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Empowering community in creating business opportunities in Pahlawan Village, Batu Bara Regency

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ABSTRACT

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The growth of small businesses plays an important role in the economic development of the community. Unfortunately, many regions are less able to develop small businesses even though their regions have various economic potentials. The purpose of this community service program was to empower rural communities in creating culinary business opportunities. This community service program was carried out by a team from Universitas Pembangunan Panca Budi by involving the community in Pahlawan Village, Batu Bara Regency. The method used was through lectures and focus group discussions. The materials presented and discussed were business administration management and marketing management. Observation activities were carried out to evaluate the results of community service activities. The evaluation results show that the people in the Pahlawan Village need to develop alternative business strategies, improve business management, and identify various factors for marketing activities in culinary businesses.

Memberdayakan masyarakat dalam menciptakan peluang usaha di Desa Pahlawan Kabupaten Batu Bara. Pertumbuhan usaha kecil berperan penting dalam perkembangan ekonomi masyarakat. Sayangnya,banyak daerah yang kurang mampu menumbuhkembangkan usaha kecil meski daerahnya memiliki berbagai potensi ekonomi. Tujuan progam pengabdian kepada masyarakat ini adalah untuk memberdayakan masyarakat desa dalam menciptakan peluang usaha kuliner. Program pengabdian ini dilakukan oleh tim dari Universitas Pembangunan Panca Budi dengan melibatkan masyarakat di Desa Pahlawan, Kabupaten Batu Bara. Metode yang digunakan adalah dengan melalui ceramah dan focus group discsussion. Materi yang dipresentasikan dan didiskusikan, yaitu pengelolaan administrasi usaha dan pengelolaan manajemen pemasaran. Kegiatan observas dilakukan untuk mengevaluasi hasil kegiatan pengabdian. Hasil evaluasi juga menunjukkan bahwa masyaraka di Desa Pahlawan perlu menyusun alternatif strategi bisnis, peningkatan manajemen bisnis, serta mengidentifikasi berbagai faktor untuk aktivitas pemasaran usaha kuliner.

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INTRIDUCTION

The growth of small business is a good milieu that brings a positive impact on the movement of economy. The emergence of these small businesses has impacted the economic growth (Stan, 2014). This rise gives an indication for employment opportunities (Neumark et al., 2011) as well as improving employees' income. Even, the surge on the number of small business can increase economic development of a country.

Considering on the importance small business, various programs have been set up to develop these businesses. Management improvement, production technique, and marketing are three examples of programs that can optimize the development of small business run by the community. Knowledge on management system is recorded as a strong factor in determining small business performance (Esposito & Evangelista, 2016; Omerzel, 2010). To administer the

management, there must be a right person on the place who is competent in managerial; thus the business managed can be optimal (Dominguez et al., 2010). On the other hand, marketing is also an important factor for every business as marketing strategy will determine a profit from the business being run (Aghazadeh, 2015; Jasra et al., 2010). The use of information and technology needs to be applied in small business as this use is highly contributing to marketing in this digital era (Guercini et al., 2018; Ramanathan et al., 2012; Sanaei & Sobhani, 2018; Wang et al., 2013).

In Indonesia, some parties, like government, enterprise, and community are driven to do community empowerment and development of small-scale business to increase the number of new businesses. In relation to this, our government through the Ministry of Research and Technology of Higher Education (Kemenristek DIKTI) facilitate partnership program. In this case, universities are given the opportunity to carry out partnership with the community through village officials. The partnerships are carried out with the sectors that has or does not have business relations. This partnership program can be implemented through Community Service Program (PPM).

The implementation of PPM to develop a village becomes a productive one, there is a need of identification on some elements existed in that village. Also, the determination of a productive village must be balanced with understanding of characteristics in managing community resources. This aims to identify its benefits; thus, economic development can be done. Areas that can be developed in productive villages are areas that are good in terms of economy, socio-culture, natural physical environment, non-urban characteristics, and unique characteristics of traditional life. One village that meets these characteristics is the Village of Pahlawan, Batu Bara Regency.

The Village of Pahlawan has human resources who can manage the wealth of the sea. However, the income level of the village community is considered low as the majority of them only depends on marine catches. One of the problems experienced by the manager of Pahlawan Village is related to the administration and management of culinary business. The mainstay of the culinary in Pahlawan Village is a variety of seafood consisting of fresh fish, anchovies, mussels, shellfish, and so on. Unfortunately, the business management that has been pioneered in village of Pahlawan is not well documented and managed, thus, the turnover of business sales has not reached its target of the local residents. Financial administration, publication, and marketing management are still not well managed due to their limited knowledge.

This problem needs to be solved so that economic growth can be optimally reached. Some kinds of community services have actually been implemented in other villages in different locations. Those community service programs were empowering small to medium scale business in Serang Regency (Sururi et al., 2021), mentoring on financial management for small to medium scale business in South Tangerang (Sudiman et al., 2020), mentoring on gaining business legal assistance in Sukorejo (Yuwita et al., 2021), and training on the use of information media to develop small to medium scale business in Bukit Lawang (Tommy et al., 2020). Often, the community service program was initiated from a village that already have small businesses so that their development needs to be optimized. The partner villages also have various and different problems from the problems found in Pahlawan Village. Therefore, Department of Management Faculty of Social Sciences Universitas Pembangunan Panca Budi (UNPAB) plans to undertake this community service aiming at empowering the community of Village of Pahlawan in creating business opportunities. This such kind of program needs to be undertaken as it supports the Sustainable Development Goals (SDGs), the eighth point. This goal is to create sustainable economic growth and increase productivity and employment. In line with this goal, through empowering the creation of business opportunities in Pahlawan Village, it is expected that economic growth and employment opportunities will increase.

METHOD

In this community service, UNPAB through the Assisted Village program involves the community in Pahlawan Village. The Village of Pahlawan is located in Tanjung Tiram District, Batu Bara Regency. Most of the residents work as fishermen. The character of the community's *gotong royong* (work together) is still very strongly uplifted. The vast majority of marine product are in the form of marine catches. Social life among residents is very harmonious, peaceful, and supported by a safe environment. The younger generation has a high willingness and motivation to develop the area where they live in. The existence of various potential carrying capacities, the Village of Pahlawan can be developed into a productive village without leaving the existing values of life.

Method implemented to solve the problems of business actor in this program was to do service by providing training. First, the PPM team provided understanding and knowledge to the community about how to manage administration and marketing well. Thus, it would increase business actors' awareness in improving their business. Second, PPM team educated the business actors to be active and sensitive to the improvement of skills needed. Third, the PPM team provided understanding and knowledge to business actors in planning their future business properly and correctly. Fourth, the PPM team evaluated the results by re-observing the pattern of its plan. The series of approaches offered are drawn in the scheme in Figure 1.

Community service program was carried out through trainings of:

- 1. Managing business administration
- 2. Managing marketing



Evaluating the results through observation on business management administration

Figure 1. Chart of the set of approach offered

Here were some working procedures to support the realization of the solution offered. Initially, field observation by interviewing and finding phenomena of problems. Next, socialization was done then problem analysis and finding solution were undertaken. Afterward, listing priorities of implementation steps were administered, then, community service was undertaken through giving some trainings. Lastly, evaluation on the result if the program was done by re-observing the consumption pattern of the community.

The materials taught for the community service program were business administration and marketing management. The method implemented in this program were: 1) lecture and discussion, and 2) question and answer. The material for lecture (upon training session) was distributed to the participants. After the lecture, it was question and answer session and practice. The lecture materials include understanding in managing business administration and marketing. Afterward, question and answer sessions were undertaken. For a clear picture, an activity plan showing the solution steps is detailed in Table 1 and description of partner participation is presented in Table 2.

Table 1. Activity plan of community service program

| No | Day (Month) | Activity | Total of activity | Organizer | Target |
|----|--------------|--|-------------------|---------------------------|------------------------------|
| 1 | 1 (January) | Field observation, interview, finding phenomena of a problem | 1 | Community Service Team | Community and business actor |
| 2 | 2 (January) | Problem analysis and finding solution to offer | 1 | Community Service Team | Community Service Team |
| 3 | 3 (February) | Preparation of Implementation Stages | 1 | Community Service Team | Community Service Team |
| 4 | 4 (March) | Implementing community service through trainings, managing administration, and marketing business | 1 | Community Service Team | Business actor |
| 5 | 5 (June) | Evaluating results through re- observing the administration management and business marketing | 1 | Community Service Team | Community Service Team |

Table 2. Description of partner participation

| No | Partners | Role |
|----|-------------------------------|--|
| 1 | Community and Business Actors | Object of community service implementation |
| 2 | Head of Village | Business actors' partners in giving socialization and guidance |

RESULTS AND DISCUSSION

The initial stage of evaluating the implementation of the community service program was to provide assistance by the PPM team. This assistance was carried out by providing an understanding of production management in order to improve product quality that will become a business for the community (Figure 2). The production was done on traditional snack such as *dodol, emping*, and *lumpia udang* (shrimp spring roll). The next activity was Forum Group Discussion (FGD) (Figure 3). This activity involves the community in Pahlawan Village, the head of village, and village officials. This process was undertaken by providing the participants an understanding of business management and business administration.



Figure 2. The Process of Production Management



Figure 3. The process of business management mentoring through FGD

This community service was done through lecture, question and answers session, and open discussion with the community and business actor. In question and answer session, there was a dialogue between PPM team and participants in which they both get important information, among others: 1) there was no activity that empowers the community through the expansion of the community business sector; 2) the existence of a training center had not been maximally reached the heart of the community; 3) the open market had resulted in growing competition from other similar product; 4) there had not been a network of cooperation between institutions in the business subsystem, especially between the community and traders. In addition, from the re-monitoring of business management, potential strategies can be undertaken. The community can carry out and develop alternative business strategies in Pahlawan village. The community needs to first identify the internal and external factors in managing the marketing administration of the product they produce. This is done so that alternative policy resulted can provide solution in dealing with problems faced in business.

This community service also provided knowledge to the community about administration. The administration undertaken was an activity related to the implementation of policies in achieving goals. The process of managing business administration was carried out by: 1) directing, it was management that functions as a way of giving guidance, suggestion, instruction for tasks that were carried out properly and are truly targeted from those that have been originally set; 2) coordinating, it was to carry out number of activities so that they run well by avoiding chaos, fight, and vacuum of activities carried out by connecting, unifying, and harmonizing the work of subordinates so that there was directed cooperation in an effort to achieve organizational goals; 3) reporting, it was the management that applies in presenting developments or results of activities by providing explanations of the duties and functions of higher officials both verbally and written, thus, in receiving a report, an employer could have a clear picture of tasks undertaken by the ones who performed it, and 4) budgeting, it was an activity in managing and planning sustainable finances or budgets.

In relation to the community service program, an effort to empower the community was done by encouraging, motivating, and raising awareness of their potential to be more efficient and effective. This can be interpreted that community empowerment is a way to change a person's mindset from feeling unable and impossible to feeling of capable,

able, and very likely to make a change. The enlightenment in the community about their strengths and potential can provide mutual awareness that change towards prosperity is a hope.

The community service undertaken in this program is an important effort in improving potential of coastal areas as the center of community's economy. In this community service program, it is reported in this article that the PPM team has involved the community in Pahlawan Village. The village is close to the sea; thus, many residents work as fishermen. The area adjacent to the ocean is actually potential as economic center (Adry et al., 2018; Purida & Patria, 2019). Such area can be a source of community income, both from marine commodities (Aslan et al., 2015; Poeloengasih et al., 2014; Sudarwati et al., 2020; Wahyularassati et al., 2019) as well as tourism centers (Papageorgiou, 2016; Prasetyo et al., 2018; Rudiastuti et al., 2018). However, there are many seashores cannot develop optimally for various reasons. The assistance given by the PPM team is one of the important efforts in overcoming these problems.

In this program, the PPM team has done the community empowerment in the village community to grow small scale businesses according to the commodity that is available in the area. Although the PPM team have already conducted the community service program, another PPM program need to be undertaken to optimally reach out the village potency. The increase in the potential of coastal areas can be optimized by maximizing the improvement of facilities, management, and mentoring on community empowerment. Therefore, the community services that were carried out by the other team, such as empowering small and medium business groups (Sururi et al., 2021), financial management for small and medium enterprises, socializing strategies to increase productivity for small and medium enterprises (Sudiman et al., 2020), mentoring on legal assistance for small and medium enterprises (Yuwita et al., 2021), also training on the use of information media for business marketing (Tommy et al., 2020) are required to be undertaken in Pahlawan Village

CONCLUSION

In this community service, the PPM team from UNPAB has undertaken the community empowerment activities in Pahlawan Village. This program is carried out as an effort to foster a productive society by earning income from the culinary business sector. Knowledge that is informed to the community in the form of business management and development, excellent service in the village of Pahlawan, and preparation of business administration. The results of monitoring concluded that the community can implement and develop alternative business strategies in Pahlawan village and identify internal and external factors in the management of product marketing administration. Business maagement also needs to be improved by increasing product quality as well as fulfilling an effective marketing model. This strategy aims to develop residents' busness, so that will be the focus of bisiness development.

Some suggestions also need to be considered to optimize the impact of this service program activity, including the management of village-based business administration that should be carried out continuously and periodically. The community also needs to manage administration such as village asset archives, organizational records, business financial administration management. The next community service program also needs to be implemented in Pahlawan village with a focus on excellent service training, productive village marketing, or other trainings to attract consumers,

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