

Financial Performance of Sustainable Farmers Cooperative (Koptan) in Bali: Leadership, Organizational Culture, Participation, Budget and TQM

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Abstract: This paper deals with financial performance of Koptan include leadership, participation budget, organizational culture and total quality management (TQM). The research objective is to determine the effect of non financial factors on financial performance Koptan. The study was conducted in Bali, with a focus on Koptan business by considering that the business activity is the driving force in the agribusiness sector of the economy. The development of this sector will boost the economy of the community so as to create Koptan sustainability. Samples are 11 Koptan, with the number of respondents of 97 people. Data analysis technique used PLS. The results of this study indicate that, leadership, participation, budget and organizational culture positive and significant impact on TQM Koptan, with the R-square of 0.63. The effect of leadership, participation, budget and organizational culture positive and significant impact on the financial performance of Koptan, where as TQM positive and significant impact on the financial performance. It can be concluded that, firstly; leadership, participation budgets, organizational culture and total quality management (TQM) positive and significant impact on the financial performance. Secondly, leadership, participation budgets and organizational culture positive and significant impact on total quality management (TQM) of Koptan in the region.

Keywords: Koptan; Financial Performance; Leadership; Participation Budget; Organizational Culture and Total Quality Management (TQM).

1. Introduction

The problems that are still attached to the institutional sector of farmers and farmers in Indonesia is still a lack of awareness and knowledge of farmers on management issues in production and marketing network. According Saragih (2001), the agribusiness sector as an economic sector of the people still have bright prospects for further development, both to reinforce the people's economy, as well as the mainstay of Indonesia in free trade. According Damyati (2007), the problems that still cling to the peasants and institutional sectors farmers in Indonesia is still a lack of awareness and knowledge of farmers on management issues, because farmers have not been fully involved in agribusiness activities. Activities farmers are still focused on production activities (on farm). Institutional role and function of farmers as the umbrella organization of farmers has not run optimally. To overcome these problems need to make efforts to develop, empower, and institutional strengthening farmers. Such as farmers' groups, labor institutions, institutional providers of input, output institutional, institutional extension, and institutional capital and is expected to protect the bargaining position of farmers.

One form of institutional capital that was formed to facilitate the farmers are Farmers Cooperative (Koptan). Koptan formed function is to accommodate the welfare of the farming community that is one of the alternatives in developing the potential of social economy. On the other hand, the number of members Koptan and should be followed by the success of its management. One indicator that can be used as a refer-

ence for assessing the success of Koptan that there is to see the achievements of its financial performance.

According Horngren (2007), taking the measurements of performance can be grouped into non-financial performance measurement (non financial performance measurement) and measurement of financial performance (financial performance measurement). To improve the performance of the organization, we need a system based on performance. The good performance should have a performance measurement system that is reliable and good quality, so it requires the use of performance measures that do not rely solely on the financial aspects, but also pay attention to aspects of non-financial (Pramadhyani, 2010). Referring to the development of the business world is increasingly complex and competitive today, an indicator of financial performance or financial gain is not the only factor determining the success of a company. Financial performance will only be good if it is supported by the non-financial aspects associated aimed at increasing the financial performance (Gunawan, 2009).

This is due to the non-financial perspective that is hyper real (the real drivers) the company's financial performance. Because the market value of the companies in the era of information technology today is more driven by intangible assets (intangible assets) of the tangible fixed assets (tangible assets), (Mulyadi, 2005). Many critics of financial performance measurement system for ignoring non-financial dimensions of performance. The success of an organization will be achieved when implementing performance measurement with multi-dimensional

concept where both aspects change over time and between individuals or groups within the organization (Gunawan, 2009).

There nonfinancial factors that play a role in determining financial performance. Many of the criticisms were raised about the importance of measuring the financial performance of a company by looking at factors - non-financial factors and weaknesses - weaknesses that arise in measuring the financial performance of the financial aspects. Some non-financial factors in measuring the financial performance were examined in this study is the factor of leadership, participation budget, organizational culture and total quality management (TQM). One aspect of non financial is the leadership role in the organization that so much attract attention (Schwandt & Marquardt, 2000). Relationship-oriented leadership behaviors positively correlated with performance (Bennis, 2001).

Aspects of human resources as a constituent and executors of the budget should be considered because the budget will be influenced by human behavior, especially for those directly involved in drafting and implementing the budget (Waller, 1988). Various factors can affect the tendency of managers to create budget gaps such as research (Dunk, 1993), indicating that participation in the budget to reduce the budget gap.

When management considers that the quality is a matter that must be done in the cultural activities of the organization, the perception of organizational culture and behavior will be driven by the values of quality in their work activities (Ma'rifah, 2005). Cultural organizations perceive the behavior

of each individual member of the organization who will be affected by the perceptions and behavior of other members in the organization system.

Therefore, the quality and management has always been associated with continuous improvement activities in order to win the competition. Theoretically, the quality is the totality of the shape and characteristics of the goods or services which demonstrated its ability to satisfy the needs of its apparent and hidden ie total quality management (TQM) (Chase *et al.*, 2005). TQM plays a very important role in increasing the strength of the competitiveness of enterprises (Sila, 2007). Has been encountered in the research literature that connects between TQM with business performance (Munizu, 2010).

Referring to some of the rationale above, it can be seen that there are research gaps previous research on the measurement of financial performance with financial ratios. Theoretical critique of the weaknesses - weaknesses measurement of financial performance, both financial and non financial aspects. Is necessary to develop a concept study to examine the role of non-financial factors in measuring financial performance.

From the description of the background can be formulated of the problem as follows, 1) Is the leadership, participation, budget and organizational culture positive and significant impact on the management of total quality (TQM) Koptan in Bali?; 2) Is the leadership, participation, budget and organizational culture positive and significant impact on the financial performance Koptan in Bali?; 3) Is the management of total quality (TQM) positive and significant impact on

the financial performance Koptan in Bali?

The purpose of this research is to determine whether the leadership, participation and organizational culture anggrana positive and significant impact on the Management of total quality (TQM) Koptan in Bali; also to determine whether the leadership, participation, budget and organizational culture positive and significant impact on the financial performance Koptan in Bali; as well as to determine whether the management of total quality (TQM) positive and significant impact on the financial performance Koptan in Bali.

2. Materials and Method

2.1 Materials

The importance of non-financial performance measurement is because organizations are facing rapid changes in the environment. To be competitive, organizations need information systems that is capable of capturing information quickly and effectively. Although the analysis of financial records is important, but the calculation is less to provide accurate information about the organizational capabilities of information measured in the financial result from decision past, Mulyadi (2005). In the face of environmental changes and increasing competition, non-financial measurements to be important to do because many non-financial data that are qualitative concerning the operations of the company as well as those regarding the organization's relationship with its external environment that have a major influence on the survival of the company.

In other words, non-financial measurements are the measurement of intangible as-

sets and organizational capabilities that can help organizations to achieve success. Intangible assets can not be measured in financial measure because it is not included in the financial statements of an organization. This occurs because it is difficult to calculate the financial value of the intangible assets. While the intangible assets that affect the financial statements of an organization in its use. The measures can not substitute for financial non financial measures, both of them are complementary (Kaplan & Norton, 2000). Measurement is based on non-financial performance will be directly related to the business strategy and may change according to the changing business environment. Financial-size that can be used by companies, among others, leadership, participation, budget, culture. Non-financial measures of such an intellectual and intangible assets owned by a company.

Timothy *et al.* (2011) states that leadership style has a positive influence on the financial performance. This is also consistent with research Iriemi and Ugochukwu (2012) which states that leadership style has a positive relationship with organizational performance. Satyawati and Suartana (2014) suggested that the success or failure of a company in achieving good performance is largely determined by the leader. A company hinted in their activities have a reliable leader who is able to anticipate the future of the organization and take advantage of the changes that exist so as to direct the organization to reach its destination.

Participation in the preparation of the budget is the level of how much involvement and influence in the budgeting process man-

ager of a department or subdivision periodical and annual. Research Sumarno (2005), found that there is a positive and significant relationship between participation in budget preparation and performance manajerial. Menurut Mansor and Muhamad (2010), organizational culture is a complex set of beliefs, assumptions, values and symbols that are used in determining the road in which the organization does business. According Soedjono (2005), organizational culture can become an instrument of competitive advantage and foremost, when the organizational culture can support the strategy of an organization, then the organization is able to respond and cope with environmental challenges accurately and quickly.

Total quality of management (TQM) is an approach that should be done today's organizations to improve product quality, lower production costs and increase productivity. TQM implementation is also a positive impact on the production costs and the income (Gaspersz, 2005). Other evidence also shows that companies are pursuing the best practices of TQM can achieve higher profits and cash flows as well as the value of its larger shareholders (Corbett and Rastrick, 2000). Some research on the relationship between TQM performance have been made. Kurnianingsih (2000) investigated the effect of system performance measurement and reward system of the effectiveness of the application of TQM techniques in manufacturing companies. Kurnianingsih managed to prove that the system of performance measurement and reward system to strengthen ties moderating the relationship between TQM and managerial performance. In the

study Wreder *et al.* (2008) found that development organizations are assisted by the implementation of TQM. While Terziovski study (2006) found that the practice of TQM simultaneously have a significant and positive effect on productivity improvement and customer satisfaction. Research Terziovski and Samson (2000) found the implementation of TQM has a significant and positive relationship to performance improvement. Research from Sila (2007) found no effect of TQM on performance measures. Sila and Ebrahimpour study (2007) found TQM and performance measurement factors contributing to the improved performance.

The hypothesis of this study are as follows. 1) Leadership, budgetary participation, and organizational culture positive and significant impact on the Management of total quality (TQM). 2) Leadership, budgetary participation, and organizational culture positive and significant impact on the financial performance Koptan in Bali. 3) Management of total quality (TQM) positive and significant impact on the performance Koptan in Bali. Framework of thinking is based on theory or research and logical thinking, as shown in Figure 1.

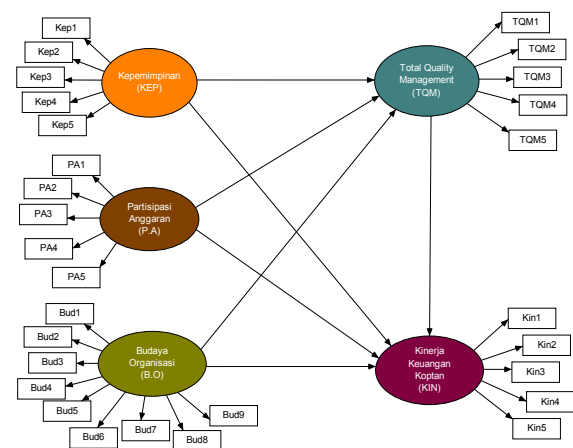


Figure 1. Mindset Research

These frameworks describe relationships between variables accompanied by indicators. To draw up a framework of thinking, then the review of variable dimensions and relationships between variables that have been used by previous researchers.

2.2 Method

This research was conducted at the Farmers Cooperative (Koptan) in Bali with case studies taken by six Koptan Buleleng, Tabanan three Koptan and Jembrana much as two Koptan, so a total of 11 Koptan. Total population used in the study of 3,373 people, divided into 11 Koptan in three districts in Bali. Mechanical determination of members of the sample using the formula slovin total of 97 people. To determine the sample at each Koptan used simple random sampling. Technique Data analysis with descriptive analysis and descriptive kuantitatif. Research is a based on gathering data. The collection of primary data and secondary data based on documentation or research. Assessment data for selection of data categorization primary or secondary data. Interpretation of the data is made to interpret certain amount of data found in the field. Conclusion generated based on the generalization of statements about the problem. There is a key element in the process of writing data on qualitative analysis, namely: (1) The collection of data; (2) Rate of data; (3) The interpretation of the data; and (4) Interest conclusion. This study, used statistical data analysis with SEM-PLS PLS Smart software assistance. Ghozali (2011) states that the PLS is a method of analysis that is not based on many assumptions, data does not have a multivariate nor-

mal distribution (with a scale indicator categories, ordinal, interval, until the ratio can be used on the same model), samples should not be large. PLS can analyze simultaneously constructs formed with indicators reflexive and formative indicators. The reasons for the use of PLS in this study, are as follows: PLS is a common method for estimating path models using latent variables with multiple indicator, PLS is an analysis method that can be applied to all scales of the data, does not require a lot of assumptions and the sample size should not be large, The sample size is recommended ranges from 30 s / d 100 cases (Ghozali, 2011), PLS is a method of analysis for causal-predictive analysis in situations of high complexity and support the theory that low, and PLS handle models of reflective and formative, even construct the item (indicators) are single. The construct reflective assumes that constructs / latent variables affecting the indicators (the direction of causality of the construct to the indicator). The construct assumes that the formative influence indicator constructs / latent variables (direction of causality of indicators to construct).

4. Results and Discussion

4.1 Results

Tests on the structural model is done by looking at the value of R-square is a test for goodness-fit model. The value of R-square structural model test results are shown in Table 1.

Model test results in Table 01, shows the influence of leadership, participation, budget and organizational culture towards TQM give R-square value of 0.6328. This

means that the variability of TQM constructs that can be explained by the variability of the construct of leadership, participation budgets, and organizational culture 63,28%. While the rest of 100% - 63,28% = 36,72% is explained by other variables outside studied.

Table 1. R-square value

Variance explained and predictive relevance	
Dependent Variable	R square
TQM	0.6328
KIN	0.6674

Source: visual output PLS.

The model of the influence of leadership, participation budget, organizational culture and TQM on financial performance Koptan give R-square value of 0.6674. This means that the variability construct financial performance can be explained by the variability of the construct of leadership, participation budget, organizational culture and TQM amounted to 66.74%. While the rest of 100% - 66,74% = 33,26% is explained by

other variables outside the studied.

Referring to the purpose of the study explained that the analysis of the variables of leadership, participation budget, organizational culture and TQM on financial performance Koptan. The following analysis of the results of model testing to determine the coefficient of each lane. For more details, here presented results of testing visual models with PLS as shown in Figure 2.

Based on the results in Figure 2, will be conducted testing of hypotheses and parameters of each - each track is formed in the following model. Referring to the purpose of the study explained that the analysis of the variables of leadership, participation budget, organizational culture and TQM on financial performance Koptan. The following analysis of the results of model testing to determine the coefficient of each lane. For more details, here presented results of model testing results of testing structural path coefficients in Table 2.

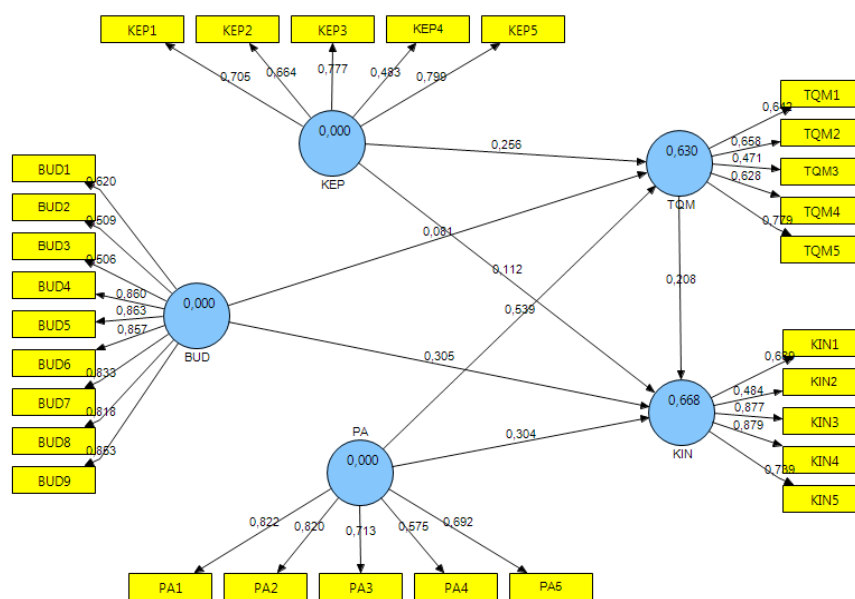


Figure 2. Output test model with a t-statistic

Table 2. Structural Path Coefficient

Variabel	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O/STERR)	R Square
BUD -> KIN	0.3149	0.3164	0.0342	0.0342	9.1956	BUD 0
BUD -> TQM	0.0783	0.0825	0.035	0.035	2.2354	KEP 0
KEP -> KIN	0.1011	0.1024	0.0385	0.0385	2.6267	KIN 0.6674
KEP -> TQM	0.257	0.2542	0.033	0.033	7.7783	PA 0
PA -> KIN	0.2971	0.2938	0.0442	0.0442	6.7175	TQM 0.6328
PA -> TQM	0.5421	0.5424	0.0343	0.0343	15.7906	
TQM -> KIN	0.2141	0.2154	0.04	0.04	5.3583	

Source: test output model with a t-statistic

3.2 Discussion

Based on the results in the table above, then be testing the hypothesis and parameters of each - each track is formed in the model.

3.2.1 Effect of leadership, participation budgets, and organizational culture towards TQM Koptan in Bali

The relationship between leadership and TQM shows the influence of 0.3286 or 32.86 % with a value of t- statistic of 2.3180 (> 1.65). This shows that there is a pattern of positive and significant relationship between leadership and TQM Koptan in Bali. The relationship between budgetary participation TQM shows the influence of 0.1974 or 19.74 % with a value of t- statistic of 2.0088 (> 1.65). This shows that there is a pattern of positive and significant relationship between budgetary participation TQM Koptan in Bali. The relationship between organizational culture and TQM shows the influence of 0.1288 or 12.88 % with a value of t- statistic of 1.0865 (< 1.65). This shows that there is a pattern of positive and no significant relationship between organizational culture and TQM Koptan in Bali.

The above test results show that there is a pattern of positive and significant rela-

tionship as well as the positive and not significant. The pattern of positive relationships are on the path to leadership, participation, budget and organizational culture towards TQM. This means the meeting or the better aspects - the aspects of the TQM level that occurs will be higher, otherwise the less fulfilling aspect - the aspect of the level of TQM is happening will decrease.

While the level of significance of the path is formed, there are two pathways that have a significant influence, as well as a path that has no significant effect. Significant influence is shown by the leadership and participation construct budgets for TQM for the value of t-statistics above 1.65 (standard error of 10%). While the organizational culture construct showed no significant effect on TQM for the value of t - statistic below 1.65 (standard error of 10%).

The construct of leadership has the highest impact/dominant against TQM at 0.3286 or 32.86%, followed by participation kosntruk budget of 0,197 a4tau 19.74% and the last construct an organizational culture that had the most influence on TQM little by 0.1288 or 12, 88%.

The test results showed that leadership with VPLS has a positive and significant im-

impact on TQM Koptan in Bali. This means that a pattern or system that kepimpinan Koptan be applicable in the organization, proven to have contributed significantly to the quality of management Koptan. The results are consistent with Sallis (2006), which argues that leadership is an important element in TQM. Leadership is the ability and skills possessed to influence others, especially bawahanya. In addition, be able to influence subordinates to think and act, so that through positive behavior can be a real contribution in the achievement of organizational goals.

According to Yukl (1998) the effectiveness of a leader, can be measured in relation to the contribution of the leader on the quality of batch processes. Thus, we can conclude that the leader's role in improving the quality of Koptan organizational management, both from the aspect of human resources or not, has a very strong role. It seems clear now Koptan can grow and develop in accordance with the demands of the change. This condition can occur with the support of good quality management, and focused and organize the creation of a reliable quality management through leadership that was applied.

Results of research on the effect of budget participation on TQM with VPLS showed positive and significant impact. Various factors can affect the tendency of managers to create budgetary slack as research Camman (1976), Dunk (1993), Merchant (1981) and Onsi (1973) which shows that participation in budget preparation can reduce budgetary slack. This happens because subordinates helps provide personal information about future prospects so that the budget is prepared to be more accurate.

These findings indicate that the pattern or system implemented so far in the organization's management policy formulation Koptan wherein each of the budget in the form of target achievement should involve all members to participate in providing input proven to improve the quality of the resulting management. One aspect that supports the system is the principle of kinship that has become the foundation for the cooperative.

Research findings indicate that organizational culture has a positive effect and no significant effect on TQM. This means that organizational culture has a positive relationship patterns or the direction but not really - real give effect to changes in the level of TQM happened.

It terjadi because the organizational culture can be in strong condition and could be in a weak condition. Cultural organizations are said to be strong if the culture, core values held intensively and are shared widely. Culture has a strong impact on the behavior of employees due to the high level of togetherness (shareness) and intensity to create an internal culture of control behavior, meaning a strong culture can act as a substitute for the formulation. Formulations high in an organization creates the ability to forecast (predictable), order and consistency.

Strong culture can achieve the same goal without the need for written documentation. Formulation and a strong culture can be described as two different paths to the same destination. The stronger the culture of the organization, the less it needs to pay attention to the development of management rules and formal arrangements to guide employee behavior. Strong culture is a culture

that ideal that has held intensive characteristics, the more widely embraced, and inherited.

3.2.2 Effect of leadership, participation, budget and organizational culture on the financial performance Koptan in Bali

The relationship between leadership and financial performance Koptan shows the influence of -0.1768 or 17.68% with a value of t-statistic of 2.1293 (> 1.65). This shows that there is a negative and significant correlation pattern between the leadership and financial performance Koptan in Bali.

The test results showed that leadership with VPLS has a negative and significant impact. This means that the lower the pattern or system of leadership that is applied in the organization Koptan the level of financial performance that will be achieved will decrease. These results are consistent with Hughes *et al.* (2002), which asserts that leadership is not a certain position, but rather a complex process involving the interaction between the leader, the external environment, and subordinates. Based on this view, leadership is defined as a process of influencing an organized group that led to the achievement of organizational objectives

Several empirical studies on business and nonbusiness organizations find that leadership effectiveness negative impact on attitudes and behavior of members of the organization. Nowack (2004) concluded that employees who assess his boss has a bad leadership practices (poor) causes employees have a higher tendency to get out of the organization, job satisfaction is low, and high job stress. This research is contrary to

Timothy *et al.* (2011) which states that the style of leadership have a positive influence on the financial performance. It is also not in line with the research line (Iriemi and Ugochukwu, 2012) which states that leadership style has a positive relationship with organizational performance.

In a study (Satyawati and Suartana, 2014) suggests that, the success or failure of a company in achieving good performance is largely determined by the leader. A company hinted in their activities have a reliable leader who is able to anticipate the future of the organization, and take advantage of the changes. In the future the organization is directed to arrive at its destination.

The relationship between budgetary participation and financial performance Koptan shows the influence of 0.4231 or 42.31% with a value of t-statistic of 6.6714 (> 1.65). This shows that there is a pattern of positive and significant relationship between budgetary participation and financial performance Koptan in Bali. The results showed that budget participation has a positive and significant influence. Means the better the pattern of participation budget system is applied then the resulting financial performance will be maximized. This finding is consistent with research Brownell (1982), Ivancevich (1976), (Bass and Levitt, 1963), Indriantoro (2000) in Sumarno (2005), found that there is a positive and significant relationship between participation in budgeting and managerial performance. Research Argyris (1952), (Becker and Green, 1962), Merchant (1981) supports positive and significant relationship between budget participation to managerial performance.

Participation in the preparation of the budget has its advantages also disadvantages. The advantages of participation budget one is able to improve organizational performance. There are two factors of concern in participatory budget, namely working attitude and desire for achievement. Positive work attitude will affect the performance of the budget in the company.

According to Milani (1975) working attitude is divided into two, namely job attitudes and organizational attitudes. Job attitudes with regard to workers who understand the purpose of the enterprise so as to maximize the self achieve organizational goals effectively. While organizational attitudes with regard to the attitude or culture in which the company is able to support the attitude of people who are in it.

A study of the performance of supervisors along with participation in the budget behavior, use of performance variables, attitudes towards work and the behavior of the company. The sample used in this study was 88 supervisors in the company. The results obtained are the relationship between performance and parisipasi budget, and behavioral variables with performance.

Research related to the participation of the budget is done also by Kenis (1979) investigated the effects of goal setting budgets for individual characteristics and behaviors associated with the performance of the company. This study took a sample of managers and supervisors in the region of New Jersey and Philadelphia by distributing questionnaires to the amount of 298 pieces that can be used in the research was 169 pieces. The results of this study stated that the budget of

the leadership style reflected the determination of the characteristics of the target budget impact on behavior and performance at the staff level. The managers react positively to the clarity of the budget target.

The relationship between organizational culture and financial performance Koptan shows the influence of 0.4230 or 42.30% with a value of t-statistic of 6.1736 (> 1.65). This shows that there is a pattern of positive and significant relationship between organizational culture and financial performance Koptan in Bali.

The influence of organizational culture on financial performance showed positive results and significant. This means that organizational culture has become a cornerstone in the management Koptan proved to have a very important role in improving the financial performance Koptan. According to (Mansor and Tayib, 2010), organizational culture is an integral beliefs, assumptions, values and symbols that are used in determining the way in which the organization does business.

Soedjono (2005), expressed the organization's culture can be an instrument of competitive advantage and foremost, when the organizational culture can support the strategy of an organization, then the organization is able to respond and cope with environmental challenges accurately and quickly.

3.2.3 Effect of TQM on financial performance Koptan in Bali

The relationship between TQM and financial performance Koptan shows the influence of 0.1979 or 19.79% with a value of t-statistic of 2.6748 (> 1.65). This shows that

there is a pattern of positive and significant relationship between TQM and financial performance Koptan in Bali.

The above test results show that there is a pattern of positive and significant relationship as well as the negative and significant. The pattern of positive relations are on track, budgetary participation and organizational culture and TQM on financial performance Koptan, while the leadership of the financial performance memilii negative relationship patterns. This means the meeting or the better aspect - the aspect of the level of financial performance Koptan that occurs will be higher, otherwise the less fulfilling aspect - the aspect of the level of financial performance Koptan happened to be diminishing.

While the level of significance of the path that is formed, there are four lines that have a significant influence. Significant influence is shown by the construct of leadership and participation budget, organizational culture and TQM on financial performance Koptan because the value of t-statistics above 1.65 (standard error of 10%). Constructs anggararan participation and organizational culture have highest impact / dominant on the financial performance Koptan amounted to 0.4230 or 42.30% followed by kosntruk TQM at 0.1979 or 19.79% and the latter construct of leadership that has the smallest influence on the financial performance amounted to 0.1768 or 17.68%.

The findings of the test results with VPLS shows that TQM has a positive and significant impact on the financial performance Koptan. This indicates that the level of quality management applied during

this time can boost financial performance Koptan.

Research Ooi *et al.* (2007) found that teamwork, trust organizations, organizational culture and customer focus is positively related to employee satisfaction. Teamwork is regarded as the dominant TQM practices and significant improvement of the level of job satisfaction. In the study Wreder *et al.* (2008) found that development organizations are assisted by the implementation of TQM. TQM inspire their cooperation in various fields, especially in the health sector, with the support of the advantage of organizational factors that help in the formation of the environment and assist in the development of employee performance.

While Terziovski study (2006) found that the practice of TQM simultaneously have a significant and positive effect on productivity improvement and customer satisfaction. Research (Terziovski and Samson, 2000) found the implementation of TQM has a significant and positive relationship to the improved performance, the size of the company influence the implementation of TQM, large companies have greater benefits. Research from Sila (2007) found no effect of TQM on performance measures. Research (Sila and Ebrahimpour, 2005) found TQM and performance measurement factors contributing to the improved performance.

The new findings daripenelitian singer is, non-financial factors between lie, leadership, participation budget, as well as the organizational culture and TQM, contributing positively against real and Financial boarding costs of non-financial factors koptan. That very good serve as a measuring tool

measurement hearts boarding costs finance koptan in Bali.

4. Conclusion

Leadership, participation budgets, positive and significant impact on TQM Koptan in Bali and organizational culture and not significant positive effect on TQM Koptan in Bali. Participation budget and organizational culture positive and significant impact on the financial performance and leadership Koptan in Bali a significant negative effect on the financial performance Koptan in Bali. TQM positive and significant effect on the performance keuangan Koptan in Bali. Referring to the results of the study and the conclusions that have been described, can be submitted suggestions as follows: 1) It should be increased to a better direction of organizational culture on operational activities Koptan, see the culture of the organization have a positive influence and not significant; 2) The Koptan in order to give more attention to the aspects of leadership that has been used as a basis in each run operational policies and Koptan considering these factors have a negative impact on financial performance but significant Koptan; 3) The non-financial performance measurements is strongly recommended to determine the level of performance of a company, in order to take a decision or policy of the company appropriately.

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