyadi. (2022). Peran koperasi dalam meningkatkan kemandirian ekonomi anggota. *Jurnal Ekonomi dan Bisnis Indonesia*, 7(2), 115–126.
- Badan Pusat Statistik. (2022). *Statistik koperasi Indonesia 2022*. Jakarta: Badan Pusat Statistik.
- Suharto, E. (2019). *Pembangunan, kebijakan sosial, dan pekerjaan sosial*. Bandung: Refika Aditama.
- Badan Pusat Statistik. (2021). *Statistik koperasi Indonesia 2021*. Jakarta: Badan Pusat Statistik.
- Badan Pusat Statistik. (2022). *Statistik koperasi Indonesia 2022*. Jakarta: Badan Pusat Statistik.
- Badan Pusat Statistik. (2023). *Statistik koperasi Indonesia 2023*. Jakarta: Badan Pusat Statistik.
- Badan Pusat Statistik. (2024). *Statistik koperasi Indonesia 2024*. Jakarta: Badan Pusat Statistik.
- Rivera, J. (2024). Governance and public welfare: Protecting rights and liberty in modern states. *Journal of Public Governance*, 12(1), 45–59.
- Besley, T. (2019). *Principled agents? The political economy of good government*. Oxford: Oxford University Press.
- Otoritas Jasa Keuangan. (2022). *Laporan pengawasan koperasi simpan pinjam*. Jakarta: Otoritas Jasa Keuangan.
- Nurhayati, S., & Rahman, A. (2021). Partisipasi anggota dalam pengambilan keputusan koperasi. *Jurnal Ekonomi Rakyat*, 6(1), 44–58.

Kompas. (2023). *Lemahnya tata kelola koperasi dan maraknya penyimpangan dana*.

<https://www.kompas.com>

Mardiasmo. (2018). *Akuntansi sektor publik*. Yogyakarta: Andi.

Canadian Cooperative Association. (2021). *Annual reporting and governance practices of cooperatives in Canada*. Ottawa: Canadian Cooperative Association.

Safitri, E., Prasetyo, A., & Lestari, N. (2025). Penerapan prinsip good corporate governance berbasis TARIF terhadap kepercayaan anggota koperasi. *Jurnal Ekonomi Koperasi Indonesia*, 17(1), 1–15.

Amanda, R., & Kusumasari, I. R. (2024). Implementasi good corporate governance pada program simpan pinjam koperasi karyawan PT Vitapharm (Viva Cosmetic) dan dampaknya terhadap kepuasan serta kesejahteraan anggota. *Jurnal Manajemen dan Bisnis*, 9(1), 55–69.

Cadbury Committee. (1992). *Report of the committee on the financial aspects of corporate governance*. London: Gee Publishing.

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305–360.

[https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)

Komite Nasional Kebijakan Governance. (2006). *Pedoman umum good corporate governance Indonesia*. Jakarta: KNKG.

Rawls, J. (1971). *A theory of justice*. Cambridge, MA: Harvard University Press.

Beauchamp, T. L., & Childress, J. F. (2001). *Principles of biomedical ethics* (5th ed.). New York: Oxford University Press.

Bodie, Z., Kane, A., & Marcus, A. J. (2014). *Investments* (10th ed.). New York: McGraw-Hill Education.

Gitman, L. J., & Joehnk, M. D. (2008). *Fundamentals of investing* (10th ed.). Boston, MA: Pearson Education.

- Fisher, I. (1930). *The theory of interest*. New York: Macmillan.
- Simon, H. A. (1979). *Rational decision making in business organizations*. *American Economic Review*, 69(4), 493–513.
- Kahneman, D., & Tversky, A. (1979). Prospect theory: An analysis of decision under risk. *Econometrica*, 47(2), 263–291. <https://doi.org/10.2307/1914185>
- Ricciardi, V. (2000). A behavioral finance study: The case of individual investors. *Working Paper*, University of Maryland.
- Lusardi, A. (2007). Financial literacy: An essential tool for informed consumer choice? *NBER Working Paper No. 14084*. National Bureau of Economic Research. <https://doi.org/10.3386/w14084>
- Kasmir. (2014). *Manajemen perbankan*. Jakarta: Rajawali Pers.
- Birchall, J. (2003). *Rediscovering the cooperative advantage*. Geneva: International Labour Organization.
- Utting, P. (2015). *Social and solidarity economy: Beyond the fringe*. London: Zed Books.
- Undang-Undang Republik Indonesia Nomor 25 Tahun 1992 tentang Perkoperasian.
- Ikatan Akuntan Indonesia. (2007). *Pernyataan Standar Akuntansi Keuangan (PSAK) No. 27: Akuntansi perkoperasian*. Jakarta: IAI.
- Davis, P. J., & Evers, A. (2015). Cooperative governance: A review of literature. *Journal of Co-operative Organization and Management*, 3(1), 1–13. <https://doi.org/10.1016/j.jcom.2015.02.001>
- Binawati, L., Sony, M., & Soebijono, E. T. (2020). Analisis good corporate governance pada koperasi. *Jurnal Akuntansi dan Keuangan*, 22(2), 85–98.
- Sony, M., Soebijono, E. T., & Binawati, L. (2021). Analisis good corporate governance pada koperasi: Studi kasus Koperasi Setia Bhakti Wanita di Surabaya. *Jurnal Akuntansi dan Keuangan*, 23(1), 45–58.

- Al Ahdal, W. M., Almaqtari, F. A., Tabash, M. I., Hashed, A. A., & Yahya, A. T. (2021). Corporate governance practices and firm performance in emerging markets: Empirical insights from India and Gulf countries. *Corporate Governance: The International Journal of Business in Society*, 21(6), 1028–1046. <https://doi.org/10.1108/CG-02-2020-0080>
- Messabia, N., Beauvoir, E., & Kooli, C. (2023). Governance and management of a savings and credit cooperative: The successful example of a Haitian SACCO. *Journal of Co-operative Studies*, 56(2), 89–104.
- Nurkholis, K. M., Meiriasari, V., & Hendarmin, R. R. (2023). Analisis peran jati diri koperasi sebagai wujud pengimplementasian good corporate governance koperasi di Indonesia. *Jurnal Ekonomi Koperasi*, 15(1), 1–15.
- Umar, I. M., Mustafa, H., Sidek, S., & Lau, W. Y. (2024). Moderating role of trust in the relationship between corporate governance and performance of agricultural cooperatives in Nigeria. *Journal of Co-operative Organization and Management*, 12(1), 100198. <https://doi.org/10.1016/j.jcom.2023.100198>
- Amanda, R., & Kusumasari, I. R. (2024). Implementasi good corporate governance pada program simpan pinjam koperasi karyawan PT Vitapharm (Viva Cosmetic) dan dampaknya terhadap kepuasan serta kesejahteraan anggota. *Jurnal Manajemen dan Bisnis*, 9(1), 55–69.
- Masykuri, A., Sumarwan, U., & Kirbrandoko, K. (2022). Impact of good corporate governance on financial performance of cooperatives. *Journal of Consumer Sciences*, 7(1), 45-62.
- Valentinov, E. (2004). Toward a social capital theory of cooperative organization. *Journal of Cooperative Studies*, 37(3), 5-20.
- Bijman, J., Hanisch, M., & van der Sangen, G. (2012). *Governance of agricultural cooperatives: A framework for interpretation*. Wageningen University & Research.
- Borda-Rodriguez, A., & Vicari, S. (2021). Resilience and sustainability of cooperatives: The role of internal governance and human resources. *Journal of International Development*, 33(4), 721-738.

Ajates, R. (2020). *Global perspectives on cooperative governance: Challenges and opportunities*. Routledge.

Othman, A., Arshad, R., & Aris, N. M. (2021). Debt management and governance practices in consumer cooperatives. *Journal of Co-operative Organization and Management*, 9(2), 100-115.