

Female Entrepreneurship Development Model in Poor Households in Desa Paluh Manan, Kecamatan Hamparan Perak

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Abstract: The purpose of this research was to build a model for developing entrepreneurship for women in poor households Desa Paluh Manan, Kecamatan Hamparan Perak. The basis for building the model is the potential of the women and the economic potential of the region concerned. This type of research is qualitative descriptive analysis. Data collection techniques used are observation, interviews, questionnaires and focus group discussion. The number of informants were 10 people who are related to this research.. The results of the research showed that there were several characteristics of poor women, namely low levels of education, lack of skills, low capital owned to start a business, weak marketing ability, not having an organization to help their business, weak human resources. In contrary, the Hamparan Perak area also has many potentials such as the characteristics of women who have a strong desire to work and earn income, the availability of natural resources, infrastructure, and tourism objects. Based on these two factors, this research offers a model for developing entrepreneurship among poor women in Desa Paluh Manan, Kecamatan Hamparan Perak.

1 INTRODUCTION

Gender issues in the world of entrepreneurship are still valid today. But what we need to know is that the issue is no longer about the gap between male and female entrepreneurs. What is currently developing is related to the equality of both in business.

What are the characteristics of women who play a role in building a business? According to Global Entrepreneurship Monitoring, women with a positive perception of their abilities and skills dominate this type of woman. In other words, women who have a confident character are those who are able to guard their success. The desire to be able to actualize themselves and play a role in society is a big motivation for women who want to be involved in the world of entrepreneurship (Niels Bosma, 2016).

Hani et al. (2012) in a leading journal in the field of economics and business, provide evidence that of the 46 million MSME in Indonesia, 60% of the owners are women. Although most of the women who do business are still at the level of MSME, this

fact indicates that women have moved more proactively than the shadow of society.

However, in fact there are many phenomena that cause confusion for women in business. First, nature as a woman herself. Social and cultural norms, whether explicit or not, encourage women to get married and become mothers at a certain age. After that, women will also have new responsibilities, namely as housewives.

The number of female entrepreneurs in Indonesia has increased significantly. At present, the number of female entrepreneurs in Indonesia is 14.3 million people. This number increased by 1.6 million from the previous number which only amounted to 12.7 million people. In addition to the number of business actors, the level of women's participation in the employment sector also increased from previous years. "48.87 percent of women's participation rose to 55.04 percent, this is an increase in women's participation in employment," said Minister of Manpower, Muhammad Hanif Dhakiri.

Poverty occurs because the ability of the community of economic actors is not the same, so there are people who cannot participate in the

development process or enjoy the results of development. Poverty is a development problem characterized by unemployment, backwardness, and deterioration. The poor are weak in their ability to do business and have limited access to socio-economic activities (Undang-Undang, 2000)

Poverty is the main problem of development that is complex and multi-dimensional. The problem of poverty is not only economic dimension, but also social, cultural, political, and even ideological (Soetrisno, 1997) suggests that the core of the problem of poverty lies in the deprivation trap. Deprivation trap consists of five disadvantages that surround the lives of poor families, namely (1) poverty itself; (2) physical weakness; (3) alienation; (4) vulnerability, and (5) helplessness..

The number of poor people in North Sumatra in March 2018 was 1,324,98 people (9.22%), decreased just 0.06 percent compared to the poor population in September 2017, which amounted to 1,404,48 people (9.28%). The poor population in urban areas in March 2018 was 9.80 percent, an increase compared to September 2017 which was 9.69 percent. On the contrary, poor people in rural areas, namely from 10.86 percent in September 2017 fell to 10.66 percent in March 2018. In March 2018, the North Sumatra poverty line in total amounted to Rp.411,345, - per capita per month. For urban areas, the poverty line is Rp.425,693, - and for rural areas is Rp.396,033, - per capita per month (BPS, 2018).

Various efforts and policies for poverty alleviation have been carried out by the central and regional governments in Indonesia, but still there are households that are in poverty condition. At present chronic poverty ranges from 5-7% and 10-15% of the other population experiences transient poverty, namely in and out of poor status. (Moeis, 2008)

On the other hand, it turns out that most of the poor in Indonesia are women, and no less than 6 million of them are the heads of poor households with an average income below Rp 10,000 per day. To maintain the survival of themselves and their families, in general they work in the informal sector (especially trade and services), the agricultural sector as farm laborers and factory workers. They face difficulties in gaining access to economic resources, especially financial resources. This is partly due to the reason that they are considered inadequate to get funding, lack of guarantees, remote locations, and not infrequently these conditions are related to gender issues (Zulminarni, 2004).

The issue of women's poverty is becoming increasingly complicated, because women's poverty is not only caused by limited access to economic resources. Here there are structural problems with non-singular causes and constraints, tend to vary according to social, economic and political

conditions in their environment. Gender inequality in various aspects of life also worsens the condition of poverty in women.

The facts show that the burden of poor women is greater, found by Birdshall & McGreevey, 1983 (Nainggolan, 2016). This is due to the dual role they have to run, on the one hand as the housekeeper and the other side as the family breadwinner. As a housekeeper, women have an obligation to take care of children, prepare food for all family members, take water, look for firewood, clean the house, and manage household finances, where all these activities are considered not a "job", so they never calculated as a result of "production" in a household. As workers who make a living for their families, often the income earned by women is considered only as an "addition" to the husband's income.

Small and informal businesses are business sectors that have proven to play a strategic or important role in overcoming the effects and impacts of the economic crisis that once hit Indonesia in 1997. On the other hand, the small and informal business sector has also been able to contribute to the growth of the Indonesian economy all the time. The strategic position of the small and informal business sector is also because this sector has several advantages over large / medium enterprises. The advantages of this sector include the ability to absorb labor and use local resources, and their business is relatively flexible. Therefore the role of entrepreneurs will be very beneficial in an effort to be able to alleviate poverty and change lives for the better.

The formulation of the problem in this study are: What is the potential of women and the potential of the regions where women in these poor households live,

What are the obstacles faced by women in poor households in Desa Paluh and

how is the entrepreneurship development model that can be applied as a solution to women's problems in poor households in Desa Paluh Manan, Hamparan Perak Sub-district?

2 THEORETICAL FRAMEWORK

According to (Suryana, 2014) entrepreneurs are people who have the soul to dare to take risks to open businesses on various occasions. Having the courage to take risks means being mentally independent and daring to start a business, without being overwhelmed by fear or anxiety even in uncertain conditions.

According to (Alma, 2011), entrepreneurs are people who break down the existing economic

system by introducing new goods and services, by creating new forms of organization or processing new raw materials. Success in entrepreneurship is not obtained suddenly or instantly and by chance, but with full planning, vision, mission, hard work, and having courage responsibly.

Empowerment of women according to Priyono (1996), empowerment is a process for the community to be empowered, encourage or motivate individuals to have the ability or empowerment to determine their life choices and empowerment must be aimed at groups or layers of society who left behind.

Women entrepreneurs can significantly contribute in poverty reduction, mobilization of entrepreneurial initiatives, autonomy, and in accelerating the achievement of wider socio-economic objectives (Al-Sadi et al., 2011). However, the contribution of women entrepreneurs depends on their performance, which in turn is affected by the underlying facilitators and barriers, understanding of which is a key to nurturing a balance economy and the growth in a long run.

In general, the poor can be divided into two: chronic poor and transient poor. Chronic poor are poor people who earn far below the poverty line and usually do not have sufficient access to economic resources, while transient poor are the poor near the poverty line. If there is a slight improvement in the economy, the condition of the population in this transient poor category can increase and its status changes to a non-poor population.

According to Jhingan (2012), there are three main characteristics of developing countries which are the causes and at the same time interrelated consequences of poverty. First, inadequate education infrastructure which causes high illiterate population and lacks skills and expertise. The second characteristic is that health facilities and consumption patterns are bad so that only a small proportion of the population can become productive workers, and third is the population concentrated in the agricultural and mining sectors with production methods that are outdated.

Stearns (2012) represented that entrepreneurial success has long been considered to differ by gender of the business owner. Previous studies of female business owners have focused on personal characteristics, such as motivation and experience, as predictors of business success. Findings from the constructed model propose to shed light on how these critical factors interrelate and to provide insight into the strength of the relationship each has with the other critical factors. Responses to a specifically developed survey of 228 randomly selected women business owners from the membership of Korean Female Entrepreneurs

Association. Measures of entrepreneurial motivation were derived from the responses and tested using a structural equation model. Business performance was measured by estimates of improvement of sales and profitability provided by the subjects. Each of the three measures of entrepreneurial motivation were found to affect the successes of the businesses as did the critical success factors of family support and knowledge, communication skills, knowledge of business, product competency, business capability, and availability of resources.

Poverty alleviation by developing MSME has good potential. The MSME sector has a large contribution to employment, which absorbs more than 99.45% of the workers. Nevertheless its contribution to GDP is still around 30%. Efforts to advance the MSME sector will certainly improve the welfare of the workers involved. The development of MSME will be able to absorb more existing workers so that it can reduce unemployment.

President Susilo Bambang Yudhoyono, on February 26, 2005, declared 2005 as the Year of Micro Credit (Tahun Kredit Mikro). The effort to flush out microcredit for small and micro businesses is part of an effort to alleviate poverty. The funds for providing microcredit are obtained from part of the BBM compensation fund. There is great hope for the success of this program, given the growth of MSME that absorb the majority of the workforce in Indonesia is believed to have a significant impact on poverty alleviation efforts. Meanwhile, the impact of the increase in fuel prices seems to be increasingly evident. From the preliminary data, the poverty rate rose by 2%, therefore the realization of the distribution of BBM compensation funds to hold back so many people who became poor became important, although there were still many doubts about their abilities. Many programs have been promised by the government to connect BBM compensation funds ranging from providing education, health assistance to providing micro credit for Micro, Small and Medium Enterprises (MSME) (Retnadi, 2007)

The existence of women entrepreneurs in economic activities today has shown a broad spectrum and role in the midst of society, because it is not only able to contribute to increasing family income but also to increasing economic activity and national income. This can be seen from the proportion of women in MSME at 40% (Tamim, 2008).

On the other hand, with the advancement of technology it also has a positive impact on women workers where with the advancement of technology there have been changes in characteristics in certain fields of work which usually only can be done by men now that can be entered and worked by women.

Thus women have an increased opportunity to enter the world of work and participate in various aspects of the economy, of course, while still paying attention to the characteristics of women as creatures of God who are given greater responsibility to support the welfare and success of the family. This shows the strategic position of women in improving the welfare of their families (Ratnawati, 2011).

One of the characteristics of women which is at the same time the superiority that needs to be continuously developed, especially for efforts to increase the income of the poor and district / city minimum wage (UMK), is patience and thoroughness in doing work. This character encourages the wider range of economic activities that can be carried out by women and may be less attractive to men. And for SME themselves, accuracy in financial management is very important to be able to drive the success of this business considering that capital issues are a considerable obstacle in developing this business (Nainggolan, 2016).

Gikonyo et al. (2006), conducted a study of young women with cases of women in rural areas of Malaysia, and using economic, social, psychological, business management and gender approaches found that scaling-up models could be used to encourage economic improvement in rural women. This is driven by the fact that traditionally women have been involved in micro-scale business carried out individually and with their husbands. So it is reasonable to make this micro business as a basis for the development of female entrepreneurs in the context of family economic sustainability.

Jati (2012) conducted research under the title of Analisis Motivasi Wirausaha Perempuan di Kota Malang. The results of the study show that achievement, affiliation, anatomy and dominant variables are factors that influence a person's interest in conducting entrepreneurial activities.

Laura and Sri (2009) conducted research under the title of Implementasi Model Pengembangan Entrepreneur Perempuan Muda Pada Rumah Tangga Miskin di Sumatera Barat. The results of the study show that the model of developing young female entrepreneurs in poor households in West Sumatra is a scaling model where young women have a high motivation to start their own businesses, especially in the fields of trade and agriculture.

Hayati (2007) conducted a study with the title of Studi Terhadap Pemberdayaan Perempuan Dalam Pengembangan Usaha Kecil Menengah (UKM) di Kabupaten Garut. The results of the study show that batik entrepreneurship that is synonymous with women's entrepreneurship is still a challenge because besides its development, it has not yet satisfied the traditional social and cultural influences

of the people that are still very thick. One of the cases that occurred in the development of entrepreneurship in Garutan batik which was not free from the influence of the social, economic and cultural factors of the Priangan people. This is reinforced by the image of people who are more familiar with batik and easier to get batik from Central Java.

Marwanti and Astuti (2012) conducted a study entitled Model Pemberdayaan Perempuan Miskin Melalui Pengembangan Kewirausahaan Keluarga Menuju Ekonomi Kreatif di Kabupaten Karanganyar. Data was collected through observation, interviews, focus group discussions, and documentation studies. The analysis technique uses interactive analysis and gender analysis from Sara Longwee. The results of the study indicate a model called Pro Poor Capacity Improvement (CPIM) which involves several components such as the potential of poor women, barriers, opportunities, family intervention, and freedom.

Singh and Belwal (2008) conducted a study entitled Entrepreneurship and SMEs in Ethiopia: Evaluating the role, prospects and problems faced by women in this emergent sector. Data was collected through extensive review of the existing literature, incorporated a ground survey and focused interviews with groups of female entrepreneurs for assessing the factors related to entrepreneurship. The data pertaining to these issues were collected using 90 personally administered "schedules" in eight areas in Addis Ababa on the basis of stratified sampling. The results of the study indicate that there are problems in the areas of securing finances for establishing and running SMEs, lack of entrepreneurial and management competence and exposure, problems in finding the markets and distribution networks; limited opportunities for promotion and participation; limited amount of government and institutional support; absence of technological know-how and integration mechanism; and rampant corruption in an undisguised or disguised form, as major bottlenecks.

3 RESEARCH METHOD

This research is a qualitative descriptive study through a phenomenological approach. Phenomenology studies are studies that specialize in phenomena and realities that appear to examine the explanations therein. Research is carried out in Paluh Manan, Deli Serdang Sub-district.

Data was collected by conducting in-depth interviews, observations, documentation, and focus group discussion. The number of informants in this

study was 10 people consist of Ketua Kehormatan Asosiasi Business Development Service Provider Indonesia (ABDSPI) Regional Sumut, praktisi UMKM, Kepala Seksi Produktivitas dan Pemasaran pada Dinas Koperasi dan UMKM Kabupaten Deli Serdang, Kepala Desa Paluh Manan and women in desa Paluh Manan.

The variable used in this study were individual characteristic, geographic characteristic and economical potential characteristic. Data analyzed by using interactive data analysis which consist of three steps namely data reduction, data display, and conclusion.

4 ANALYSIS

Desa Paluh Manan is located in Hampan Perak Sub-district, Deli Serdang District, with a number of heads of families as many as 157 families with occupational backgrounds as fishermen, self-employed, or not working / unemployed with 97 as many. In general, women's education in poor households is still relatively low, with most of them having elementary and junior high school education.

The majority of the people living here are Banjar and Javanese, with livelihoods as fishermen, fish farming in ponds and also oil palm plantations. Besides, many roof and stick craftsmen were found which were made from nipah leaves. Using small canoes, people pass by in the river to look for nipah leaves that grow around the banks of the river. These nipah leaves will be used by women / mothers in poor households to cover them and sell them to agents who come to collect the sticks, and the leaves can be used to make roofs. From the work, their average income per week is Rp. 150,000.00 or a month of Rp. 600,000.

Paluh Manan is one of 20 villages in Hampan Perak Sub-district, Deli Serdang District. When crossing Paluh Manan, the roads have been paved in concrete, unlike before where there were still cobbled streets, broken holes. Occasionally, the cultivation of shrimp, crab or tilapia ponds is also cultivated, as well as laying nipah plants along the river flow. The products of the community's aquaculture have arrived abroad. Shrimp and soft shell crabs are the mainstay of products in this village from year to year.

In addition, there are many tourist objects in Hampan Perak such as Siba Island and Lope-Lope Island, which is a potential collaboration for women in Desa Paluh Manan in marketing dinner plate pottery. For this matter, certainly cooperation with

related partners is needed so that the distribution of pottery production can be carried out well. It is expected that the existence of tourist areas will be able to encourage the growth and development of small businesses around the area, so that it will be able to encourage economic activities of the community around the tourist area.

The social and economic activities of a region cannot be separated from the existing infrastructure conditions in the area. The majority of women's residential areas in RTM in Desa Paluh Manan are less than 6 (six) km from the sub-district. In the past two years there have been several clean water facilities in the form of bore wells, toilets and electricity, although there are still people who use river water to meet their clean water needs.

The market has an important role in economic activity, the existence of the market will greatly determine the economic movement of people in an area. When viewed from the nearest market location, women in RTM live close to the market where the distance is less than 1 (one) km, but this market has not operated every day, but only on Wednesday, different from the market in the sub-district, which operates every day, and usually the people of Paluh Manan will go to the market center in the sub-district if they need goods with certain specifications and certain quantities.

The existence of schools is very important to improve the skills and abilities of people's thinking, in the RTM domicile area school facilities are available, especially at the elementary and junior secondary levels. To continue to a higher level they must leave their area because high school level is in the sub-district.

5 RESULTS

From the analysis that has been stated previously, it can be seen the individual characteristics of the female community namely that based on age, women in Desa Paluh Manan are women of childbearing age who are eager for independence in working with low educational backgrounds, namely elementary and junior high schools. So far, they have worked to help fulfill their family's needs by earning very little and categorized poor income, which is an average of Rp. 600,000 per week. Women in Desa Paluh Manan have a strong motivation to be able to earn more income and really expect training that can improve skills in their business fields, such as self-motivation training, hard skill training that improves skills, and

assistance from good institutions universities and governments that will monitor and provide input for the development of their businesses.

Desa Paluh Manan also has geographical potential where this village is a village in the coastal area with the availability of natural resources as raw material for the products produced. Besides, the availability of infrastructure is also adequate as market access for the products produced.

The obstacles in this case are lack of business capital, weak marketing, weak skills from the side of human resources, the absence of a forum or network that helps businesses, there is still a lack of attention from the government and institutions related to the sustainability of the business being run. For this reason, there is a need for attention from related parties to improve the situation of women there. For this reason, an entrepreneurial development model is offered which involves relevant parties who will help solve existing problems.

6 CONCLUSIONS

The conclusions that can be given from this study are:

- a. The potential of women in poor households in Desa Paluh Manan is women of productive age and have the motivation to progress, be independent and have a strong desire to improve the family economy, also have an entrepreneurial attitude that will support business success. Besides, Desa Paluh Manan has regional potential, namely the availability of natural resources, the sufficient existing infrastructure which is suitable to encourage economic activities of the community, as well as the socio-cultural conditions of the people who always encourage citizens to progress and improve the family economy.
- b. The obstacles that Desa Paluh Manan has are the lack of marketing, having low skills, lack of capital, non-formal education or training to improve skills, not yet having a forum that helps work together in marketing products and capital.
- c. Based on the potential of women, the potential of the region and the constraints they have, an entrepreneurial model that is expected to be implemented by women entrepreneurs is developed: (1) through socialization, education, training and mentoring activities such as motivational training to raise awareness the importance of developing family

entrepreneurship toward a creative economy, developing creativity through capacity building so that the products produced are attractive to buyers and according to market tastes and taking into account market potential, micro credit institutions such as through strengthening networks between poor women entrepreneurs and local entrepreneurs as media learning by doing (2) Establishment of special organizations as a forum that will help in terms of capital, production and marketing such as cooperatives, joint business groups on the basis of common types of businesses, BUMDes, and joint markets. (3) Expansion by using the adopted father system (Sistem Bapak Angkat) by involving as many local entrepreneurs as possible so as to strengthen business capital and markets for women entrepreneurs.

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