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A PRELIMINARY STUDY OF TEACHING READING COMPREHENSION IN SPECIAL EDUCATION CLASS

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ABSTRACT:

There are five pillars in reading which are phonemic awareness, phonics, fluency, vocabulary and comprehension. Reading comprehension can be defined as understanding the meaning from reading outcome and it consists of narrative comprehension and expository comprehension. Although comprehension is important in reading, it was less emphasized in the special education class. Therefore, the researcher decided to investigate teacher perception of teaching reading comprehension in special education class. This study was conducted on 56 special education teachers by distributing a questionnaire to the schools that have special education integrated program. The survey consists of two sections which were demographic section and content section comprised of closed-ended and open-ended questions. This study found that the teachers faced difficulties in teaching reading comprehension in class and they need assistance to teach the comprehension to the special education student. The limitation of this study was that the number of items in the survey was limited to special education only hence the result cannot be generalized. Furthermore, the number of items in the survey is inadequate to discover the overall perceptions of special education teachers on teaching reading comprehension. The findings in this study provided an insight for future researcher in developing assistance or teaching aid for special education teachers on teaching reading comprehension in class.

INTRODUCTION

There are five pillars in reading which are phonemic awareness, phonics, fluency, vocabulary and comprehension. Reading comprehension can be defined as understanding the meaning from reading outcome and it consists of narrative comprehension and expository comprehension. Although comprehension is important in reading, it was less emphasized in the special education class. Therefore, the researcher decided to investigate teacher perception of teaching reading comprehension in special education class. This study was conducted on 56 special education teachers by distributing a questionnaire to the schools that have special education integrated program. The survey consists of two sections which were demographic section and content section comprised of closed-ended and open-ended questions. This study found that the teachers faced difficulties in teaching reading comprehension in class and they need assistance to teach the comprehension to the special education student. The limitation of this study was

that the number of items in the survey was limited to special education only hence the result cannot be generalized. Furthermore, the number of items in the survey is inadequate to discover the overall perceptions of special education teachers on teaching reading comprehension. The findings in this study provided an insight for future researcher in developing assistance or teaching aid for special education teachers on teaching reading comprehension in class.

The government plays a role in preparing MSME so that it can be financed with MSME loan facilities, regulating policies and types of businesses that will receive bank financing assistance, carrying out coaching and mentoring during the credit period, and facilitating relations between MSME and other parties. On the other hand, credit performance in this segment has not been stable and tends to be vulnerable to external factors. This phenomenon then emerged as one of the important concerns for banks.

The facts show that in the relationship between banks and MSME, a banking role that has a better Unique Capability is needed in lending. Unique Capability is important because in a tight banking industry every bank should offer differentiated services and services compared to other bank services, so as to fill different market niches and according to customer needs.

Likewise, Dynamic Capability is crucial because bank customers in the MSME segment are business entities that are very vulnerable to change. Banks need to build Dynamic Capability to be able to keep up with the MSME business dynamics. Moreover, in Bank Indonesia Regulation (PBI) No. 14/22 / PBI / 2012 dated 21 December 2012, which requires commercial banks to channel MSME loans at least 20% of their total financing loans which began to be effective in 2013.

Furthermore, every bank business unit must fully understand its business domain, especially the subject that is its business orientation. The complexity of each segment requires a different approach. Banks targeting the MSME sector require specific knowledge, insights and business skills (Core Competence) to facilitate the business unit to enter and interact effectively with MSME because MSME is a distinctive sector that must be specifically understood.

Other problems arise from the typical MSME business environment, the bank must have solid and consistent internal capacity and values. This is usually manifested in the spirit and Organizational Culture which is able to encourage the bank as an organization that is able to interact with its partners based on the values that are consistently carried. Organizational Culture will help banks in a solid manner in facing the changing environment due to developments in science and technology, social conditions, local and global economic conditions, and others.

On the other hand, the role of banks in supporting MSME development cannot be separated from the Business Partnership pattern between related banks and other institutions and the MSME itself. An effective Business Partnership will help the bank achieve its business goals and increase the effectiveness of its Competitive Strategy, while at the same time helping the development of MSME. Banks not only play a role in channeling credit to MSME but also help facilitate MSME development for sustainable growth. One example is that a bank can collaborate with related government agencies to assist in marketing access to MSME products, particularly for the export market.

Banks can also partner with other institutions that can improve workforce production skills in MSME. Business Partnership can also be manifested in the context of the relationship between the bank and MSME as the recipient of the loan. In this sense, the distinctive relationship between the bank and MSME is more than just a creditor-debtor commercial relationship, but also a spirit relationship that reinforces each other according to their respective roles.

One of the crucial factors that is rarely studied in the context of the relationship between banks and MSME development is the market orientation. In order to strengthen the effectiveness of the bank's Competitive Strategy, bank management needs to emphasize a focus on market orientation. A market with a variety of characters requires specific and systematic attention (Qureshi et al. 2014). In determining its Competitive Strategy, banks need to define their target market accurately and establish systematic and measurable steps to realize their performance targets.

Research on the establishment of the Competitive Strategy of banks and other companies has been carried out, including by Das and Rahman (2010), Chand and Katou (2012), Hernández-Perlines, Moreno-García, and Yañez-Araque (2016), and Linton and Kask (2017). However, such a study on the ability of banks to maintain long-term and strategic relationships with MSME has never been carried out comprehensively, so this research proposal is different from the research on Competitive Strategy and bank business performance that has been conducted.

This study needs to be conducted with the subject of banks that are specifically mandated to assist regional economic development. In this context, regional development banks (LDB), particularly those operating in the island of Java, are a relevant object of study, given the unique position of local development banks and LDBs in Java that own 50% (fifty percent) of all LDB assets. However, it only consists of 5 (five) LDBs compared to all 26 (twenty six) LDBs in Indonesia.

Based on the explanation above, the research questions in this study include:

1. Do Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, Market orientation and Business Partnership affect the Competitive Strategy of Micro Business Unit for local development of banks in Java simultaneously?
2. Do Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, Market orientation and Business Partnership partially influence the Competitive Strategy of the Micro Business Unit of local development banks in Java?
3. Do Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, Market orientation and Business Partnership affect the performance of the Micro Business Unit of local development banks in Java simultaneously?
4. Do Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, Market orientation and Business Partnership affect the performance of the Micro Business Unit of local development banks in Java partially?
5. Does the Competitive Strategy have a significant effect on the Micro Business Unit Performance of local development banks in Java?
6. Is the Competitive Strategy Model of the Micro Business Unit of the local development bank fit?

LITERATURE REVIEW AND HYPOTHESIS

Determinants for Competitive Strategy

One of the determinants of Competitive Strategy is Unique Capability (Boasson, 2001). Boasson puts company characteristics and location as Unique Capability elements. A study conducted by Rentala, Anand and Shaban (2014) in the Indian information industry also supports the above conclusions. Likewise, Sharma and Singh (2012) support the role of Unique Capability in the formation of Competitive Strategy with a synthesis that companies learn through a specific approach, which is manifested through corporate knowledge management.

Dynamic Capability in the banking sector was reviewed by Firer and William (2003) and Mavridis and Kyrmizoglou (2005). In this sector, increased global competition and higher standards of living encourage banks to add greater product differentiation and value-added services. Blumberg and Letterie (2008) also conducted Dynamic Capability research in the banking sector.

On the other hand, Barney (1991) states the close relationship between Organizational Culture and the formulation of Competitive Strategy. The three attributes that a corporate culture must possess in order to produce a sustainable competitive advantage are rare, unique and inimitable (Barney, 1991 cited in (Fareed, Noor, Isa, & Salleh, 2016). The findings in previous studies indicate that the culture of several companies has these attributes, so that Organizational Culture is a source of competitive advantage (Fareed, Isa & Noor, 2016; Noor, Fareed, Isa & Abd. Aziz, 2018).ubair, Companies that have a culture with the required attributes can obtain sustainable superior performance from their culture. On the other hand, Grant (1991) argues that internal resources should provide a basis for the formulation of corporate strategy rather than the market environment. Based on the results of the analysis of the relationship between resources, capabilities, competitive advantage, and profitability.

Hafeez, Zhang, Malak (2002) stated that Core Competence is the crown jewel of the company, and therefore it must be carefully maintained and developed. Companies can determine their future business direction based on the strength of competencies. The results of their analysis are used to help companies make strategic management decisions that are more focused on capacity building, outsourcing, focus, or diversification in relation to new products, services, or markets.

Meanwhile, Narver and Slater (1990) found a positive relationship between market orientation and business profitability through retesting a large sample of business products and services operating in various industries. The chief marketing officer assesses the market orientation level, and the profitability is assessed by the general manager, thereby avoiding the problem of bias among general respondents. The analysis of the influence of culture on business performance is expanded, among others, by including measures of entrepreneurial orientation in this study. The effect of market orientation on business profitability is then compared with entrepreneurial orientation.

Slater and Narver (2000) state that a market orientation is a business culture that involves the participation of all employees to create superior value for customers and superior performance for the company. Previous studies found a positive relationship between the size of market orientation, performance and competitive strategy. This study expands the study by showing that businesses with a market orientation are aggressively developing new products and services. Such businesses focus on opportunities in market segments rather than on the massive

market, and strive to achieve a competitive advantage both by increasing customer benefits and reducing costs.

The company builds a strategy that accommodates its business partners. Business partners are one component that determines the strategic choices and focus of the desired company. The weight and position of the business partners also determine the quality of the company's Competitive Strategy. Liedtka's (1996) study proposed a superior and hard to beat business team. The collaborative team is described as not disturbed by bureaucratic disruption due to the effectiveness of collaborations across functions or lines of business.

DETERMINANTS FOR COMPANY PERFORMANCE

In the context of RBV, Scott L. Newbert (2008) hypothesizes that resource exploitation and Unique Capability (rare and valuable) contribute to a firm's competitive advantage, which in turn contributes to its performance. This study empirically examines the relationship between value, rarity, competitive advantage, and performance. The results show that value and uniqueness are related to competitive advantage, that competitive advantage is related to performance, and that competitive advantage mediates the scarcity-performance relationship. These findings have important academic and practitioner implications which are discussed later.

Then, Shu-Mei Tseng and Pei-Shan Lee (2014) conducted a study on the role of Dynamic Capability in company performance. This study, in particular, on how companies can effectively apply their knowledge management (KM) capabilities and develop unique dynamic capabilities to respond quickly to dynamic environments has become an urgent need. The study results suggest that dynamic capabilities are an important intermediary organizational mechanism in which the benefits of KM capabilities are converted into performance effects at the firm level. That is, KM capabilities increase organizational dynamic capabilities. While dynamic capabilities, in turn, improve organizational performance and provide a competitive advantage.

Jean-François Henri (2006) found that top managers of firms who reflect dominant flexibility tend to use more performance measures and use PMS to focus organizational attention, supporting strategic decision making and legitimate action to a greater extent than top managers of firms that reflect controlling, dominant type. Then, Harris and Ogbonna (2011) present empirical evidence which shows that the relationship between leadership style and performance is mediated by existing forms of Organizational Culture. These findings are also consistent with Salleh, Zubair, and Hamzah (2018) who emphasized that delivering high performances is explain by the relationship of leadership style and employees' motivation which is an embedded element of organizational culture.

Then, the study of Agha, Alrubaiee and Jamhour (2012) found that, while Core Competence has a strong and positive impact on competitive advantage and organizational performance, competitive advantage also has a significant impact on organizational performance. These results confirm the importance of the Core Competence dimensions on competitive advantage and organizational performance. It has also been found that flexibility has a higher impact on organizational performance than responsiveness. To stay competitive and gain a competitive advantage, managers can try to improve organizational performance by managing each dimension of Core Competence, namely a shared vision; cooperation and empowerment.

Then, Morgan, Vorhies, and Mason (2009) show that market orientation and marketing capabilities are complementary assets that contribute to superior company performance. Then, Lahiri and Kedia (2009) show that resources and capabilities are linked to performance in various actions and the quality of partnerships has a partial and moderating effect on this relationship.

CONTRIBUTION OF COMPETITIVE STRATEGY ON COMPANY PERFORMANCE

Hsieh, Chen, Ming (2014) stated that Competitive Strategy is designed based on individual specifications, consistent with human resource strategies, namely strategies that are oriented towards skills and innovation. Another study conducted by Tsai, Li, Lin (2012) states that organizational capabilities can explain the relationship between business strategy and knowledge or expertise, where organizational capabilities are aligned with knowledge or technology and company strategy. Pertusa-Ortega, Molina-Azorín, Claver-Cortés (2010) stated that organizational structure does not have a direct effect on performance, but has an indirect effect through Competitive Strategy.

RESEARCH METHODOLOGY

Method and Data

The method used in this research is exploratory research. The analysis process was carried out by using a multivariate data analysis model via factor analysis and Partial Least Square (PLS). The object of this research proposal is the result of filling out questionnaires by respondents who are officials in charge of the units that manage MSME credit in local development banks in Java. The sampling method is based on a purposive sampling approach, where samples are taken based on certain conditions determined by the researcher. The number of local development bank branches in Java is around 185 offices.

Design Analysis and Hypotheses Test

The data analysis technique used in this study includes the first two stages is the factor analysis method. This study uses the Partial Least Square (PLS) method with complementary procedures, such as a validity test. The validity test with the construct validity indicator shows how precisely the item can measure the latent construct. The results of this test are shown in the Cronbach Alpha Figure below.

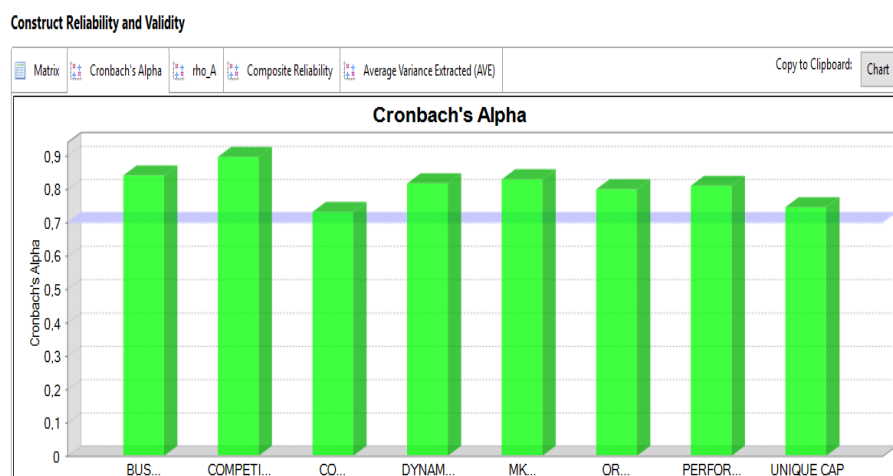


Figure 1 Cronbach Alpha

Source: processed data

The data analysis technique used in this study includes the first two stages is the factor analysis method. This study uses the Partial Least Square (PLS) method with complementary procedures, such as a validity test. The validity test with the construct validity indicator shows how precisely the item can measure the latent construct (Hair, Sarstedt, Pieper & Ringle, 2012; Salleh, Fareed, Yusoff & Saad, 2018; Salleh, Fareed, Yusoff & Saad, 2016). The results of this test are shown in the Cronbach Alpha Figure below.

Reliability Test

As shown in Figure 2, all variables have a CR value > 0.7. All questionnaire questions and constructs were declared reliable (reliable) because the composite reliability value was > 0.70.

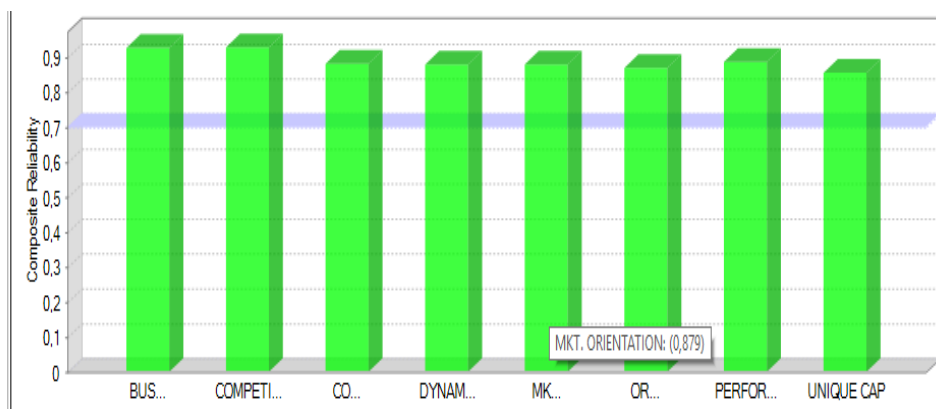


Figure 2 Composite Reliability

Source: processed data

Hypotheses Test

The hypotheses test will be carried out taking into account all the effects being investigated. Thus some of the big hypotheses (Grand Hypothesis) include, among others:

1. H_0 : All $\mu_i = 0$ Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, market orientation, Business Partnership do not influence bank Competitive Strategy simultaneously

H_a : one of $\mu_i \neq 0$ Unique Capability, Dynamic Capability, Organizational Culture, Core Competence, market orientation, Business Partnership influence bank Competitive Strategy simultaneously

2. H_0 : $\mu = 0$ Unique Capability does not influence Competitive Strategy bank

H_a : $\mu \neq 0$ Unique Capability influences Competitive Strategy bank

3. H_0 : $\mu = 0$ Dynamic Capability does not influence Competitive Strategy bank

H_a : $\mu \neq 0$ Dynamic Capability influences Competitive Strategy bank

4. H_0 : $\mu = 0$ Organizational Culture does not influence Competitive Strategy bank

H_a : $\mu \neq 0$ Organizational Culture influences Competitive Strategy bank

5. H_0 : $\mu = 0$ Kompetensi Inti does not influence Competitive Strategy bank

H_a: $\mu \neq 0$ μ_0 Kompetensi Inti influences Competitive Strategy bank

6.H₀: $\mu = 0$ Market orientation does not influence Competitive Strategy bank

H_a: $\mu \neq 0$ μ_0 Market orientation influences Competitive Strategy bank

7.H₀: $\mu = 0$ Business Partnership does not influence Competitive Strategy bank

H_a: $\mu \neq 0$ μ_0 Business Partnership influences Competitive Strategy bank

Partial Least Square (PLS)

As in Structural Equation Modeling (SEM) the PLS model consists of two linear equations.

a. The structural equation (Structural Model), represents the relationship between latent variables that cannot be measured directly, states the causality relationship to test hypotheses.

b. The measurement model (Measurement Model), states the relationship between indicators (Observed / Manifest Variable) and research variables (Latent Variable) that can be measured directly.

Based on the concept, the research model can be formulated in a mathematical form. The structural model equation (inner model) that connects latent variables is as follows:

The mathematical formula of the structural equation is:

$$\eta_1 = \gamma_{11} \xi_1 + \gamma_{12} \xi_2 + \zeta_1$$

$$\eta_2 = \gamma_{21} \xi_1 + \gamma_{22} \xi_2 + \beta_{21} \eta_1 + \zeta_2$$

The Basic assumption in PLS is that all information from the indicator / manifest variable is aimed at latent variables. This has two implications. First, the PLS model does not involve a direct relationship between the manifest variables. Both measurement model errors from one block are assumed to be uncorrelated with measurement model errors from other blocks.

Inner Model

In contrast to LISREL, the evaluation of the PLS model estimates can only be done descriptively. Tenenhaus et al. (2004) provided a measure of Goodness of fit (GoF) fit to evaluate the PLS model. GoF is the square root of the product of the average of the communality (outer model) and the mean (inner model). GoF has a value between 0 and 1 and is formulated as:

$$GoF = \sqrt{\text{communality} \cdot \bar{R}^2}$$

Besides Gof, there are several other measures that also support evaluating the PLS model, namely the Q-Square.

Formula Q-Square: $Q^2 = 1 - (1 - R_1^2)(1 - R_2^2) \dots (1 - R_p^2)$

where $R_1^2, R_2^2 \dots R_p^2$ is R-square of endogenous variable in the model. Value of $Q^2 > 80\%$ is considered good. The closer to 1, the more fit the model.

Outer Model

a) Estimated factor loading (λ). The loading factor is a measure that we can use to evaluate the reliability of each manifest variable.

b) Combined Reliability (Composite reliability)
$$\rho_c = \frac{(\sum \lambda_{kj})^2}{(\sum \lambda_{kj})^2 + \sum (1 - \lambda_{kj}^2)}$$

where λ_{kj} = loading factor the k-th manifest variable to the j-latent variable

Average Variance Extracted.

This measure is used to measure the variation in latent variables which can be explained by variations in the measurement model.

$$AVE = \frac{\sum \lambda_{kj}^2}{n}$$

Steps in running PLS :

- 1) Designing the Structural Model (inner model)
- 2) Designing the Measurement Model (outer model)
- 3) Constructing a Path diagram
- 4) Convert the Path diagram into a System of Equations
- 5) Estimation
- 6) Goodness of Fit
- 7) Hypotheses Testing

Hypotheses testing is done by using the Geisser and Stone method with the t statistic or t test.

RESULT & DISCUSSION

Data processing with Smart PLS was carried out through several iterations to produce research findings that were in accordance with statistical rules. In the PLS model analysis, calculation and inspection of outer loading values are carried out to produce a feasible model to be tested at an advanced stage, namely the bootstrapping stage.

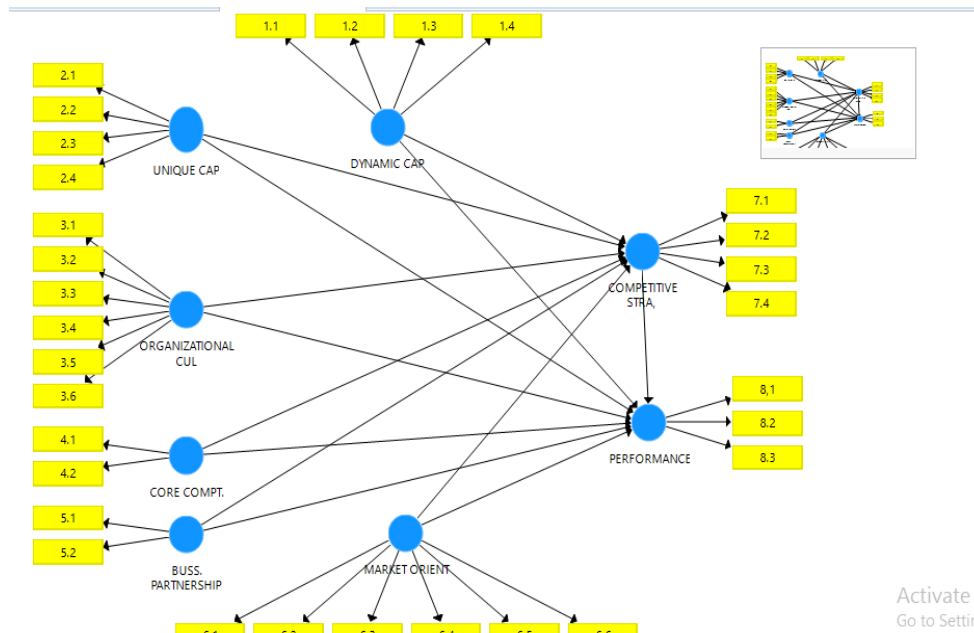


Figure 3 Model Paradigma Riset (Iterasi 1)

Source: processed data

At the initial stage, the researcher calculated the outer loading value of each indicator to ensure that the indicators involved in the next stage were indicators with an outer loading value in between 0.4 to 0.7 (Hair, Hult, Ringle & Sarstedt, 2014; Fareed, Ahmad, Saoula, Salleh & Zakariya, 2020).

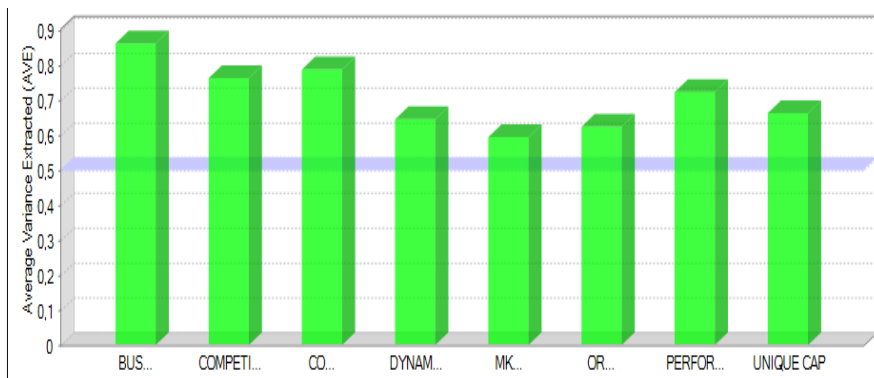


Figure 4 Average Variance Extracted

Source: processed data

After going through several iterations, the data testing process must be carried out by eliminating several variable indicators so that the test results meet the specified criteria. Figure 4 shows that the AVE value of all variables above 0.5 from the final iteration indicates that the convergent validity measure is good. This means that the latent variable can explain on average more than half the variance of the indicators.

All indicators have met the requirements to proceed to the next phase. AVE value > 0.5, then the calculation process can be continued to the bootstrapping stage. The test results at the bootstrapping stage will be the basis for answering and verifying the Hypotheses. The following is the formation of the variables and their indicators processed at the bootstrapping stage, as shown in Figure 5.

The results of the bootstrapping process show several values that justify the strength of the relationship between the observed variables.

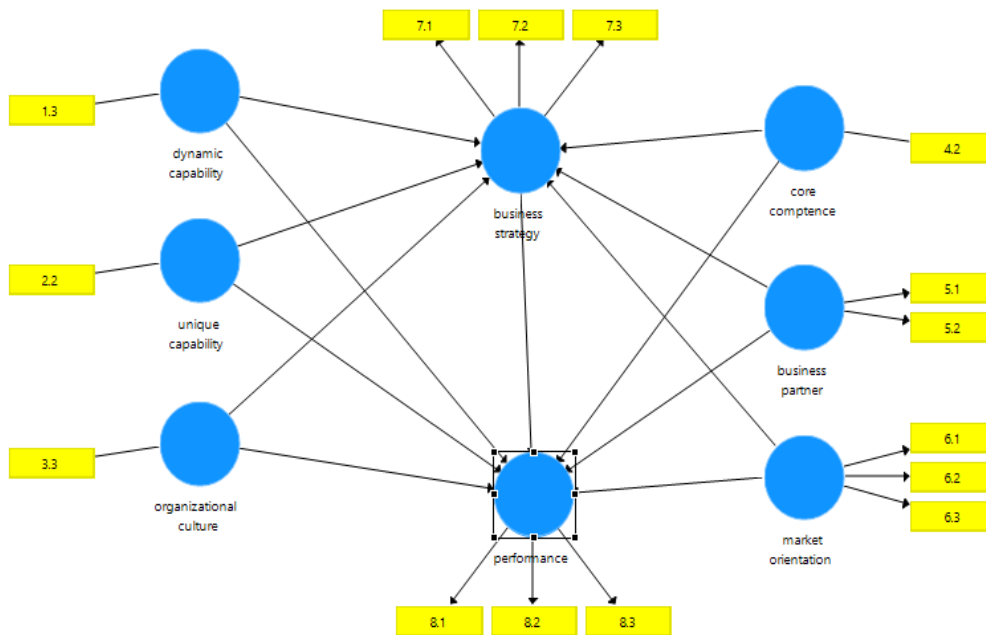


Figure 5 Variable Formation and Bootstrapping Stage Indicators
Source: processed data

Details of the results of bootstrapping are shown in Table 1, especially related to the path coefficient. Table 1 describes in detail the relationship between variables, both direction, quality, and significance. The original sample column shows the direction and strength of the relationship between variables. Meanwhile, the P-values column shows the significance of the influence of one variable on other variables under observation, both at the 10%, 5% and 1% significance levels. This study refers to the standard measure, where the significance level is set at least 10%. In other words, the effect of a variable on other variables is considered significant (significant) if the P-value <0.1.

Table 1. Path Coefficient

Relation	Original	P-value
<i>Dynamic Capability</i> → <i>Competitive Strategy</i>	0.187	0.101*
<i>Dynamic Capability</i> → <i>Business Unit Performance</i>	0.256	0.064*
<i>Unique Capability</i> → <i>Competitive Strategy</i>	-0.124	0.371
<i>Unique Capability</i> → <i>Business Unit Performance</i>	0.138	0.415
<i>Organizational Culture</i> → <i>Competitive Strategy</i>	0.220	0.091*
<i>Organizational Culture</i> → <i>Business Unit Performance</i>	0.125	0.455
<i>Core Competence</i> → <i>Competitive Strategy</i>	-0.034	0.844
<i>Core Competence</i> → <i>Business Unit Performance</i>	-0.025	0.901
<i>Business Partnership</i> → <i>Competitive Strategy</i>	0.259	0.056*
<i>Business Partnership</i> → <i>Business Unit Performance</i>	-0.137	0.475
<i>Market orientation</i> → <i>Competitive Strategy</i>	0.506	0.000***
<i>Market orientation</i> → <i>Business Unit Performance</i>	0.169	0.417
<i>Competitive Strategy</i> → <i>Business Unit Performance</i>	0.453	0.078*

Source: processed data

*)significant at 10%

***)significant at 1%

In **Table 1** regarding the Path Coefficient, it appears that only 4 relationship variables X to Y have a probability value smaller than 0.1, namely dynamic capability - competitive strategy (0.10), organizational culture - competitive strategy (0.09), business partnership - competitive strategy (0.06), and market orientation - competitive strategy (0.00). In addition, there is 1 relation between variables X and Z and on the relationship between variables Y and Z which is proven to be significant at a significance level of 10% or better, namely dynamic capability-competitive strategy (0.06) and competitive strategy, respectively. performance (0.06).

Tabel 2. R-Square dan R-square adjusted

	R-square	R-square Adjusted
<i>Competitive Strategy</i>	0.929	0.924
<i>Business Unit Performance</i>	0.885	0.875

Source: processed data

Then, Table 2 provides an overview of the R-Square and R-square Adjusted values of the resulting model. The value of R Square Adjusted Competitive Strategy shows that the accumulated contribution of significant variables explains 92.4% of the Competitive Strategy, and the remaining 7.6% is explained by unobserved variables in this study. the number of variants described by the model. The results of the goodness fit model test also show that the independent variables explain 87.5% performance and most of the remaining 12.5% are explained by unobservable variables in this research. A number of hypotheses were proven, namely hypotheses 1, 2, 4, 6, 7, 8, 9, and 15. While the other 8 hypotheses were not proven.

CONCLUSION AND RECOMMENDATION

Conclusion

Based on the research results, the authors conclude that Dynamic Capability, Organizational Culture, Market orientation and Business Partnership affect the Competitive Strategy of the Micro Business Unit of local development banks in Java simultaneously. Meanwhile, of all independent variables, only Dynamic Capability, Organizational Culture, Market orientation, Business Partnership have a significant effect on the Competitive Strategy of the Micro Business Unit of local development banks in Java. Likewise, only Dynamic Capability and Competitive Strategy have a significant effect on the performance of the Micro Business Unit of local development banks in Java. Ultimately, the Model of Competitive Strategy at Micro Business Unit of local development bank is fit.

RECOMMENDATION

Based on the results of this study, local development banks need to constantly observe and respond to changes in the market, including changes in consumer references for users of MSME products / services, changes in MSME business formats, advances in banking transaction technology in accordance with MSME, as well as all environmental dynamics in order to build a Competitive Strategy. effective. Organizational Culture that has been formed needs to be directed to help the effectiveness of the LDB bank micro credit management Competitive Strategy. Likewise, in an effort to build a strong Competitive Strategy in this segment, local development banks need to continue to strengthen their Business Partnership. Local development banks also need to carefully build a Competitive Strategy based on Market orientation. The local development bank authorities

and stakeholders can periodically conduct direct field observations related to micro credit management to summarize the lessons learned needed. The complexity of micro credit services is sensitive to banking regulations, both national and local.

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