

# The Implementation of Tri Hita Karana Value and Strategy Based on Social Capital in Creating Competitive Advantages in Village Credit Institutions in the Penglatan Village

Gusti Putu Eka Kusuma\*

*Sekolah Tinggi Ilmu Ekonomi Satya Dharma*

---

## ARTICLE INFO

*Article history:*

Received 12 February 2020  
Received in revised form  
29 March 2020  
Accepted 18 April 2020  
Available online 30 May  
2020

---

*Keywords:*

*Tri Hita Karana, Social  
Capital Based Strategy and  
competitive advantage*

---

## ABSTRACT

Companies that are able to implement strategies that are oriented more to the external environment will be able to develop market share well and more quickly in anticipating changes that occur suddenly, thus the company is declared to have an effective strategy in the sense that it will be able to compete. This research conducted at the Village Credit Institutions in Penglatan collected through interviews. Research informants were 3 people through purposive sampling. This research was tested using interactive models. The results showed that the application of the tri hita karana value and the application of a social capital-based strategy made the village credit institution Penglatan able to build trust in the village krame where the value of the tri hita karana namely pawongan (human relations with humans) and awig - awig became the basis for the operational implementation of credit institutions villages can increase trust and build competitive advantage.

---

*Copyright © Universitas Pendidikan Ganesha. All rights reserved.*

---

\* Corresponding author.

E-mail addresses: [gustieka23@gmail.com](mailto:gustieka23@gmail.com) (Gusti Putu Eka Kusuma)

## 1. Introduction

Business competition which is increasingly fierce due to the impact of globalization in the implementation of the free trade era has shifted the business paradigm from Comparative Advantage to Competitive Advantage, which forces business activities / companies to choose the right strategy. The strategy in question is where the company can adapt to a changing environment, the going concern principle generally applies to the purpose of establishing a business entity. Another thing that becomes a challenge with technology-based innovation is expected to provide maximum services for consumers, such as e-banking services that have been implemented in the banking world and payment through application services provided is a challenge in maintaining the existence of financial institutions still prioritizing traditional services such as the Village Credit Institutions.

The village credit institution has a very big responsibility to the villagers, because the village credit institution manages the money from each banjar in the customary village, the management of the village credit institution is not an easy job where it can be seen that there are still many village credit institutions that have not able to manage financial performance well, making operational effectiveness less than the maximum, the absence of innovation breakthrough resulting in the existence of village credit institutions is often questioned, considering that technological advances encourage competitors to more quickly emulate each market position and create competitive advantage, technological developments make some obstacles become fading, regulations are simpler and the market is globalized now, not a few company leaders experience frustration because they are unable to manage what they get into sustainable profitability.

One of the efforts to prevent this is where the Village Credit Institution leaders must be able to see the condition and development of a Village Credit Institution. Determine the right strategy and based on a human capital approach that is not only oriented towards knowledge and skills, but there are still other things, namely association ( related) to each other. This ability will be an important capital not only for businesses that are run but also for every aspect of social existence where the scope of operational areas of the Village Credit Institution is only in the Pakraman village area, this becomes a challenge for the Institute Village Credit.

The concept of the value of tri hita karana in which there is a human-human relationship (Pawongan) this concept becomes the foundation in the implementation of services in rural credit institutions, which is reflected in the formation of social networks through activities with the concept of *braye* in which, rural credit institutions establish relationships good relationship with its customers. *pawongan* here in the science of marketing can be linked to the theory of CRM (Customer Relationship Management) according to Temporal and Troot (2002) argues that "CRM is essentially a collaboration with every consumer that is able to create circumstances that do no harm wrong one party. Companies that are able to implement strategies that are oriented more to the external environment will be able to develop their market share well and more quickly in anticipating changes that occur suddenly, thus the company is declared to have an effective strategy in the sense of being able to compete. see from the current business development the application of strategy is very, very well compiled in order to be able to come up with unique strategies and will be very difficult to imitate by other companies.

From the results of previous studies it can be concluded that, the application of competitive advantage is very important for companies which make companies more competitive in today's competitive world, one of the factors that needs attention is the HR (Human Resources) in a company needs to get training so that the performance of employees can be in line with the implementation of strategies that have been compiled by company managers. in addition, optimal human resource empowerment will generate innovation from employees and make the company have a unique competitiveness. because technology is able to help mobility and support the performance of the company. The difference from the results of previous studies, attracting the attention of researchers to look back where it is often found in the determination of strategy, is formulated without considering changes that occur in the environment around the company which is too focused on increasing financial benefits and oriented only short-term , this needs to be developed by taking into account the external conditions with a larger portion by projecting the company in the future. Often the non-financial element is neglected to make many village credit institutions go bankrupt, due to the lack of management of synergy with the surrounding environment, if there is a synergy between the community and village credit institutions by strengthening the application of the value of tri hita karana one of which is *pawongan* and social capital-based strategies which are a social capital social networks will form a trust that is intertwined through social relationships making all strategies implemented will succeed and create competitive advantage.

## 2. Methods

This research was conducted by conducting direct research in the field. Qualitative research is a research method based on philosophy, pastpositivity, used to examine natural conditions of objects, (as opposed to being experiments) where researchers are as key instruments, data collection techniques are carried out by triangulation (combined), data analysis is inductive / qualitative, and qualitative research results emphasize more meaning than generalization (Sugiyono 2017).

This research approach uses qualitative research with an ethnographic approach. Philosophically, ethnography is defined by Kim (1993) from a methodological perspective that mainly uses unstructured interviews and some level of observation, from simple descriptions to complete participant observation (Setyawati, 2006). Research with an ethnographic approach seeks to describe and build the socio-cultural structure of a society and compare social systems in the framework of obtaining general rules about society. In modern ethnography, social and cultural forms of society are built and described through the analysis and reasoning of the researcher (Syahram, 2013). Thus, ethnographic design is a qualitative research procedure for describing, analyzing, and interpreting cultures with certain groups, which have a common pattern of actions, beliefs, and language that develops over time. The ethnographic approach will make it easier for researchers to get in-depth and complete information from the point of view of the informants.

Sources of data used in scientific research must comply with existing scientific principles, as well as where the sources of data obtained in the study. According to Sugiyono (2017), data sources can be divided into two, namely primary data and secondary data. Data collection techniques are the most strategic step in research, because the main goal in research is to get data. Without knowing data collection techniques, the research will not get data that meets the established standards (Sugiyono, 2009). The interview technique used in qualitative research is in-depth interviews. According to Sugiyono (2017), interviews were conducted only with guidelines in outline of the issues to be asked. This interview is chosen with the aim that information is more open and can be carried out in-depth interview process. In-depth interview is the process of obtaining information for research purposes by means of question and answer while face to face between the interviewer with the informant or the person being interviewed, with or without using interview guides, where the interviewer and the informant are involved in a relatively long social life.

The technique of taking informants in this qualitative research is using the purposive sampling method. The sampling technique / informant is the source of data with certain considerations. The purpose of this particular consideration is the person or informant who is considered to know about the object being examined (Sugiyono, 2017). Informants who were appointed by purposive sampling will be interviewed because they are considered to know, be involved and be affected by implications related to this research.

Qualitative research obtains data through several sources with various data collection techniques (triangulation) and is carried out continuously until the data collected is declared saturated. This situation causes a high variation of data. Until now there is no guidance in qualitative research to determine how much data and analysis is needed to support conclusions or theories (Sugiyono, 2017). in this study the data analysis begins with Data Reduction, which is the first thing in the analysis which is the process of selecting, focusing, simplifying, and abstracting from field notes. Basically, this data reduction is part of the analysis process which emphasizes, shortens, makes focus, discards things that are not important and organizes the data in such a way that the conclusions of the research can be carried out followed by Data Presentation, by presenting the data it will make it easier to understand what that happens, planning further work based on what has been understood and finally Conclusion Withdrawal and Verification, in qualitative research the conclusions in this study are new findings that have never before existed. Findings can be in the form of a description or description of an object that was previously still dim or dark so that after careful examination it can be clear in the form of a causal relationship, hypothesis or theory. This research technique used in conducting data validity checking with credibility testing, Credibility Test shows trust in the data of qualitative research results, from several credibility testing techniques, which are used in this research are triangulation, where data checking is done from various sources in various ways, and various times. Of the several types of triangulation used in this study, it is source triangulation.

### 3. Result And Discussion

Determination of the strategy departs from the analysis of the external and internal environment in which there are several things that need to be considered before formulating a strategy. According to Certo (in Amirullah 2015) environmental analysis is the process of observing the organization to identify current and future threats and opportunities, which influences the organization's ability to achieve goals. Thus it can be concluded if the environment that is always changing will have a major impact on the organization, important steps that must be taken by a company to remain strong in dealing with a changing environment, the organization must conduct a careful analysis of the environment, both current environment and environmental estimates in the future.

Thus the application of social capital-based strategies implemented by the village credit institution Penglatan forms a social network, fosters confidence and runs all operations according to the applicable awig - awig, helps form competitive strategies, Social capital-based strategies encourage companies to be able to find their own uniqueness. in the target market. The uniqueness of the product (goods or services) that is prioritized allows a company to attract the interest of its potential consumers. Due to the treatment of the family system in the external and internal environment within the village credit institution, Penglatan is a strategy that will be able to realize the vision and mission that is applied running in accordance with what was expected. The company's product differentiation strategy is applied in order to achieve competitive advantage against its competitors in all markets. This will be a differentiator from other village credit institutions. In addition, the concept of the value of the tri hita karana embraced by the village credit institution penglatan is able to strengthen the relationship of the creditors with the credit institution itself because it enters into the concept of disbursing the application of capital-based strategies social action will make the determination of strategy, implementation and evaluation of the strategy can be carried out well. Social capital-based strategies become unique strategies because village credit institutions are able to foster a sense of ownership of the village krame and will be able to create competitiveness.

In creating a competitive advantage that is a picture of the performance achievements of the village credit institutions in penglatan which in general competing favors consist of two types, cost advantages and differentiation advantages, from the two types of competitive advantage, if seen from the results of the analysis above, the cost advantages that are owned by the credit institution in the village of Penglatan, the value of a competitive advantage depends on its ability to survive. the ability to survive will exist if the source of cost advantage is difficult to duplicate by competitors. cost advantage will lead to superior performance if the company provides a level of value that can be received to consumers so that the cost advantage is not lost because of the need to set prices lower compared to competitors' prices.

The cost advantage that can be seen in the credit institution penglatan can be seen from the establishment of the policy in granting credit, the credit interest in the credit institution in the village of Penglatan 1.75 decreased which can be paid in installments for 10 years so that the installments made by the village Krame become lighter, besides that services in the disbursement also include fast only need 1 to 2 days the funds are normally disbursed, especially for the sudden needs of krame who need fast funds for religious ceremonies will become the priority of the village of credit institution penglatan. this is also supported by the concept of value embraced by the rural credit agency institution pengawatan value improvement which is applied to establish rapport and institutions become increasingly tight as in the science of marketing pawongan here as well as Customer Relationship Management (CRM) where according to Kotler: 2003, CRM supports a company to provide service to customers in a real time and establish relationships with each customer through the use of information about customers., seen from awig - awig which is the basis of the village credit institutions also clearly visible krame and village credit institutions establish good relations with each other, for example regarding the implementation of bad credit and the creditor has died, the responsible party is the family who is still in the same line and only charges the loan without interest, thus the NPL level in the credit institution in the village of penglatan is not too high, besides that the credit institution in the village of Penglatan cooperates with which bank is done so that the krame that is outside the village or is wandering (krame pengampel) can pay for the credit without having to go to the village credit institution then it is usually transferred through the bank to the account number of the village credit institution.

### 4. Conclusion

The results of this study indicate that the application of the tri hita karana value specifically to the value of pawongan (human-human relations) and social capital-based strategies are felt to be able to maintain existence and increase competitive advantage for credit institutions in the village of Penglatan

thus always by establishing a relationship with the concept of menyame braye, fostering public trust and operational implementation are in accordance with prevailing norms (awig - awig) then the vision of the company will be able to be realized.

## Reference

- Amirullah. (2015). *Manajemen Strategi Teori-Konsep-Kinerja*. Jakarta: Mitra Wacana Media.
- Atmadja, A.T. (2018). *Penyertaan Modal Sosial dalam struktur pengendalian intern lembaga*
- Azis, H.A., Budi Praptono., dan Wawan Tripiawan. (2017). *Analisis SWOT Sebagai Strategi Meningkatkan Daya Saing Pada Produk Fariz Fashion*, Retrieved from:  
[http://openlibrary.telkomuniversity.ac.id/pustaka/files/137424/jurnal\\_eproc/analisis-swot-sebagai-strategi-meningkatkan-daya-saing-pada-produk-fariz-fashion.pdf](http://openlibrary.telkomuniversity.ac.id/pustaka/files/137424/jurnal_eproc/analisis-swot-sebagai-strategi-meningkatkan-daya-saing-pada-produk-fariz-fashion.pdf).
- Bunga, H. (2013). *Peran Modal Sosial pada Kontrak Pinjaman Bank Thithil dan Implikasinya Terhadap Keberlangsungan Usaha (Studi pada Pasar Blimbing Kota Malang)*, Retrieved from <http://jimfeb.ub.ac.id/index.php/jimfeb/article/view/840>.
- Ferdinan, A. (2014). *Metode Penelitian Manajemen Pedoman Penelitian untuk Penulisan Skripsi, Tesis dan Disertasi Ilmu Manajemen*. Semarang: Universitas Diponegoro.
- Ferdinand, A.T. (2005). *Modal Sosial dan Keunggulan Bersaing: Wajah Sosial Strategi Pemasaran*. Semarang: Universitas Diponegoro.
- Hery. (2018). *Manajemen Strategi*. Jakarta: PT Gramedia.
- Lantu, D.C., Mochamad Sandy Triady, Ami Fitri Utami., & Achmad Ghazali. (2016). *Pengembangan Model Peningkatan Daya Saing UMKM di Indonesia: Validasi Kuantitatif Model*, Retrieved from <https://media.neliti.com/.../112821-ID-pengembangan-model-peningkatan-daya-sain.pdf>.
- Musa, H. (2016). *Manajemen Strategik dalam Pengembangan Daya Saing Organisasi*, Retrieved from: <http://pascasarjana.esaunggul.ac.id/index.php/2016/08/29/manajemen-strategik-dalam-pengembangan-daya-saing-organisasi>.
- musa, h. (2014). *manajemen strategik dalam pengembangan daya saing organisasi*. jakarta: pt gramedia.
- Nuraini, F., Rieska Maharani dan Andrianto. (2016). *Strategi peningkatan daya saing UMKM dan Koperasi dalam menghadapi AEC (Asean Economic Community) : suatu telaah kepustakaan*, Retrieved from [http://eprints.umsida.ac.id/81/1/Fitri%20Nuraini\\_480-496%20fix.pdf](http://eprints.umsida.ac.id/81/1/Fitri%20Nuraini_480-496%20fix.pdf).
- Peraturan Daerah Provinsi Bali Nomor 3 Tahun 2017 Tentang *Lembaga Perkreditan Desa*, Retrieved from <http://jdih.baliprov.go.id/produk-hukum/download/12348>.
- Primadona. (2015). *Peranan Modal Sosial Dan Modal Manusia Dalam Wirausaha*, Retrieved from [http://fe.unp.ac.id/sites/default/files/unggah/8.%20Primadona%20%28hal%20199-204%29\\_0.pdf](http://fe.unp.ac.id/sites/default/files/unggah/8.%20Primadona%20%28hal%20199-204%29_0.pdf).
- Rusdiyanto, J. (2012). *Keunggulan Bersaing Melalui "Innovative Differentiation Strategy" Berbasis Kearifan Lokal: Sebuah kajian pada Bisnis Aqiqah, Surabaya*, Retrieved from [http://repository.fe.unjani.ac.id/pdf/303313\\_keunggulan\\_bersaing\\_melalui\\_innovative\\_differentiation\\_strategy.pdf](http://repository.fe.unjani.ac.id/pdf/303313_keunggulan_bersaing_melalui_innovative_differentiation_strategy.pdf).
- Sondang. (2018). *Manajemen Statejik*. Jakarta: Bumi Aksara
- Sugiyono. (2009). *Metode Penelitian Bisnis*. Bandung: Alfabeta.
- sugiyono. (2017). *metode penelitian kualitatif untuk peneliti yang bersifat: eksploratif, enterpretif dan konstruktif*. bandung: alfabeta.

- supono, b. (2011). *peranan modal sosial dalam implementasi manajemen dan bisnis*, retrieved from <https://www.neliti.com/id/publications/23397/peranan-modal-sosial-dalam-implementasi-manajemen-dan-bisnis>.
- Sudirjo, F. (2012). Keunggulan Bersaing Berbasis Budaya Dan Inovasi Produk: Sebuah Eksplorasi Model Konseptual, Retrieved from <https://journal.unnes.ac.id/nju/index.php/jejak/article/view/3908>.
- Usman, S. (2018). *Modal Sosial*. Yogyakarta: Pustaka Pelajar.
- Yunus, E. (2016). *Manajemen Strategis*. Yogyakarta: Andi Yogyakarta.
- zahal. (2010). *knowledge and innovation platform kekuatan daya saing*. jakarta: pt gramedia.