Determination of micro and medium enterprises development needs based on business characteristics in Dolly

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Determination of micro and medium enterprises development needs based on business characteristics in Dolly

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Abstract. Dolly ex-red light district area is one of the areas that contribute significantly in GDP Surabaya City is the ex-red light district of Dolly. The closure of Dolly ex-red light district by Surabaya City Government made the economy region is declining. The purpose of community service activities is to determine the community needs in developing Dolly MSMEs (Micro Small Medium Enterprises) based on business characteristics. Methods in the implementation of this community service program include the preliminary stage of field survey conducted in the area of research, mapping of MSME locations, interviews and identification of initial problems that exist in the local economic activities in the area ex-red light district Dolly, the implementation phase of potential mapping, problems and find the proposed needs Community by using participatory mapping. And the post-implementation stage is training and workshop and monitoring and evaluation. The output of this activity is the color training for Jarak Arum batik, job management training and financial management for each MSME, textile printing training and comparative study for SMEs Textile printing and SMEs shoes, marketing training for all types of MSMEs in the Dolly ex-red light district. The expected outcome is community commitment to keep developing MSMEs.

Keywords: Participatory Mapping, MSME

1. Introduction
The development of the territory is all the actions taken in order to exploit the potential of the existing region to get the conditions and the order of life better for the benefit of local communities in particular and on a national scale. Regional development should be able to become an effort to grow the regional economy and local economy, so that the region can grow and develop independently by utilizing local resources. Regional development strategy based on local resources is known as the concept of Local Economic Development (Alkadri, 1999).

Dolly localization area is one of the areas that contribute quite significantly in PDRB ADHK Kot Surabaya is a localization area Dolly (Faidah Research Results, 2014). Closing of Dolly’s location on November 10, 2013 Surabaya Social City with help has implications on other economic activities. Economic peputaran chain in the region to stop, such as salons, parking attendants and other activities.

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2013 Surabaya Social City with help has implications on other economic activities. The economic rotation chains in the region have ceased, such as salons, parking attendants and other activities. However, in its development there are problems faced by these SMEs, including still lack of product branding so not many people who know the product. In addition, the ability of human resources to manage the income and expenditures of buying and selling also has not developed so minimal innovation.

Based on the existing conditions that SMEs are the main actors of the economy is the local community, the most appropriate approach is a participatory approach. Participatory approach can be done with bottom up approach. Mudarajad Kuncoro (2002), asserts that the bottom up approach can accommodate community desire in building its territory. The bottom up approach relevant to the condition of the research area is Local Economic Development (LED) with participatory mapping and training. Local economic development focuses on endogenous development policies by utilizing the potential of local human, institutional and physical resources (Blakely, 1989).

Universities have a primary responsibility, namely Tri Dharma Perguruan Tinggi. The three pillars are devotion, teaching and research has a vision to serve the interests of the nation and humanity by being imbued with the nation's cultural values based on Pancasila. The vision is implemented through the concept of University Social Responsibility (USR), which is (a) conducting education as well as conducting research and developing innovation (b) and preserving and developing superior science to be fully harmonized in the effort to realize the welfare of society.

Through community service, universities are present in the community with the aim of assisting the community in facing the problems that occur in the community. Community service undertaken by universities should be in the form of collaboration between various parties to work together for the progress of Indonesia. Related to this in order to support the Surabaya City Government in generating economic activity in Dolly's Localization, universities come up with providing solutions and strategies to the community in terms of reviving and developing community's money.

The purpose of this article is to formulate a strategy for enhancing local economic development capabilities in Dolly's exclusive area through a participatory mapping-based Local Economic Development approach.

2. Methodology

The first paragraph after a heading is not indented (Bodytext style). Methods in the implementation of community service programs are grouped in three stages, namely pre-implementation stage, implementation stage, and post-implementation.

In the preliminary stage, field surveys were conducted in the research areas, mapping of MSME locations, interviews and identification of initial problems that existed in local economic activities in Dolly's ex-localization area. Furthermore, a literature study related to the principles and indicators of local economic development to support community capacity building activities in the development of local economy.

The next stage is the implementation of activities that include the things as follows.

a. Implementation of socialization to the community and kelurahan (lowest level of government).

b. FGD implementation is carried out by involving citizens who are directly involved in discussions and interviews to find the potential and problems faced by the community in developing business.

c. Workshop / training to the community obtained from the analysis. This training aims to support the improvement of business community.

d. Documentation in the form of photos, videos, maps of potential problems as well as leaflets (brochures) and websites to facilitate the promotion of products of local economic activities.

At this stage of implementation to formulate strategies to increase the local economic development capability (PEL) of Dolly community, the method used is community based method (participatory mapping). Participatory Mapping or community mapping is an approach that is carried out through mapping of the territory as well as problems in the community which is done by the community itself.
In its implementation, a focused discussion strategy with the community of SMEs or household industries is conducted. Focused discussions were conducted with the community and relevant stakeholders to produce a representative and targeted improvement strategy.

The next step is post-implementation in the form of monitoring and evaluation activities. At this stage monitoring activities and their results are conducted approach before and after, i.e., by doing assessment between before the intervention activities and after the intervention activities. At the end of the activity will be held an activity evaluation workshop involving all parties related to this activity.

3. Result And Discussion

The potential of Dolly's ex-localization area is the presence of SMEs in Surabaya that are capable of supporting the economic activities of the community. In this discussion will be explained about these potentials and the problems experienced by the Dolly community in developing the business. Human Resources incorporated in UMKM is also a potential that can be developed.

The objects of MSME development are seven potential SMEs in the ex-Dolly locale area, namely SME Tempe Bang Jarwo, Puja UKM, UKM orumy, UKM Batik Distance Arum, UKM Kaos Textile printing, UKM Shoes leather and SME Samijali. The potential of each MSME can be seen in Table 1 below.

Based on Table 1, shows that each MSME has the potential and problems of each in terms of developing a business. In the potential, this problem also obtained direct suggestions from resource persons related to what needs are needed by the community to develop business. This requirement is then measured in its priority level by using weights with the range of points 1-5, where the number 5 indicates the need is very important and the number 1 needs less important. As for some of the needs that are needed by UMKM is the color training for UMKM Batik Distance Arum, aid tool for SMEs Textile printing, UMKM Shoes and SMEs Samijali to simplify and accelerate the work, marketing training for SMEs Puja and ease of licensing for SMEs orumy.

The existence of these potentials, problems and suggestions indicates that every MSME in Dolly's localization has a desire to improve the business to grow better. Based on the level of needs can be concluded there are two needs that have the highest priority level of equipment and training assistance. Therefore, in the form of community service, universities as an institution that performs community service, universities actually can increase the potential of human resources. Where in improving the welfare and business development, the requirement is the management of human resources is done optimally. This is in accordance with the principle of human capital theory which states that education and training are the main ways to increase investment in human beings towards prosperity.

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### Table 1. Business Characteristic and Development Needs of Micro and Medium Enterprises

| NO | MSME’s          | Potentials                                                                 | Problems                                                                                                     | Needs                           | Weights |
|----|-----------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------|---------|
| 1  | Batik Jarak Arum| 1. Raw materials are fairly easy to reach                                   | 1. Less worker craftsmen so feel overwhelmed if you get enough orders                                        | 1. Color training               | 5       |
|    |                 | 2. Batik carving                                                           | 2. There needs to be new technology                                                                        | 2. Training cap                 | 4       |
|    |                 | 3. Has characteristic leaf distance and fruit distance as well as images of butterfly metamorphosis | 3. Requires staff / workforce capable of design                                                              | 3. Marketing training           | 3       |
|    |                 | 4. Already have a working management system                                 | 5. Often get a sudden order                                                                                 |                                 |         |
| 2  | Textile printing ART | 1. Hotel screen printing (product diversification)                        | 1. Labor a little                                                                                                | 1. Help tool                    | 5       |
|    |                 | 2. Have a characteristic                                                   | 2. Little equipment                                                                                           | 2. Entrepreneurship training    | 4       |
|    |                 | 3. Marketing via Facebook                                                  | 3. Capital slightly                                                                                            | 3. Cooperation with karangtaruna | 3       |
| 3  | UKM Sepatu      | 1. Material shoes come from all skin (full skin)                           | 1. little sewing machine                                                                                     | 1. tool aid                     | 5       |
|    |                 | 2. Customers can buy (Design from buyer)                                   | 2. Work management is still lacking                                                                          | 2. Work management training     | 4       |
|    |                 | 3. Have a warranty                                                         | 3. not yet have alternative sponge raw material                                                              | 3. Comparative study with external products                   | 3       |
|    |                 |                                                                             | 4. capital is still a little, overwhelmed if order very much                                                | 4. Training from BPP           | 2       |
| 4  | UKM PUJA        | 1. The processed egg is still fresh                                         | 1. Production process long enough (± 12 days) with conventional method                                         | 1. Expanding marketing          | 5       |
|    |                 | 2. Entrepreneurs already understand how                                    | 2. The marketing reach is still not wide (Surabaya and)                                                     | 2. Marketing online            | 5       |
| NO | MSME’s       | Potentials                                                                 | Problems                                                                 | Needs                                                                 | Weights |
|----|--------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------|---------|
| 5  | UMKM Samijali| Market demand is always there.                                              | Weak human resource management                                           | Own production site                                                  | 5       |
|    |              | The existence of aid tools from the government in the form of frying tools and press tools | Raw material dependence on 1 supplier                                    | One-stop licensing for goods can be taken / taken only one place     | 5       |
|    |              | The existence of a capital pillar from the Ministry of Social Affairs and NGO GMH in 2016 amounting to Rp. 20 million | Lack of reseller agent and consumer certainty coming                     | The raw material from Dolly herself                                  | 4       |
|    |              |                                                                            | Lack of promotion                                                         | Lack of promotion                                                    | 5       |
|    |              |                                                                            | Do not have halal label yet                                               | Samiler storage technology so as not to smell fast and durable       | 5       |
|    |              |                                                                            |                                                                           | Samiler drying technology                                            |         |

3. There are regular orders from civil servants and boat catering by PT PAL (for bothok)

4. There are innovations for salted Eggs are added spices and a particular taste (still experimental)

5. Eggs hold for 12-14 days with normal temperature

3. Labor is less (almost all work is handled by Bu Umi)

4. Work discipline is still poor (training needs).

5. Difficulty marketing the product

6. Distribution of raw materials (duck eggs) is still done alone
| NO | MSME’s | Potentials | Problems                                                                 | Needs                                                                 | Weights |
|----|--------|------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------|---------|
| 6  | UMKM   | Got training from GMH | The absence of a definite production site | Samijali waste treatment technology that does not sell | 3       |
|    |        |            | Not durable (out of date) due to odorous storage process | | | |
|    |        |            | No waste treatment | | | |
|    | Orumy  |            | No support from the government | One-stop licensing for goods can be taken / taken only one place | 5       |
|    |        |            | Availability of raw materials (always available) | The absence of PIRT and halal permits | 5       |
|    |        |            | Marketed by students | Weak management of human resources related to the issue of electricity payment fee | 5       |
|    |        |            | | | | |
|    |        |            | Promotion is done by lowering the price if the purchase in large quantities | The existence of raw materials from the outside (seaweed) | 1       |
|    |        |            | | Own production site | | |
|    |        |            | The existence of capital assistance from students at the beginning of the stand of Rp 320.000 | The raw material from Dolly herself | 4       |
| 7  | UMKM   | Pure soy products | The production process is still done manually | Tools / production technology | 5       |
|    | Tempe Bang Jarwo | Marketing has reached beyond sby (Sidoarjo, Jakarta, Bandung, Gresik) | When sending tempe production to distant places (jakarta, bandung) often rotten | Training to make various processed tempe (other than above dg taste according to consumer demand) | 5       |
|    |        | Marketing methods are | Consumers are limited (have not found a | Training to make various | 4       |
| NO | MSME’s Potentials | Problems | Needs | Weights |
|----|--------------------|----------|-------|---------|
|    | already using social media (FB, IG, WA) | fixed consumer in large quantities | processed tempe (other than above dg taste according to consumer demand) |       |
|    | Monthly turnover +/- 8jt | Limited production equipment |       |         |
|    | Other processed products: tempe nuget, tempe overlap |       |       |         |

The management is done by improving the quality of the community through education and training. This is in accordance with the principle of human capital theory which states that education and training are the main ways to increase investment in human beings towards prosperity.

![Image](image1.png)

**Figure 1.** Dolly MSME’s Products

The emergence of a variety of potential UMKM in the area ex-red light district open up the economic potential of business is very good business for the benefit of the population. Several other economies and other communities will contribute to the advancement of MSMEs in Dolly Localization.

The main results are realized in community service activities in the area of Localization Dolly is a training for the community that is the coloring training for batik distance arum, job management training and financial management for each MSMEs, Training textile printing and comparative studies for SMEs Textile printing and SMEs shoes, all types of MSMEs in the Dolly Localization.

4. **Conclusion**

Based on the results of activities that have been executed can be summed up some things as follows. There has been a mapping of potential and problems faced by MSMEs in Dolly Localization area. Has been achieved involvement and university in the program of community service, especially related to the development of Dolly SME business based on the characteristics. It has been found what kind of needs needed by society to manage UMKM for the better. Training is one of the methods to improve people's economy.

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