

Evaluating the Success of Sharia Cooperative Conversion in Aceh through the ADKAR Model

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Abstrak. Penelitian ini menganalisis keberhasilan konversi koperasi konvensional menjadi koperasi syariah di Provinsi Aceh menggunakan model manajemen perubahan ADKAR (Awareness, Desire, Knowledge, Ability, Reinforcement). Konversi koperasi syariah di Aceh merupakan bagian dari implementasi Qanun Lembaga Keuangan Syariah No. 11 Tahun 2018 yang mewajibkan seluruh lembaga keuangan di Aceh beroperasi sesuai prinsip syariah. Penelitian ini menggunakan pendekatan kualitatif dengan pengumpulan data melalui wawancara terstruktur kepada pengurus dan anggota koperasi syariah di Aceh. Analisis tematik dilakukan untuk mengidentifikasi faktor-faktor yang memengaruhi keberhasilan proses konversi. Hasil penelitian menunjukkan bahwa kesadaran (awareness) pengurus dan anggota masih belum merata akibat minimnya sosialisasi, sehingga memengaruhi keinginan (desire) untuk berubah. Pengetahuan (knowledge) tentang prinsip dan mekanisme koperasi syariah perlu ditingkatkan melalui pelatihan dan pendampingan yang lebih intensif. Kemampuan (ability) dalam menerapkan perubahan juga menjadi tantangan utama yang harus diatasi dengan pelatihan praktik dan mentoring. Penguatan (reinforcement) berupa sistem penghargaan, evaluasi, dan budaya organisasi yang mendukung masih lemah dan perlu diperkuat agar perubahan dapat dipertahankan secara berkelanjutan. Penelitian ini merekomendasikan peningkatan komunikasi, pelatihan kontekstual, insentif motivasi, serta pengembangan sistem penguatan yang komprehensif untuk mendukung keberhasilan konversi koperasi syariah di Aceh. Secara teoretis, temuan ini memperluas pemahaman tentang penerapan model ADKAR dalam konteks lembaga keuangan berbasis nilai-nilai syariah, serta menegaskan pentingnya integrasi pendekatan manajemen perubahan dengan prinsip ekonomi Islam dalam proses transformasi kelembagaan.

Kata kunci: Koperasi Syariah; Model ADKAR; Konversi; Manajemen Perubahan; Ekonomi Syariah.

Abstract. This study analyzes the successful conversion of conventional cooperatives to sharia cooperatives in Aceh Province using the ADKAR (Awareness, Desire, Knowledge, Ability, Reinforcement) change management model. The conversion of sharia cooperatives in Aceh is part of the implementation of Qanun No. 11/2018 concerning Sharia Financial Institutions, which requires all financial institutions in Aceh to operate according to sharia principles. This study used a qualitative approach, with data collected through structured interviews with managers and members of sharia cooperatives in Aceh. Thematic analysis was used to identify factors that influence the success of the conversion process. The results showed that the awareness of administrators and members is still uneven due to lack of socialization, which affects the willingness to change. Knowledge of the principles and mechanisms of sharia cooperatives needs to be improved through more intensive training and mentoring. The ability to implement change is also a major challenge that needs to be addressed through practical training and mentoring. Reinforcement in the form of reward systems, evaluation, and a supportive organizational culture are still weak and need to be strengthened to sustain change. This study recommends improved communication, contextual training, motivational incentives, and the development of a comprehensive reinforcement system to support the successful conversion of sharia cooperatives in Aceh. These findings theoretically expand our understanding of how to apply the ADKAR model in the context of Islamic, values-based financial institutions. They also emphasize the importance of integrating a change management approach with Islamic economic principles during institutional transformation.

Keywords: Sharia Cooperative; ADKAR Model; Conversion; Change Management; Sharia Economy.

Introduction

The development of the national economy is not only supported by banking financial institutions, but also Islamic microfinance institutions (Fithria *et al.*, 2021), which are one of the pillars of the country's economy, especially those that intersect with the lower-class economic community (Jamaluddin & Abdullah, 2019; Pahlevi *et al.*, 2023; Vanni & Wijayanti, 2020). The economic development of small communities starts from small business groups, one of which is through sharia cooperatives (Zaki *et al.*, 2022). Cooperatives are one of the medium and small business sectors that contribute to advancing the country's economy, as is the case in other parts of the world (Ochanda, 2014), especially for countries whose economies are in the developing period (Cull & Morduch, 2018). Recently, the Indonesian government has been promoting sharia cooperative-based financial institutions (Vanni & Wijayanti, 2020). Cooperatives in Indonesia consist of two models, namely sharia cooperatives and conventional cooperatives (Abdurahim & Sofyani, 2019).

The government also encourages how conventional cooperatives transform into sharia cooperatives, so the opportunity for transformation into sharia cooperatives is very large (Nasfi *et al.*, 2022), especially since the majority of Indonesian people are Muslim (Riwajanti, 2019). Efforts to make changes to become sharia cooperatives do not all go smoothly, there are many obstacles faced by the management (Purbasari *et al.*, 2020). Likewise, Muslim-majority areas do not guarantee an easy conversion process into sharia cooperatives (Mia, 2023). This condition is experienced by other muslim countries such as Pakistan and Iran (Khan & Mirakhor, 1990), as well as how the obstacles faced by the Negerian government when trying to convert microfinance institutions into Islamic microfinance institutions (Popoola *et al.*, 2021). The same problems are also experienced by financial institutions in Indonesia that want to convert (Shafii *et al.*, 2016). Aceh is an area that implements Islamic law in all aspects of activity, including in the economic sector

(Yahya *et al.*, 2023). Aceh has enacted Qanun No. 11/2018 on Sharia Financial Institutions (LKS), which requires all financial institutions operating in Aceh, including cooperatives to be converted into sharia-compliant cooperatives. (Umuri *et al.*, 2023). This condition also has an impact on the readiness of cooperatives to convert to sharia cooperatives. The development of Islamic financial institutions in Aceh, including cooperatives, is on a satisfactory path (Anzira *et al.*, 2022; Farma & Umuri, 2024). According to data, the development of Islamic financial institutions in Aceh, including cooperatives, is on a satisfactory path (Hastuti & Harahap, 2021). According to a 2023 report by the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs), there were approximately 300 active sharia cooperative units in Aceh out of a total of more than 6,200 cooperative units (Atikah *et al.*, 2023). Based on the data above, there are still many cooperatives in Aceh that have not converted to sharia cooperatives. According to Umuri *et al.* (2023), one of the obstacles faced is the lack of understanding of cooperative administrators and members in carrying out the conversion process.

According to Mohieldin *et al.* (2015), the slow conversion of sharia cooperatives is due to the lack of evaluation from the management and management of changes in cooperative management. Organizational changes cause operational problems that can hinder the process of converting cooperatives into sharia cooperatives (Dinc, 2019). Organizational change is a continuous process that raises the need for organizations to develop effective change management strategies (Fernandez & Rainey, 2017). Change management is a process and not an event (Ellert *et al.*, 2015). Therefore, good planning and process structure are needed to ensure the desired results are achieved (León-Soriano *et al.*, 2010). This research studies how the success of organizational change of conventional cooperatives into sharia cooperatives. Many change management models can be learned from the literature, but the ADKAR model (Awareness, Desire, Knowledge, Ability, Reinforcement) developed by Hiatt (2006), is the most appropriate model. The ADKAR model is used as a tool to

determine whether change management activities deliver the desired results during organizational change (Tang & Tang, 2019). Research on the conversion of conventional cooperatives to sharia has been widely conducted such as research by Atikah *et al.*, (2023); Nasfi *et al.*, (2022); Resti, (2023); Rozi *et al.*, (2021); Umar *et al.*, (2018); and Umuri *et al.*, (2023), examining the factors that influence the conversion process and the readiness of conventional cooperatives to become sharia cooperatives in Indonesia. Other similar studies such as Mia (2023) and Dinc (2019), respectively, examine the importance of financial institutions converting in Turkey and Bangladesh. Likewise, Zaki & Hussainey (2015) examined the preparations that must be prepared by Islamic financial institutions in the world in converting. Furthermore, research that both uses the ADKAR model is research by Goyal & Patwardhan (2018), examining changes in Islamic banking management, finally research by Yasid & Laela (2022), examining the success of the Tunas Artha Mandiri cooperative in converting. All previous studies are different from the research to be conducted, because there has been no research using the ADKAR model to see the success of cooperative conversions in Aceh, which incidentally implements Islamic law.

Therefore, this study aims to analyze the success rate of each ADKAR component awareness, desire, knowledge, ability, and reinforcement in supporting the organizational change process from conventional to sharia cooperatives in Aceh. Unlike previous studies, which generally focus on readiness or external conversion factors, this study emphasizes the internal dynamics of the organization using a structured change management framework. There is a research gap in the absence of empirical research that comprehensively applies the ADKAR model to cooperative conversion in areas based on Islamic law. This study is expected to strengthen the theoretical foundation of change management in Islamic institutions and provide practical insights for policy formulation and cooperative development in Aceh, a province with a unique legal and religious environment.

Research Methodology

This research uses qualitative research, which is a type of research whose findings are not obtained through statistical procedures or other forms of counting (Mohajan, 2018). The focus of the research was on effectively managing change in sharia cooperatives in Aceh Province. Aceh Province was chosen based on its position as an area that implements Islamic law and requires financial institutions to conduct business in accordance with Islamic rules. The informants in this study were selected using a purposive sampling technique based on the following criteria: (1) cooperative administrators or members directly involved in converting from conventional to sharia cooperatives; (2) experience with decision-making related to the conversion process, and (3) the ability to clearly communicate their experiences and perceptions. The number of informants was determined based on the principle of information saturation; data collection ceased when interviews no longer yielded new, relevant information (Vasileiou *et al.*, 2018). Data collection in this study was initially conducted using a rigorous literature review process. The literature review made it possible to identify the conversion of conventional cooperatives into sharia cooperatives (Jaaron *et al.*, 2022). Subsequently, qualitative data were collected through structured interviews with administrators and members of sharia cooperatives. Interviews were recorded and transcribed immediately after completion. To ensure the reliability of the interview data, a guiding protocol was used as a backup to help follow key concepts during the interviews. The thematic analysis approach introduced by Taylor & Bogdan (2014) was used to analyze the interview data. This data analysis process continued with Bell *et al.*'s (2022) steps, namely: First, reading the interview transcripts to identify the main theoretical topics available. Second, the main theoretical topics, also known as codes, were then used to list a series of topics that represented the general meaning of what had been said in the interviews. Third, revising the transcripts to find codes with the same basic themes. Fourth, themes that had affinity were identified, then grouped together to form central themes.

Results and Discussion

Results

Analysis of Awareness Elements in Sharia Cooperative Conversion in Aceh

Awareness is the main foundation in the success of the change process, including in the context of sharia cooperative conversion in Aceh. Awareness refers to the understanding and recognition of the management and members of cooperatives of the importance and urgency of changing from conventional cooperatives to sharia cooperatives. Without adequate awareness, the change process is likely to experience serious obstacles because individuals in the organization do not understand the reasons behind the change, resulting in low motivation to participate and support the change. Awareness of the need for sharia cooperative conversion in Aceh is strongly influenced by several factors. First, individuals' views on the condition of cooperatives and the urgency of change are crucial. Many cooperative boards and members are still not fully aware that conversion to sharia cooperatives is not only a legal obligation under Qanun No. 11/2018, but also a strategic opportunity to increase members' and the wider community's trust in cooperatives. This lack of understanding is often caused by the lack of socialization and effective communication from the government and cooperative managers themselves.

Second, the credibility of the source of information conveying the urgency of change also affects the level of awareness. Information conveyed by parties that are considered reliable, such as the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs), religious leaders, and sharia economic experts, tends to be more easily accepted and believed by cooperative administrators and members. Conversely, if the information circulating is unclear or there are even false rumors, it can lead to confusion and resistance to change. Therefore, credibility and clarity of communication are important factors in building strong awareness. Third, communication barriers are also a factor that hinders the formation of adequate awareness. In some cases, information about the process

and benefits of sharia cooperative conversion is not conveyed evenly and systematically to all cooperative members, especially in areas far from the center of government. This has caused some cooperative members to remain unfamiliar with the concept of sharia cooperatives and their benefits, resulting in low awareness of the need for change. Field findings from interviews with cooperative boards and members in Aceh show that most respondents recognized the importance of sharia cooperative conversion, but they also revealed that the socialization and training they have received so far have been limited and less intensive. A cooperative board member in Banda Aceh stated, "we know that conversion is important and required, but the information we get is still minimal and there has not been enough training to understand how the process works." This statement reflects that while there is initial awareness, the level of in-depth understanding still needs to be improved for it to become a strong motivation for change. In addition, some cooperative members also expressed uncertainty and confusion regarding changes in the rules and operational mechanisms of sharia cooperatives. This shows that awareness is not only limited to knowing that change is needed, but must also be followed by sufficient understanding of what will change and how the changes will impact their daily activities. To overcome these problems, awareness-raising strategies should focus on strengthening structured and sustainable communication and socialization.

Training and seminars involving religious leaders, sharia economic experts, and government officials can be an effective medium to comprehensively convey the urgency and benefits of sharia cooperative conversion. Local governments, especially the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs), have a strategic role in facilitating a comprehensive socialization program that reaches all levels of cooperative administrators and members, including in remote areas. In addition, the use of diverse communication media, such as social media and regular cooperative meetings, can expand the reach of information and increase the engagement of cooperative members. A

transparent and participatory communication approach is also important to build trust and dispel doubts that may arise during the change process (Yasid & Laela, 2022). A strong and comprehensive awareness will be the main capital in encouraging the next elements in the ADKAR model, namely desire, knowledge, ability, and reinforcement. Without adequate awareness, the conversion process of sharia cooperatives in Aceh risks failure or stagnation, so awareness-raising efforts should be a top priority in cooperative change management strategies (Hiatt, 2006). The awareness element in the ADKAR model is not just the initial stage, but the foundation that determines the success of the entire sharia cooperative conversion process in Aceh. Through effective awareness raising, cooperative boards and members can understand the urgency of change, eliminate resistance, and start building a commitment to actively participate in the transformation of cooperatives towards a system that complies with sharia principles (Al-Alawi *et al.*, 2019).

Analysis of the Desire Element in the Conversion of Sharia Cooperatives in Aceh

The desired element in the ADKAR model is a crucial aspect that describes the motivation and commitment of cooperative administrators and members to support and actively participate in the process of change towards sharia cooperatives. Desire does not arise automatically just because of awareness of the need for change but is influenced by various complex internal and external factors, including perceptions of the organization, personal situations, personal motivations, and collective factors. The desired element in the context of converting sharia cooperatives in Aceh is the primary determinant of whether the change process can run smoothly and sustainably or encounter significant obstacles. Perceptions of the benefits and impacts of change greatly influence the motivation of cooperative administrators and members to support conversion. Many administrators recognize that converting to sharia cooperatives can enhance the trust of members and the broader community while also expanding opportunities for wider access to financing in accordance with sharia principles. However, on the other

hand, there are also concerns regarding changes in operational procedures, the risk of failure in implementing sharia principles, and uncertainty about long-term results. Positive perceptions of the organization and the belief that change will bring real benefits are the main driving factors that increase the desire to change. On the other hand, negative perceptions or uncertainty can cause resistance and reduce motivation (Angtjan, 2019; Da Veiga, 2018). The personal situation of administrators and members also influences the level of desire to participate in conversion. Factors such as economic conditions, education level, previous experience with organizational change, and social pressure from the surrounding environment can strengthen or weaken individual motivation. Administrators with a strong educational background and management experience are more open and motivated to support change. Meanwhile, members who do not understand sharia principles or feel that change will burden them economically and show reluctance.

In addition, internal motivations, such as the desire to improve shared welfare and a commitment to Islamic values, are also strong drivers in the context of Aceh, which is deeply rooted in sharia culture (Paramitha *et al.*, 2020; Senge, 2017). Psychological and social barriers are real challenges in building a desire to change. Fear of failure, fear of losing position or influence in the organization, and uncertainty about the process and results of change often cause resistance. In addition, social pressure from conservative or less supportive groups of change can hinder individual motivation. Lack of communication and support from cooperative leaders also exacerbates the situation, resulting in a low desire to change and hindering the conversion process (Mia, 2023; Purbasari *et al.*, 2020). The results of interviews with cooperative administrators and members in Aceh revealed various attitudes toward the desire to change. Most administrators demonstrated high motivation because they understood the importance of conversion for the cooperative's sustainability and compliance with regulations. However, some members still felt hesitant and unsure about the benefits of change, mainly due to the lack of adequate information and direct experience in managing

sharia cooperatives. A cooperative member in Aceh Besar stated, “I want this cooperative to progress and comply with sharia, but I am still confused about how to run it and whether it will ultimately benefit all of us.” This statement highlights the gap between ideal desires and actual readiness, which needs to be addressed through the right approach. To increase the desire of administrators and members in the conversion process, a strategy is needed that touches on personal and collective aspects. A personalized approach that pays attention to individual needs and motivations is critical, for example, by providing relevant incentives such as awards, recognition, or direct economic benefits that can be felt. In addition, building an organizational culture that supports change through open, participatory, and inspiring communication can strengthen collective motivation. Visionary leadership that can inspire members to see change as an opportunity, not a threat, is also a key factor in generating the desire to change (Paramitha *et al.*, 2020; Senge, 2017). The role of the cooperative chairman is very strategic in creating an environment conducive to change. A cooperative chairman who can demonstrate a strong commitment to sharia principles, provide real life examples, and build member trust will more easily motivate all elements of the organization to actively participate in the conversion.

In addition, involving members in the decision-making process and providing space for them to express their aspirations can increase a sense of belonging and a desire to support change voluntarily. Overall, the desired element in the ADKAR model requires special attention in the conversion process of sharia cooperatives in Aceh. The desire to change must be built and maintained through a holistic approach, which does not rely solely on awareness but also considers psychological, social, and cultural factors. Thus, cooperative administrators and members can become active and committed agents of change, enabling the conversion process to run smoothly and produce strong, independent, and sustainable sharia cooperatives.

Analysis of Knowledge Elements in the Conversion of Sharia Cooperatives in Aceh

The knowledge element in the ADKAR model is a crucial aspect that focuses on technical and conceptual understanding of how changes should be made and implemented. Knowledge in the context of converting sharia cooperatives in Aceh encompasses a deep understanding of the sharia principles that form the basis for the operation of sharia cooperatives, cooperative management mechanisms that comply with Islamic law, and the procedures and stages involved in converting conventional cooperatives to sharia cooperatives. Adequate knowledge is an important foundation, enabling cooperative administrators and members to implement changes correctly and effectively, thereby achieving optimal conversion goals. Knowledge in the ADKAR model is not limited to theory but also encompasses practical skills that cooperative administrators and members must possess. This includes an understanding of the sharia contracts used in sharia cooperatives, as well as fund management without usury, the avoidance of gharar (uncertainty) and maisir (gambling), the application of the principle of justice, and transparency in cooperative management.

Additionally, knowledge encompasses managerial and administrative aspects that must be aligned with the regulations and operational standards of sharia cooperatives. Therefore, knowledge transfer through training, education, coaching, and discussion forums is crucial for enhancing the capacity of cooperative human resources to navigate the conversion process (Hamburg, 2012; Rosenberg & Mosca, 2011). The evaluation of the level of knowledge among cooperative administrators and members in Aceh reveals significant variations. Based on the results of interviews and field observations, some administrators already possess a basic understanding of sharia principles and the mechanisms of sharia cooperatives, particularly those who actively participate in training and socialization organized by the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs), as well as related educational institutions. However, many cooperative members still do not fully

understand the concept and practice of sharia cooperatives, which presents an obstacle to the conversion process. Limited access to adequate training and learning resources is one of the primary factors hindering the expansion of this knowledge. The availability of training resources in Aceh has indeed begun to exist, but it is not evenly distributed and not intensive enough to reach all cooperatives, especially those in remote areas. Existing training programs are often general and have not been fully tailored to the specific needs of cooperatives during the conversion process. In addition, obstacles were found in delivering the material, including a lack of competent teaching staff in the field of sharia and cooperative management, as well as training methods that were less interactive and applicable. This makes it difficult for training participants to internalize knowledge and apply it in daily practice (Angtyan, 2019).

Findings from in-depth interviews revealed that cooperative administrators sought a more structured and sustainable training program with materials that were easy to understand and relevant to the specific conditions of their cooperatives. A cooperative administrator in Banda Aceh stated, “we need training that is not only theoretical but also direct practice on how to run a sharia cooperative, including case examples and simulations.” This statement emphasizes the importance of an applicable and contextual learning approach so that the knowledge gained can be directly applied and have a real impact. In addition to formal training, intensive mentoring and coaching by sharia and cooperative management experts are also needed to help administrators and members overcome technical and operational difficulties during the conversion process. Discussion forums and study groups can also be effective media for sharing experiences and solutions to various challenges faced. Collaboration with higher education institutions, professional organizations, and sharia experts can strengthen the quality and quantity of available training resources, ensuring that the required knowledge is delivered optimally and sustainably. The development of educational modules that are easy to understand and adapted to the literacy

level of cooperative members is also an important recommendation. This module can take the form of reading materials, video tutorials, or digital applications that can be accessed flexibly by cooperative administrators and members. Thus, the learning process is not limited to face-to-face training but can take place independently and sustainably according to the needs of each individual. Overall, the knowledge element in the ADKAR model requires serious attention in the process of converting sharia cooperatives in Aceh. Adequate and relevant knowledge will strengthen the readiness of administrators and members to face changes, reduce resistance, and increase the effectiveness of implementing sharia principles in cooperative operations. Therefore, the development of comprehensive training programs, intensive mentoring, and collaboration with various related parties are the key factors in increasing the capacity of human resources in cooperatives and supporting the sustainable success of sharia cooperatives in Aceh.

Analysis of Ability Elements in the Conversion of Sharia Cooperatives in Aceh

The ability element in the ADKAR model refers to the ability of cooperative administrators and members to apply new skills, knowledge, and behaviors needed to run sharia cooperatives effectively. Ability in the context of sharia cooperative conversion in Aceh is essential because the expected changes are not only conceptual but must also be realized in daily operational practices that align with sharia principles. This ability encompasses technical, managerial, and behavioral aspects that administrators and members must possess to ensure the conversion process runs smoothly and sharia cooperatives function optimally. The ability to implement change is often a significant challenge in the process of converting sharia cooperatives. Although administrators and members already have adequate awareness, desire, and knowledge, without sufficient ability, change will not be realized effectively. In practice, this ability involves applying sharia principles in cooperative management, such as avoiding usury, gharar, and maysir, as well as implementing sharia-compliant contracts. In

addition, administrators must be able to manage the administration, finances, and operations of the cooperative according to new standards, which differ from previous conventional cooperative practices. The obstacles faced in developing this ability are very diverse. Physically, some administrators and members face limited time and resources to attend the necessary training or mentoring. Psychological barriers also arise, including fear of failure, a lack of self-confidence, and resistance to new behavioral changes. Intellectually, not all administrators and members have adequate educational background or experience to understand and implement sharia principles appropriately. These barriers can hinder their ability to implement changes consistently and effectively.

A case study in Aceh demonstrates that cooperative administrators who successfully develop their skills through practical training, coaching, and mentoring are better equipped to manage sharia cooperatives (Ali *et al.*, 2025). Cooperatives that actively participate in intensive training programs and receive mentoring from sharia experts and cooperative management show significant improvements in the application of sharia principles and operational management. This mentoring helps them overcome technical difficulties and provides constructive feedback for continuous improvement. Conversely, cooperatives that lack training and mentoring support tend to struggle with implementing changes, resulting in low conversion effectiveness (Prasetyawan *et al.*, 2024). Capacity development should be a primary focus in the strategy for managing the change of sharia cooperatives in Aceh. Practical training, oriented towards simulations and real case studies, is highly effective in enhancing the skills of managers and team members. Coaching and mentoring by sharia experts and cooperative management practitioners are also crucial in providing direct guidance and helping overcome obstacles faced during the conversion process. In addition, providing sufficient time and adequate resources, such as training facilities, teaching materials, and access to information sources, are equally important supporting factors. It is also important to create a supportive learning environment where

managers and cooperative members feel comfortable asking questions, discussing, and sharing their experiences. A participatory and continuous learning approach will strengthen their ability to implement change consistently. Thus, the capabilities developed are not only temporary but become part of the new organizational culture of sharia cooperatives. Overall, the ability element in the ADKAR model emphasizes that the success of converting sharia cooperatives in Aceh is highly dependent on the actual ability of managers and members to implement change. Without adequate capabilities, the conversion process will only reach the theoretical and planning stages without producing significant operational changes. Therefore, investment in capacity building through practical training, coaching, mentoring, and provision of adequate time and resources should be a top priority in supporting the success of sustainable conversion of sharia cooperatives in Aceh (Tang & Tang, 2019).

Analysis of Reinforcement Elements in the Conversion of Sharia Cooperatives in Aceh

The last element in the ADKAR model, namely reinforcement, is a crucial aspect in ensuring that the changes made during the conversion of sharia cooperatives in Aceh can be maintained and do not revert to their previous conditions. This reinforcement serves as a mechanism to maintain the sustainability of change, ensuring that the sharia cooperatives formed can consistently and effectively operate by Sharia principles. Without adequate reinforcement, the risk of reverting to old behaviors and conventional practices is very high, which can ultimately derail the entire conversion process that has been carried out with considerable difficulty. The concept of reinforcement in the ADKAR model includes various actions and events that can enhance and strengthen individual and organizational change. The forms of this reinforcement can vary widely, from formal awards such as certificates and bonuses to financial incentives to informal recognition, including praise, public appreciation, and positive feedback from leaders or fellow cooperative members. Reinforcement can also be achieved through the institutionalization of change, such as establishing new policies, procedures, and

operational standards that support sharia principles, as well as through periodic monitoring and evaluation that ensures changes continue to be implemented according to plan (Ali *et al.*, 2021). The strengthening mechanisms implemented in sharia cooperatives in Aceh vary depending on the level of readiness and capacity of each cooperative. Several cooperatives that have successfully converted have demonstrated fairly good strengthening practices, such as awarding administrators who actively implement sharia principles and providing public recognition through official events involving local governments and community leaders. This strengthening not only increases the motivation of administrators and members but also strengthens the image of sharia cooperatives in the eyes of the wider community, thereby increasing member trust and participation.

However, many cooperatives in Aceh face obstacles in maintaining long-term change. The main obstacle found is the lack of a structured and sustainable strengthening system. Many cooperatives still rely on incidental or sporadic strengthening without a formal mechanism that guarantees the continuity of the strengthening. In addition, limited resources, both in terms of funds and management personnel, are also obstacles to consistently implementing strengthening. This condition has led several cooperatives to decline, resulting in the re-emergence of conventional practices and the territorial implementation of sharia principles (Umuri *et al.*, 2023). The success of strengthening can be seen in cooperatives that routinely carry out internal monitoring and evaluation and integrate strengthening into their organizational culture. These cooperatives can sustain change effectively because their management and members feel appreciated and motivated to continue implementing sharia principles. On the other hand, the failure to strengthen occurs in cooperatives that lack a clear reward and recognition system, so members and management do not feel responsible for maintaining change. This results in the revival of old practices that are not by sharia principles, which ultimately hinders the sustainable development of sharia cooperatives.

To overcome these obstacles, strategic recommendations are needed in building an effective and sustainable strengthening system. First, cooperatives need to develop a reward and incentive system that is not only financial but also non-financial, such as formal recognition, competency certification, and awards for fundamental contributions in implementing sharia principles. These awards must be given fairly and transparently to motivate all management and members to play an active role in driving change. Second, periodic monitoring and evaluation must be an integral part of the change management process. By conducting regular evaluations, cooperatives can identify potential setbacks and take corrective action promptly. This evaluation also serves as constructive feedback for management and members, enabling them to continue improving their performance and commitment to sharia principles.

The local government, the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs) can act as facilitators and supervisors in this process by providing the necessary technical support and resources. Third, strengthening organizational culture is an important aspect that must be developed sustainably. An organizational culture that supports change will create a conducive work environment for implementing sharia principles, allowing the values of honesty, transparency, and responsibility to become established norms. This cultural strengthening can be achieved through continuous training, effective internal communication, and the formation of working groups or communities of practice that support one another in running sharia cooperatives. Fourth, a precise accountability mechanism must be implemented to ensure that each administrator and member is responsible for their role and contribution to maintaining change. This accountability can be realized through a transparent reporting system, internal audit, and supervision. With accountability, the risk of deviation and a return to old practices can be minimized, allowing the changes achieved to be maintained consistently. Overall, the reinforcement element in the ADKAR model emphasizes that the success of converting sharia cooperatives in Aceh is not

only determined by the initial change process but also by the organization's ability to maintain and sustain these changes over time. Effective reinforcement will ensure that sharia cooperatives can grow and develop into financial institutions that comply with Islamic principles, providing sustainable economic and social benefits to their members and the broader community. Therefore, the development of a comprehensive reinforcement system involving rewards, monitoring, evaluation, organizational culture, and accountability must be a top priority in the change management strategy of sharia cooperatives in Aceh.

Discussion

The conversion of conventional cooperatives into sharia cooperatives in Aceh is influenced by several internal and external factors that determine the success of the transformation process. One of the key elements that determines success is awareness. Without adequate awareness among cooperative administrators and members, the conversion process is likely to face significant obstacles. This study shows that low levels of awareness are largely due to insufficient socialization and ineffective communication strategies. As Anzira *et al.* (2022) emphasize, despite widespread support for the implementation of sharia law in Aceh, the uneven distribution of information and awareness is a major challenge in the conversion process. Therefore, it is essential to enhance communication efforts involving various stakeholders such as the government, religious leaders, and sharia economic experts to improve understanding of the importance of cooperative conversion.

In addition to awareness, the desire to change is another critical element affecting cooperative administrators and members' motivation to support the transition. Positive perceptions about the long-term benefits of conversion, such as increased trust from members and expanded access to financing, can foster greater motivation (Ali *et al.*, 2021). However, many administrators and members still feel uncertain about the operational changes and the potential failure in applying sharia principles. This fear of failure, coupled with concerns over operational procedures and long-term results, can

undermine the willingness to support the change (Goyal & Patwardhan, 2018). Thus, a more personalized approach is needed to foster desire, such as offering relevant incentives and creating an environment that supports change through inspiring leadership and setting positive examples (Angtyan, 2019). The element of knowledge is also vital in the conversion of cooperatives to sharia principles. Administrators and members who have a deeper understanding of sharia principles and the mechanisms of sharia-compliant cooperative management will be better equipped to handle the challenges of the conversion. According to Ali *et al.* (2025), the development of human resource capacity through practice-based training and context-specific learning is necessary to enhance this knowledge. Although some cooperatives have conducted training, these programs often do not cover all the practical aspects required for the operational implementation of sharia-compliant cooperatives. It is essential for related institutions to provide more structured and continuous training programs that address all aspects needed during the conversion, such as sharia-compliant financial management, contracts, and the avoidance of *riba*, *gharar*, and *maisir* (Dinc, 2019).

Ability is another critical element in the success of the conversion process. While administrators and members may have acquired knowledge through training, a significant challenge remains in applying sharia principles in daily cooperative operations. Barriers such as a lack of practical skills, limited resources, and time constraints often hinder the ability to effectively implement change (Senge, 2017). Therefore, capacity-building through practical training, case studies, and mentoring is crucial to ensure that cooperative administrators and members can apply sharia principles consistently in their operations. Lastly, reinforcement is essential to ensure that the changes made during the conversion process are maintained over time. Some cooperatives have started implementing reward systems and recognition for administrators and members who actively apply sharia principles, but these reinforcement systems are still not well-structured or consistent (Abdurahim & Sofyani, 2019).

Implementing an integrated and sustainable reinforcement system, including financial and non-financial rewards, periodic evaluations, and the development of an organizational culture that supports sharia principles, will be crucial for maintaining the changes. Furthermore, establishing clear accountability mechanisms will help minimize the risk of reverting to old practices and ensure that the changes remain permanent (Yasid & Laela, 2022). A strong and effective reinforcement system will allow sharia cooperatives to grow and thrive sustainably, providing long-term economic and social benefits for their members. Overall, although the conversion of conventional cooperatives into sharia cooperatives in Aceh has shown positive developments, significant challenges remain, such as lack of awareness, psychological barriers, limited knowledge, and insufficient reinforcement systems. To improve the success of sharia cooperative conversion in Aceh, more intensive efforts in communication, training, and the development of a structured reinforcement system are needed. With a comprehensive approach, the conversion of cooperatives in Aceh is expected to become more effective and sustainable, contributing to the development of an inclusive and just sharia economy (Farma & Umuri, 2024).

Conclusion

The awareness element is a crucial foundation in the conversion process. However, the awareness of cooperative administrators and members remains uneven due to limited socialization and communication. Without strong awareness, it is challenging to build a desire to change. The desire to support conversion is greatly influenced by an understanding of the benefits of change, support from leaders, and the personal conditions of members. However, psychological barriers, such as fear and uncertainty, remain significant challenges. Therefore, a more personal approach, appropriate incentives, and inspiring leadership are needed. Furthermore, the knowledge element is crucial to ensure that administrators and members understand the principles of

sharia and how sharia cooperatives work. Although training has been conducted, the quality and reach of the program still need improvement. Intensive mentoring and collaboration with educational institutions and sharia experts are necessary. The ability element emphasizes the importance of applying knowledge in practice. Many cooperatives face obstacles, including limited skills, resources, and time. Practical training, coaching, and resource support are key to overcoming all obstacles. Finally, reinforcement is necessary to prevent the changes that occur from reverting to old patterns. A reward system, periodic evaluation, and a supportive organizational culture must be consistently built. Many cooperatives are still weak in this aspect, so special intervention is needed.

In general, the conversion of sharia cooperatives in Aceh has been positive but not optimal. The success of this process is highly dependent on effective communication and socialization, strong leadership, increasing human resource capacity, and a sustainable reinforcement system. The main obstacles still faced include a lack of understanding, psychological and social resistance, limited access to training, and a weak accountability system. For this reason, the following strategic recommendations are proposed: First, the Aceh Provincial Office of Cooperatives and Small and Medium Enterprises (SMEs), must strengthen socialization efforts involving religious figures and sharia experts. Second, training must be improved practically and contextually, accompanied by mentoring and easily accessible modules. Third, providing incentives and a personal approach is needed to increase motivation. Fourth, focus on improving practical skills through simulations, mentoring, and resource support. Fifth, build a comprehensive reinforcement system in the form of awards, evaluations, organizational culture, and clear accountability. Further research is also important to explore the psychological and social factors that influence the conversion process, as well as exploring the use of technology for training and communication. By implementing this strategy, the conversion of sharia cooperatives in Aceh is expected to be more effective and sustainable,

contributing to the development of a fair and inclusive sharia economy.

This research strengthens the relevance of the ADKAR model in the context of sharia cooperative conversion, particularly in Aceh Province, where Islamic law is implemented. However, the study is limited in its area coverage and the relatively small number of informants, so the results cannot be widely generalized. Future research involving more locations and an expanded interdisciplinary approach is recommended to gain a more comprehensive understanding of the dynamics of organizational change in the context of Islamic economics.

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