

How Do Credit Unions Cluster Based on Their Organizational Change Capability?

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Abstract

This study aims to identify the profile of organizational change capability among 36 Credit Unions (CUs) by examining three main dimensions: Organizational Learning Capability (LC), Change Context Capability (CC), and Change Process Capability (PC). Conducted with leaders of several CUs in Indonesia, the analysis begins with hierarchical clustering to identify the optimal number of clusters and proceeds with a K-Means clustering approach using three clusters. This study produces three stable CU groups that represent significantly different capability configurations. The analysis shows that the differences across clusters are highly significant, with Learning Capability (LC) emerging as the strongest distinguishing factor. The clustering results form three main profiles: First, the Very High Capability Cluster (n = 14), which is the most advanced and balanced across all capabilities, reflecting highly adaptive organizations that are ready for transformation. Second, the Strong Context, Moderate Learning Cluster (n = 13), which possesses a highly conducive change context but only moderate LC, positioning it as a group with strong developmental potential through strengthened learning capacity. Third, the Low Capability Cluster (n = 9), which demonstrates the lowest scores across all dimensions and is characterized by rigidity, slow adaptability, and the need for prioritized intervention. Theoretically, these findings enrich the literature by illuminating capability segmentation within financial cooperatives. Practically, the results provide clear strategic direction: the Very High Capability Cluster can serve as a role model, the Moderate Cluster should focus on enhancing LC, and the Low Capability Cluster requires long-term mentoring and capacity-building.

Keywords: Change Management; Credit Union; K-Means Clustering; Organizational Change Capability; Organizational Learning Capability.