

Community Empowerment Strategy through Competitive Creative Economic Development for the Improvement of Family Income

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ABSTRACT

The aim of the research is to analyze community empowerment strategies through developing a competitive creative economy in an effort to increase family income at UKM Shaza Depok. The method used in this research is a qualitative research method. The unit of analysis in this research is the source who is the informant, namely the owner of UKM Shaza Depok, the Management Department of UKM Shaza Depok and employees who work at UKM Shaza Depok. Data collection techniques in this study: interviews, observation, FGD (Focus Group Discussion) techniques, documentation. Data analysis uses 2 kinds of methods, namely SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) and Balanced Scorecard. The results of the research show that the community empowerment strategy. From several results from the Balance Scorecard (BSC) perspective, what Shaza Depok UKM needs is: (1) Strengthening village communities as subjects of empowerment development, (2) Improving the welfare of village communities, (3) Increasing village community satisfaction with Shaza Depok UKM services, (4) Optimizing competitiveness in an effort to increase income, (5) Increasing community participation in developing product innovation and improving more creative marketing, (6) Improving product and service quality, (7) Increasing employee work motivation, (8) Increasing competency employees, and (9) Improving product information technology and systems.

Keywords: Community empowerment; Creative Economy Development; Competitiveness; Family Income; UKM

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) should always receive attention from various groups as these MSMEs are a form of economic democracy that can shorten the inequality gap between those with capital and those without. The development of MSMEs should also be pursued because they represent grassroots efforts that can withstand international economic fluctuations and provide employment opportunities, even on a small scale (Cosenz & Bivona, 2020; Stich et al., 2020).

The creative economic industry is a potential sector for the development of the Indonesian economy, particularly within the realm of micro, small, and medium enterprises (MSMEs) (Busola Oluwafemi et al., 2019; Lopes & Costa, 2017; Lu et al., 2020; Margaretha & Supartika, 2016; Thaha et al., 2021). The creative economic industry encompasses various elements, including creativity and human resources. In terms of creativity, this industry strives to create innovative and high-quality products. Meanwhile, in terms of human resources, the creative industry aims to develop and empower its product innovations for easy consumer access. The creative industry emerges from the utilization of skills possessed by individuals to create new job opportunities. It is the outcome of creativity, driven by the latest resources, with humans as its energy source (Li et al., 2016; Perrini, 2006; Stoian & Gilman, 2017; Zhang & Yin, 2012).

The Depok City Government is committed to boosting the number of Micro, Small, and Medium Enterprise (MSME) actors. The presence of these entrepreneurs is deemed essential for advancing the economy of Depok City. In the Bojongsari District, there are five active types of businesses within MSMEs, accounting for 69% of the registered MSME data. These include fashion businesses (1.72%), handicrafts (1.72%), services (3.45%), culinary businesses (60.34%), and trading (1.72%). This demonstrates that in this study, culinary businesses dominate the MSME landscape in the Bojongsari District.

According to Idris, establishing a business will inevitably require human resources. This potential can be harnessed by employing individuals from the local community. For instance, the home-based processed cireng business in the Bojongsari District employs around 100 people. This business has gained recognition even beyond national borders, such as in Singapore. "We support various activities that focus on increasing the quantity and quality of Depok City's MSMEs." To support the Depok City government's program in developing competitive creative economics, as outlined in one of the city's missions, SHAZA, an MSME located in the villages of Serua and Pondok Petir in the Bojongsari District of Depok City, operates in the culinary sector, producing traditional food specific to West Java. Established as a means of community empowerment, SHAZA has been in operation for about seven years and employs approximately 141 staff members.

The innovative and creative economic development strategies employed by SHAZA have resulted in a variety of competitive family snack products that are marketable not only within Depok City but throughout the country. SHAZA's commitment to community empowerment and its desire to sustain its workforce have led its management team to develop product strategies and marketing strategies through building a sales system via agents and resellers. "Cireng Crispy Sambel Rujak" is SHAZA's flagship menu that has captured attention and secured a special place in the hearts of its consumers. As a result, in 2018, the Depok City Government's Department of Industry and Trade declared Pondok Petir Village as the Food Industry Cluster of Depok City. Depok City's MSMEs are developing an independent and competitive creative industry, which positively impacts the per capita income of the city's residents, showing an increase each year. SHA's MSME owner's aspiration to empower the community for the enhancement of family income needs to be supported by appropriate strategies and sustainable business development.

Community empowerment in sustainable development, with a focus on people-centered development approaches, is a demand of the globalization and reform era that Indonesia has embarked upon to address economic, food, and security crises. Community empowerment is an effort to enable communities that are incapable due to internal and external factors. The goal of empowerment is to transform the livelihoods of communities towards better competitiveness, aligning with the nation's aspirations for a just, democratic, prosperous, and advanced society.

The issues faced by the creative economic-based UKM Shaza in Depok, as discussed in this research, pertain to human resources, capital, and the mastery of modern technology. The current state of the business climate for UKM Shaza Depok does not yet indicate significant hope in terms of empowerment, both over time and across different locations. This is in relation to supporting the development of creative economics that can compete with other UKMs, as seen in the lack of significant growth in family incomes within the vicinity of UKM Shaza Depok. This situation has also led UKM Shaza Depok to struggle in establishing a unique culinary product. The quality of human resources within UKM Shaza Depok remains lacking in broad and modern perspectives, especially in management and the improvement of product quality and business development. Given these considerations, the author is interested in conducting research related to the aforementioned issues, under the title "Community Empowerment Strategy through Sustainable Creative Economic Development."

METHOD

This research employs a qualitative research approach. The units of analysis in this study are the interviewees who serve as informants, namely the owner of UKM Shaza Depok, the Management Division of UKM Shaza Depok, and the employees working at UKM Shaza Depok. Data collection can involve both primary and secondary sources. Primary sources refer to data sources that directly provide information to the data collector, while secondary sources are those that indirectly provide information to the data collector.

Data analysis is a systematic process of searching and organizing interview transcriptions, field notes, and other collected materials to enhance understanding of the subject matter and to enable the researcher to present the findings to others. This research employs two methods: SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) and Balanced Scorecard. The Balanced Scorecard serves to compute the results of the SWOT questionnaire and to ascertain perspectives on internal processes and customers.

RESULTS AND DISCUSSION

The SWOT analysis is employed to determine the strategies that should be implemented by UKM Shaza Depok in capitalizing on opportunities through an analysis of both internal and external factors that influence the business. The SWOT analysis encompasses internal factors, namely the strengths and weaknesses of UKM Shaza Depok, as well as external factors, which encompass the opportunities and threats faced by UKM Shaza Depok.

The balanced scorecard framework of UKM Shaza Depok is structured around four perspectives: the community perspective, financial perspective, internal process perspective, and employee perspective. The Strategy Map Using the Balanced Scorecard (BSC) Perspectives implies that every perspective within the BSC concept should be interrelated. This means that in mapping strategic goals, each indicator should be interconnected, even with indicators from other strategic areas (Csikósová et al., 2016; Kaplan & Norton, 2000; Rodríguez-González et al., 2020). Furthermore, creating a strategy map can facilitate problem-solving for organizations like UKM. This visual representation aids in understanding the relationships between different perspective indicators.

Each perspective has strategic goals to achieve and involves strategic measures consisting of lag indicators as measures of the outcomes of strategic objectives and lead indicators as performance drivers. The balanced scorecard framework of UKM Shaza Depok also includes assessment ranges used to ascertain the achievement level of strategic goals, visually represented by color expressions to indicate the success category of each assessment range and to set the targets for 2020. Based on the established targets, strategic initiatives that UKM Shaza Depok needs to undertake to achieve those targets are identified.

In the financial perspective, which is related to efforts to enhance competitiveness for income improvement, the set target for 2020 is to increase the percentage of community satisfaction with the empowerment programs offered by Shaza Food Depok products to 95%. Initiatives that can be undertaken include creating both online and offline sales channels for UKM Shaza Depok products to reach a wider audience, along with announcements containing price information, distinctive taste variants, and ratings received by Shaza Food Depok in bulk purchases that are sought-after both within and outside Depok. This should also encompass development through agents, resellers, and drop shippers. Additionally, the involvement of the entire community of Depok is necessary for constructive planning of community development initiatives, aimed at gathering diverse inputs and program suggestions for the advancement of family income. This also involves tailoring empowerment initiatives to the capacity and capability of the community, leveraging local potential and resources. Efforts to economically empower the community involve providing employment opportunities where the community actively participates in the business of selling food products, thereby contributing to the optimization of SME performance.

In the internal process perspective, the strategic goal of increasing community involvement in product innovation and enhancing creative marketing entails opening opportunities for the community to become agents, resellers, and drop shippers. The target for 2020 is to increase the number of community members and customer satisfaction to reach 150 individuals. The strategic initiatives involve building trust in business interactions, nurturing positive relationships with the community, and maximizing the incorporation of community input to enhance participation in the processes of empowering families' income.

To elevate product quality, Desa Serua and Desa Pondok Petir aim to ensure that all their residents are satisfied with the quality and service provided by Shaza Food. Strategies that UKM Shaza Depok can adopt include developing promotions such as affordable pricing, discounts, maintaining the unique taste of their products, adding new menu variations, and enhancing the cleanliness of both their office and product packaging for customer comfort.

Thus, the strategic initiatives to boost community empowerment in terms of Shaza Food products include optimizing both community and employee empowerment, ensuring that they are inclined to exhibit friendliness and respect towards customers as part of delivering high-quality services. Furthermore, employees at UKM Shaza Depok should avoid delaying or neglecting tasks for personal reasons unless in emergency situations.

The first strategic goal in the employee and organizational capacity perspective is to enhance employee motivation. There are two targets under this strategic goal. The first is to enhance employee satisfaction with workplace facilities and amenities by conducting regular maintenance of internal systems and using quality work equipment for enhanced work effectiveness and efficiency. The second target is to ensure that all employees adhere to work hours. The strategic initiatives include providing comprehensive understanding to employees about their job descriptions and responsibilities directly related to the organization, followed by

periodic evaluations of employees' understanding, skills, and productivity. Non-compliance with workplace rules and regulations should be met with appropriate sanctions.

For improving employee competence, the target set for 2020 is to elevate the education standards of employees, making it a policy that receptionists and administrators hold at least a Diploma degree while marketing and raw material processing sectors can employ individuals without higher education backgrounds. The strategic initiatives involve involving community members from various educational backgrounds in training programs aimed at enhancing work quality. Shaza Depok should also consider proposals for training and mentoring programs from both employees and residents of Desa Serua and Pondok Petir, focusing on individuals who lack higher education but possess the willingness to work and a strong sense of discipline. By involving employees and community members in understanding the products and providing them with knowledge, creativity, and innovation skills, the aim is to achieve improved work quality.

The final strategy targets enhancing technology and product information systems by encouraging the entire Depok community to utilize technology and information systems to support work processes. Strategic initiatives include building trust, potential development, and job creation for the community, optimizing community empowerment to improve family income competitiveness, optimizing development of quality Shaza Food products through social media platforms such as WhatsApp, Instagram, Facebook, and online shops, as well as word-of-mouth promotion to share information and hold seminars, encouraging community participation in supporting local economies and establishing UKM Shaza Depok as an independent and competitive creative industry. UKM Shaza Depok can also open opportunities for residents to join as agents, resellers, and drop shippers, specifically for managing business endeavors, ensuring that Depok remains up-to-date with information system and technology developments to drive entrepreneurship.

In the community perspective, the first strategic goal is to strengthen village communities through creative economic development. There are two targets for 2020. The first targets Shaza Food Depok to establish branches in various areas of Depok, expanding beyond Desa Serua and Pondok Petir, creating a total of five branches, providing activities and reducing youth unemployment. Initiatives to achieve this involve optimizing entrepreneurial functions in nurturing community potential and initiating new branches where needed. The second target aims to ensure that all Depok residents experience the benefits of ongoing programs. Given that research indicates that Depok's UKM sector, particularly in Bojongsari District, is mainly dominated by culinary businesses, with 35 out of 58 UKM (60.34%) being food-related, Shaza Food can be considered successful in promoting UKM. The same strategy thus targets a 100% empowerment rate for UKM in Bojongsari District, focusing on creating and maintaining product excellence and distinct menus.

Shaza Food Depok can achieve this by organizing motivational seminars for successful entrepreneurship, educational trips for schools to observe production processes, and supporting family income generation. To enhance community empowerment, there are two targets for 2020. The first aims to have a total of 8 community empowerment programs, initiated as innovative and creative programs. Analyzing the necessary programs, discussing with the community, and focusing on programs that foster business opportunities for the community are strategic steps. Moreover, educating the community on the benefits of UKM Shaza Depok's cooperative membership and providing ongoing training and mentoring to empower the community to achieve self-sufficiency in securing income are important initiatives.

The final target for Depok in 2020, in terms of community satisfaction with UKM Shaza Depok's services, is to eliminate complaints from the community. To achieve this, strategic initiatives should empower the community to utilize quality products from UKM Shaza Depok. Depok should also strengthen a synergistic work environment where effective and efficient collaboration enhances product quality. Following up on community complaints until they are resolved and establishing clear procedures and requirements for residents interested in becoming agents, resellers, distributors, or drop shippers is important for independent entrepreneurship.

Discussion

The strategy of empowering communities through competitive creative economic development plays a crucial role in efforts to enhance family income through the Micro, Small, and Medium Enterprises (MSME) sector. In this context, the creative economic approach not only promotes innovative products and services but also offers opportunities for active community engagement in creative and economic processes. By nurturing creativity and utilizing local resources, MSMEs can generate unique and competitive products and services, reaching broader markets both locally and internationally (Lopes & Costa, 2017; Margaretha & Supartika, 2016).

The SWOT and Balanced Scorecard approaches provide a comprehensive framework to identify the strengths, weaknesses, opportunities, and challenges faced by MSMEs. This enables MSME owners to take informed actions to strengthen positive elements and address potential obstacles. By integrating community empowerment, economic creativity, and strategic analysis, this strategy forms a robust foundation for sustainable growth within MSMEs. Through collaboration among business owners, government bodies, and various stakeholders, competitive creative economic development can significantly contribute to increasing family income, stimulating local economic growth, and creating a dynamic and innovative business environment (Avlonitis & Salavou, 2007; Laforet, 2013; Omri, 2015; Perrini, 2006).

This study aligns with previous research, exemplified by Sumardjo and Adi Firmansyah's work in 2015. Their findings indicated that certain target groups, particularly in the context of household food production, face limitations in their development. This underscores the existence of untapped potential within these groups, positioning community empowerment as a significant factor in overcoming these constraints. Furthermore, the study demonstrates that a participatory approach to community empowerment, particularly through active mentoring, has proven effective in stimulating the emergence of innovations and new practices originating from the community itself. However, like any research endeavor, this study also comes with limitations that need to be acknowledged.

This study's limitations lie in its geographical scope and sample population, which may impact the generalizability of its findings. Moreover, the emphasis on mentoring and community participation as drivers of innovation might not fully consider external factors that can influence the innovation process, such as regulatory changes or broader economic conditions.

Future research could delve deeper into exploring external factors that influence innovation and the development of target groups, such as policy changes or market trends. Additionally, investigating cross-sector and cross-institutional collaborations in community empowerment efforts could be a compelling avenue for further inquiry, given that such collaborations can unlock more opportunities for sustainable innovation and development. Furthermore, measuring

the tangible impacts of innovations resulting from community empowerment, both in economic and social terms, could be the next step in truly understanding the value brought about by such approaches.

CONCLUSION

The strategy of empowering communities through creative economic development has a significant impact in the context of UKM Shaza Depok. Based on the analysis from the Balanced Scorecard perspective (BSC), several aspects stand out as primary considerations for UKM Shaza Depok. Firstly, robust measures are necessary to strengthen the village communities as the main subjects of empowerment efforts. Secondly, enhancing the well-being of village communities becomes a crucial goal, aligned with their satisfaction with the services provided by UKM Shaza Depok. Thirdly, competitiveness optimization is a key factor in increasing income, requiring active participation from the community in product innovation and more creative marketing efforts. Fourthly, enhancing the quality of products and services becomes essential to ensure sustained customer satisfaction. Fifthly, boosting motivation and employee competencies form an inseparable foundation in achieving these goals. Lastly, the advancement of technology and product information systems will be a driving force in achieving sustainable competitiveness.

In the context of UKM Shaza Depok, this strategy not only holds the potential to increase family income but also strengthens the close relationship between UKM, village communities, and customers. However, along with the positive outcomes, it is acknowledged that the implementation of this strategy also faces challenges and limitations that need to be addressed. With an understanding of these findings, it is hoped that the competitive creative economic development through community empowerment can continue to serve as the foundation for sustainable growth for UKM Shaza Depok and also contribute to the overall development of the local economy.

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