

COMMUNITY ECONOMIC EMPOWERMENT THROUGH THE DEVELOPMENT OF MICRO AND SMALL AND MEDIUM ENTERPRISES: A CASE STUDY IN ALAMENDAH TOURISM VILLAGE

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Abstract

This research on Community Economic Empowerment in Alamendah Tourism Village is to find out if there are tourist villages that are able to maintain economic balance. This Alamendah Tourism Village makes more use of its natural potential, but economic resources through the MSME sector are also important in this economic empowerment. The development of micro, small, and medium-sized enterprises (MSMEs) is anticipated to be able to maintain the economic equilibrium of a community as a result of the construction of a tourism village. This study seeks to determine the outcomes of community economic empowerment in Alamendah Tourism Village through the development of MSMEs. This study employs a qualitative methodology with descriptive methods. The results of the study show that the community's economic empowerment in the Alamendah tourism village through MSMEs can be increased by encouraging local entrepreneurship, providing easy access to financing, improving product quality, strengthening marketing and promotion, and actively involving the community. With the synergy of local business actors, village government, NGOs and related parties, tourism villages can achieve sustainable economic growth, improve people's welfare, and create an inclusive and competitive local economy.

Keywords: Economic Empowerment, Community, Micro, Small and Medium Enterprises, Alamendah Tourism Village.

INTRODUCTION

The ideal economy is an economy that continuously grows without one year or even one quarter experiencing a decline. Thus, the economy will lead to stable price conditions and the opening of wide employment opportunities. However, in reality economic conditions generally experience ups and downs (Octavianingrum, 2015; Al-Shami et al., 2018).

Economic growth is one of the most crucial aspects of economic development; therefore, economic growth is one of the primary objectives that must be attained. Todaro (1995) and Alao et al (2017) defines economic development as a multidimensional process involving various fundamental changes to social structure, societal attitudes, and national institutions, while pursuing accelerated economic growth, addressing income inequality, and alleviating poverty.

Micro, Small, and Medium-Sized Enterprises (MSMEs) play an essential role in Indonesia's economic expansion. In Indonesia, MSMEs account for approximately 87% of business entities and 85% of employment (Sulaeman,

2020). In accordance with the spirit of *nawacita*, the government seeks to increase people's productivity and international competitiveness, as well as to cultivate economic independence by focusing on strategic domestic economic sectors. The existence of the MSME sector reduces unemployment caused by the inability of the labor force to be assimilated by the labor market. The sector of micro, small, and medium-sized enterprises has also proved to be a pillar of the economy (Murdani & Hadromi, 2019; Abou-Shouk et al., 2021).

Efforts to empower the community's economy are a deliberate and planned effort to change the economic conditions of the community, both individually and collectively, in order to overcome problems related to efforts to enhance quality, life, independence, and welfare (Fatine, 2022). Empowerment, also known as empowerment, is an effort or activity to offer power (strength, energy, ability, and power) to individuals and groups with the goal of enhancing their economic, educational, spiritual, or social quality of life or welfare. a person or group (Arifqi, 2019).

Therefore, what is at the core of empowerment itself can be different according to the field of empowerment carried out. The Community Empowerment Program in the Economic Sector is a government program aimed at improving the community's economy. By empowering the community in the economic field, it is hoped that it can improve the economy and people's welfare. One form of community economic empowerment is the development of MSMEs (Jefri & Ibrohim, 2021).

Micro and small businesses have a strategic role in the local economy because they make a significant contribution to creating jobs, increasing income, and equitable distribution of the economy. In addition, micro and small businesses also support economic sustainability and diversity within a region (Novitasari, 2022).

Villages with rich natural and tourism potential are attractive areas to be developed as economic destinations based on local potential. Alamendah Tourism Village is one of them. Alamendah Village is one of the most advanced agronomic villages in Rancabali District, where the majority of the population's livelihoods are farmers and traders. In addition, Alamendah is known for its Nature Tourism, Religious Tourism, and Agrotourism.

The majority of the population's livelihoods are as Farmers and Farmworkers, currently the superior agricultural products are Strawberry and Vegetable Cultivation as well as Tourism potential. Strawberries and Handicrafts, Trading, Workshop Services, Dairy Farming, Transportation Services, and other entrepreneurship. Alamendah Village has quite good potential for human resources (HR) to serve as basic capital in the context of empowering the community's economy through the development of MSMEs.

This research is expected to make a real contribution to the understanding of community economic empowerment strategies through the micro and small business sector in rural areas. The results of this research are expected to provide valuable input for local governments and other related parties in designing policies and programs that are more targeted in developing the economic potential of the people of Alamendah Tourism Village. In addition, this research is also important as a scientific contribution in the field of economic development and entrepreneurship, and can be used as a reference for other researchers and academics who are interested in continuing

studies on community economic empowerment in rural areas.

Empowerment is an effort to increase the ability and potential possessed by a community so that they can actualize their identity, desire and dignity to the fullest to survive and develop themselves independently (Randy, 2007;). Broadly speaking, empowerment itself is directed at increasing the economy productively so that it is able to generate high added value and greater income. Then the term "economy" comes from the Greek "oikos" and "nomos ". It means household management that can be achieved. Here the term economy refers to the process or business of procuring goods and services for household needs (Sunjoto, 2019). Meanwhile the notion of the community itself is a group of people who interact with each other continuously, so that there are patterned, organized social relations. According to Paul B. Harton, society is a group of relatively independent human beings who live together long enough to inhabit a certain area, have the same culture and do most of the activities in community groups (Suryadi & Sufi, 2019; Lekshmi et al., 2020).

Empowerment of the community's economy is an effort to encourage, motivate and raise public awareness of the potential they have and efforts to develop it, this is an effort to accelerate changes in the people's economic structure in the economy and income. Economic empowerment is basically an effort to strengthen, and have high competitiveness. With economic empowerment, it is hoped that the community will be able to meet their needs through economic empowerment (Arfianto & Balahmar, 2014; Nassani et al., 2019).

The development of human resources, as referred to in Article 16 paragraph (1) letter c, is accomplished by means of the following, according to Article 19 of Law no. 20 of 2008 concerning MSMEs: a. socializing and empowering entrepreneurship; b. improving technical and managerial skills; and c. establishing and developing educational and training institutions to conduct education, training, counseling, motivation and business creativity, and the creation of new entrepreneurs. To foster entrepreneurs who can function independently from the rest of society, the growth of MSEs must prioritize human resources above the other two. Thus, it is important to give the community the tools it needs to boost its human resource quality, which in turn will increase the value of its products and ultimately boost the local

economy for the benefit of its residents (Anggraeni, 2013; Baiq et al., 2018).

Priasukmana and Mulyadin (2001) and Achmad (2023) define a tourist village as a rural location that provides a complete environment that represents the authenticity of the village itself, from the hamlet's socio-cultural practices and everyday rituals to its distinctive architectural and spatial layout and socio-economic activities. or fascinating and novel economic pursuits with the potential to foster many facets of tourism. Such are sights to see, places to stay, eat, drink, and buy trinkets as keepsakes. Thus, a tourism village is a community made up of people living in a relatively small area who are able to engage directly with one another under the guidance of a management and who care enough about one another to play a role jointly by adapting the abilities of different people.

METHODS

This study uses a qualitative descriptive method based on a literature review to analyze and solve difficulties related to the subject of this study. The aim of qualitative research is to raise awareness through understanding and inquiry. A qualitative approach to science is a set of strategies that study social trends and human problems through inquiry and interpretation. In this analysis, the researcher constructs a complex vision, investigates terminology, writes a full report, and examines the state of nature (Moleong, 2014). The essence of qualitative analysis is to study the people in their community with whom they communicate, to try to understand their language and their understanding of the environment around them, to approach or interact with individuals on research with a view to trying to understand them, and to examine their opinions and points of view. perception to obtain important information or evidence.

RESULTS AND DISCUSSION

Bandung Regency is one of the areas in West Java Province which has the potential to attract the tourism sector. In 2019, West Java statistical data shows that Bandung Regency is in 11th position in the potential for Tourist Attractions (ODTW) according to its type with a total of 48 natural tourist objects. One of the tourism potentials owned by Bandung Regency and worthy of development is Alamendah Tourism Village which is located in Rancabali District, Bandung Regency, West Java.

The majority of the livelihoods of the residents of Alamendah Village are as farmers, ranchers and traders, and this village is also known for its tourism potential such as natural, religious, cultural and agro-tourism. The development of tourism objects is expected to increase the number of tourist visits and also have a positive impact on people's living standards. Tourism activities in Alamendah Village are carried out by applying the concept of CBT (Community Based Tourism), meaning that the local community plays a role as the main actor in its management and development.

Community economic empowerment through the development of micro, small and medium enterprises (MSMEs) in tourist villages is a strategy to improve welfare and increase local economic potential. MSME development has an important role in driving the village economy, creating jobs, reducing the unemployment rate, and increasing people's income. The following are several ways to empower the community's economy through the development of MSMEs in tourist villages:

- a. Encouraging Local Entrepreneurship:
Community economic empowerment through the development of micro, small and medium enterprises (MSMEs) in tourist villages begins by encouraging local entrepreneurship. Tourism villages provide a supportive environment for local residents to develop and actualize their potential and skills in entrepreneurship. By opening opportunities for villagers to innovate and create businesses, job opportunities will increase and the unemployment rate can be reduced. Villagers are given the opportunity to develop products or services that are unique and distinctive from their region, utilizing the potential of nature, culture and local traditions as the main attraction for tourists.

Through effective training and mentoring, economic empowerment through MSMEs in tourist villages is able to form competent and independent local entrepreneurs. Business actors are given the opportunity to understand the principles of good business management, improve product or service quality, and optimize marketing. Training also equips them with technical skills, such as using digital technology to expand market reach and use resources efficiently. In addition, ongoing assistance helps entrepreneurs overcome challenges and difficulties that may arise in running their businesses.

Thus, people in tourist villages become more empowered and ready to compete in a wider market, drive the wheels of the local economy, and improve their standard of living in a sustainable manner.

b. Access to Financing

Many local business actors in tourist villages have ideas and potential to develop businesses, but are often constrained by limited capital and access to adequate financing. Therefore, it is important for the government and other related parties to provide various programs and financing facilities that suit the needs of MSME actors. With easy and affordable access to financing, business actors in tourist villages can develop their businesses more steadily.

Capital loans provided at low interest rates or sustainable financing programs help reduce the risk of business failure and provide a better chance of success. In addition, financial assistance also enables local entrepreneurs to develop innovation, increase production capacity, and expand market reach. By obtaining sufficient capital, business actors can invest in developing quality products or services, adopting new technologies, and improving infrastructure and facilities that support business growth.

With adequate access to financing, local economic potential in tourist villages can be maximally actualized. MSME actors can be more confident in taking risks and innovating to expand their business. Empowerment through access to finance also helps increase the competitiveness of local business actors at the regional and national levels, as well as encourages overall village economic growth. With the synergy between the government, financial institutions and business actors, easier and more affordable access to financing is an important pillar in improving the welfare of rural tourism communities through the development of MSMEs.

c. Product Quality Improvement

Improving product quality is an important aspect in empowering the community's economy through the development of micro, small and medium enterprises (MSMEs) in tourist villages. By improving product quality, local businesses can provide added value and more attractiveness for consumers, both

tourists and local communities. Tourism villages with superior quality products can enhance their reputation and image as attractive destinations, thus attracting more tourists which has the potential to increase local economic income.

Through training and capacity building, MSME actors in tourist villages can understand the importance of quality in competing in the market. They are given insight into good production standards, the use of quality raw materials, and efficient and environmentally friendly production processes. In addition, the training also covers the application of relevant innovations and technologies to improve product quality. Thus, local products become more competitive and able to compete with similar products from other regions.

Improving product quality also has a positive impact on the village's overall economic development. Good product quality can build consumer trust and create customer loyalty, thereby providing opportunities for market expansion and increasing sales turnover. In addition, increased product quality also means increased added value from each product produced, thereby increasing revenue and profits for business actors. Improving product quality also opens opportunities for export of local products to global markets, thus opening up new access to increase foreign exchange income for tourism villages. Thus, improving product quality is a strategic step in encouraging local economic growth and empowering people in tourist villages through the development of MSMEs.

d. Marketing and Promotion

Tourism villages must be able to introduce their local products and services widely, both to local and foreign tourists. With the right marketing strategy, a tourist village can increase its attractiveness as an attractive tourist destination, thereby attracting more visitors and customers. In addition, marketing can also be done through partnerships with travel agents, resorts or local souvenir shops to expand product distribution. By carrying out effective promotions, tourism villages can increase the visibility and awareness of their local products, thus creating opportunities to increase sales and income.

In terms of promotion, it is important to raise local identity and culture as the main attraction of a tourist village. Communities in tourist villages can collaborate to organize events or festivals featuring local arts, culture and traditions. In addition, local products can be presented at larger tourist exhibitions and festivals. Support from the village government and regional tourism agencies in promotion is also very important to expand the reach of the promotion and attract more tourists.

With good marketing and promotion, tourism villages can reach a wider market and attract the attention of more tourists. Revenue from tourism and the sale of local products can make a significant contribution in driving the wheels of the village economy and improving the welfare of the local community. Therefore, a marketing and promotion strategy that focuses on the uniqueness and added value of local products is a key element in encouraging economic growth and community empowerment in tourist villages through the development of MSMEs.

e. Community Engagement

The importance of actively involving the community in economic empowerment through MSMEs in villages cannot be ignored. Collaboration that involves all stakeholders, including local business actors, village government, NGOs and other related parties, is key in creating sustainable synergies to achieve common goals in developing the village economy. Business actors who have direct knowledge and experience in the field can provide valuable input in formulating relevant and sustainable empowerment programs. In addition, collaboration with the village government and other related parties allows business actors to access needed resources and support, such as infrastructure, access to financing, and training.

The involvement of NGOs and other related parties also plays a role in providing technical support, knowledge and other resources for MSME development. Collaboration with NGOs enables training, mentoring and capacity building programs for local business actors, so that they can be better prepared to face challenges in developing their businesses. With active collaboration and

synergy among all stakeholders, community economic empowerment through MSMEs in villages can achieve more optimal and sustainable results.

CONCLUSION

The conclusion from the description above is that economic development through empowering micro, small and medium enterprises (MSMEs) in Alamendah Tourism Village, Bandung Regency, West Java, is an effective strategy in increasing community welfare and local economic potential. By encouraging local entrepreneurship, providing adequate access to financing, improving product quality, and actively involving the community, tourism villages can optimize their potential for tourist attraction and create jobs. Through the concept of Community Based Tourism (CBT), community participation as the main actor in the management and development of tourism objects is the key to success in achieving sustainable economic growth and improving the standard of living of the villagers.

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