

## BALI WOMEN EXISTENCE IN LOCAL ECONOMIC DEVELOPMENT: MODEL IMPLEMENTATION AND EVALUATION

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### ABSTRACT

*This study aims to examine the evaluation of the implementation of the model design and its implementation of the existence of Balinese women in strengthening the local economy, then make corrections if found obstacles in its implementation, the evaluation result and the final stage test determine the effectiveness of the model of economic strengthening for SMEs led by Balinese women in Klungkung Regency in managing the creative industries of endek handicraft. This research is a development research, with samples at UMKM in Klungkung Regency among others, in Gelgel, Sampalan, and Sulang villages. Informants of research include the Department of Industry and Trade, Department of Cooperatives and SMEs, owners of SMEs consisting of women as well as producers, distributors, and consumers are determined purposively. The results showed: the occurrence of improving the quality of human resources in the field of handicraft weaving endek brings a positive influence in terms of socio-economic citizens; Increasing the quality and quantity of Klungkung people's welfare, production, human resource management, empowerment, and cooperation; The existence of improving the quality of life of women weaving endek Klungkung tie toward the distribution of welfare.*

**Keywords:** local economy, model, women.

### INTRODUCTION

Based on data from the Central Statistics Agency (BPS), the share of employment by micro, small and medium enterprises (MSMEs) continues to rise, from around 73.4 percent in the period of crisis in 1998 to reach 95.7 percent in 2012. This indicates that MSMEs are crucial for job creation and absorb the labor force. Development of MSMEs is closely related to the dynamics of the entrepreneurial ecosystem itself. Based on International Finance Corporation (IFC) MSME Country Indicator data in 2010, Indonesia was among five countries in the world that had the highest density of MSMEs (number of MSMEs per 1,000 people), namely Brunei Darussalam ( 122 ), Indonesia ( 100 ), Paraguay ( 95 ), the Czech Republic ( 85 ) and Ecuador ( 84 ). The average world MSME density is 31. Some neighboring countries have a much lower ratio, for example Malaysia (21.4), the Philippines (9), Singapore (34.9), Thailand ( 34 ), Vietnam ( 34 ) and China (7.7). Overall, economies with higher income per capita tend to have more formal MSMEs per 1,000 people. Micro-sized businesses (with asset values and maximum turnovers of Rp 50 million (US\$3,728) and Rp 300 million dominate the number of MSMEs in Indonesia amounting to 98.9 percent. Small businesses (with asset values between Rp 50 million and 500 million and turnovers between Rp 300 million and Rp 2.5 billion) and medium-sized businesses (with asset values between Rp 500 million and Rp 2.5 billion and turnovers between Rp 2.5 billion and Rp 50 billion) only account for 1 percent and 0.1 percent, respectively. In Malaysia, the Philippines, and Japan, for example, micro-sized businesses still dominate, but their proportion of total MSMEs is smaller than Indonesia. The proportion of micro-sized business in total MSMEs in Malaysia, the Philippines and Japan stands at 79.3 percent, 92.3 percent and 61.1 percent, respectively. According to the BPS, Indonesia's MSME contribution to GDP reached 57 percent in 2012, while in Malaysia and Japan it was only about 33.1 percent and 50 percent, respectively, in 2014. This is partially affected by the large number of Indonesia's MSMEs in the national economy as indicated by MSME density. Another factor is associated with industrial structure. For example, compared with Indonesia, Japan is perceived as an economy of large manufacturers, thus the cumulative output of these larger manufacturers has a significant contribution to GDP. In order to enhance the MSME's contribution to the national economy, fostering a national entrepreneurial ecosystem is absolutely necessary. The scaling up businesses from micro-sized to small-sized and small-sized to medium-sized must be promoted, along with the ongoing efforts to foster new entrepreneurs (startups) in the country. To achieve this, at least three things can be done together by the government and the private sector, which involve government policies and programs, research-and-development (R&D) transfers and innovation and business financing (Hermanus, 2018). Competitiveness of MSME can be enhanced through better human resource (HR) practices of recruitment, selection, training and compensation (Katyul & Xaviour, 2015).

According to (Kuncoro, 2013), Regional economic development is a process in which local governments and communities manage existing resources and form a partnership pattern between local governments and the private sector to create new jobs and stimulate the development of economic growth (Susanti, Hanafi, & Adiono, 2017). Through the integration of the power of women in supporting the quality of human resources can advance these areas in parallel by promoting the development of creative industrial centers endek ikat clothing Klungkung. Integration and cooperation is the key to success in the implementation of a country's development, although the development activities will be focused on local or village level (Kurniawan, 2008). On the other hand, the development of small industries at the same time can support the development of the tourism sector (Antara, Satriawan, Sukaatmaja, Rimbawan, & Tuningrat, 2011). In a society, both complex and simple, there are a number of cultural values that are intertwined to one another into a system, and the system as a guideline of ideal concepts in

culture provides a powerful driver for the direction of life of its citizens, woven endek tied very closely to the traditions and culture of Klungkung.

Women's empowerment is now a mainstream development concern. Much of the narrative focuses on instrumental gains, what women can do for development rather than what development can do for women. Empowerment is treated as a destination reached through development's equivalent of motorways: programmes rolled out over any terrain. But in the process, pathways women are travelling in their own individual or collective journeys of empowerment remain hidden (Cornwall, 2016). The obstacles to women's mobility in business, and even some experiences show that the business originally initiated by women, after the business develops its management and formal ownership shifts in men, because it requires high mobility. Gender based variations of daily mobility is an established phenomenon in both the developed and developing parts of the world (Uteng, 2011). A recap of the development interventions undertaken in the developing countries to impact gender equality, women's empowerment and poverty reduction highlight their limited success. Despite extensive discourse and resources that have focused on women as key actors for development, their situation has not changed considerably (Jacana, 2006). By looking at the data above, the more clearly the contribution of small micro business, especially women in family and country economy in general. Women who are very strategic, but not balanced with the attention and recognition given, both by the government, and family. Even small-micro-women businesses still experience many problems caused to structural and cultural injustice.

The Evolution of 'Women in Development' to 'Gender and Development' In the 1970s, research on African farmers noted that, far from being gender neutral, development was gender blind and could harm women. Out of this realization emerged the Women in Development (WID) approach, which constructed the problem of development as being women's exclusion from a benign process. Women's subordination was seen as having its roots in their exclusion from the market sphere and their limited access to, and control, over resources. The key was then to place women 'in' development by legislatively trying to limit discrimination and by promoting their involvement in education and employment (Bradshaw, Castellino, & Diop, 2013). The model of local economic strengthening in this research is to move the role of women in producing endek craft more bottom up and managed independently by the group with the help of various related elements at the village, sub-district and district level. The main core is the participation of women in which the representation of the community acts as a subject rather than an object. In a participatory economy, the community as one of the stakeholder elements of the region will be a major driver in the wheel of economic activity in the region. The synergy model of strengthening the local economy with the involvement of Balinese women in the development of small endek industries in Klungkung Regency basically builds institutional strengthening synergy, the concept of synergizing the various mediums among sectoral institutions, the synergy between inter-regional actors, the synergy of the function and the type of institutional services of the people economy is applied / linked to the characteristics of the economic activities of the community.

SMEs are active in variety of business activities ranging from handlooms, engineering and software firms, event management companies, manufacturing products for big enterprises, automobiles etc (Khatri & Khushboo, 2014). The survey results of SMEs business climate mapping in Klungkung district that 35% of micro and medium entrepreneurs have problems with market access, 25% have problems about improving the quality of workers in the business sector and 60% have problems with access to capital. It shows that there are still many problems faced by MSMEs, especially in building a good network that has been recorded in survey and not yet, Survey conducted by GTZ Red (Regional Economic Development). Then it becomes strategic for KPPU given role of supervision of MSMEs partnership and bigger company in order not to exploit MSMEs by big company because of its weak bargaining position. Moreover, some Klungkung endek product design has not been registered as Geographical Indication product of Klungkung regency. This is certainly very vulnerable occurrence claim. Geographical Indications follow first to file system, registration is the main requirement to get protection. While the target is increasing knowledge and attitude of entrepreneur and increasing productivity of Small Business. Various efforts that have been made by the government to foster and develop small businesses did not bring significant impact. This is evident from the growth of Small Business which is still far from expectations because it is always trapped in the classic and complex problems faced. From the internal side, among others the quality of human resources, working capital, provision of raw materials, entrepreneurship, organization, and business management. From the external side, including the procurement of raw materials, access to finance / credit institutions, marketing, competition, bureaucracy, and economic policy support that has not been fully in favor of Small Business.

Therefore, responding to the complexity of the problems experienced by SMEs, the research team in the first year (2017) has succeeded in drafting a model of local economic strengthening, targeting three basic dimensions of community empowerment: (1) Core: Investments to increase the assets and capabilities of the poor, both as individuals and collectively. Direction: Ability to solve problems independently and increase bargaining power in institutional relationships. (2) Support: Institutional reform towards good governance and public accountability, both due to community demands and due to the imperative of adjustment to the shift of development paradigm. (3) Mechanisms: Changing power relationships through a dialogical / interactive process towards a relationship based on equality, justice and dignity. Of the three basic dimensions of community empowerment, especially the Balinese women, poverty alleviation must be comprehensive. Starting from the improvement of education and skills, the provision of job opportunities and striving to the preparation of support institutions. Bali women's active roles can support the development of new entrepreneurs based on local economic development. The model of local economic strengthening for Balinese women in endek craft (Geographical Indication product of MSMEs Klungkung), the design can be the development of business partnership that includes synergy is the implementation of CSR (Corporate Social Responsibility), that is kind of concern or moral responsibility from big companies to provide assistance to the community or small and medium enterprises in developing their business. As a manifestation of awareness and in an effort to promote economic growth in realizing the welfare of the community, the government through the Decree of the Minister of SOE No. 236/2003 obliges SOEs to set aside 1-2% of the company's net profit for PKKBL program, Partnership and Community Development Credit Program.

The local economic development model embodied in the main program of development and development of Small and Medium Enterprises can be viewed from the process in which development actors work collectively with partners from the public, private and non-government sectors to create better conditions for economic growth and employment. Through this process they form and maintain a vibrant business climate, increasing the economic prosperity and quality of life of all citizens. The main feature of local economic development is its emphasis on local-based development policies using local human resources, institutional and natural resource potentials forming regional competitiveness. as follows: (1) Conducive business climate creation program. (2) Program for increasing access to productive resources. (3) Entrepreneurship and small business development programs are competitive. the goal is to develop entrepreneurial behavior as well as enhance the competitiveness of small businesses.

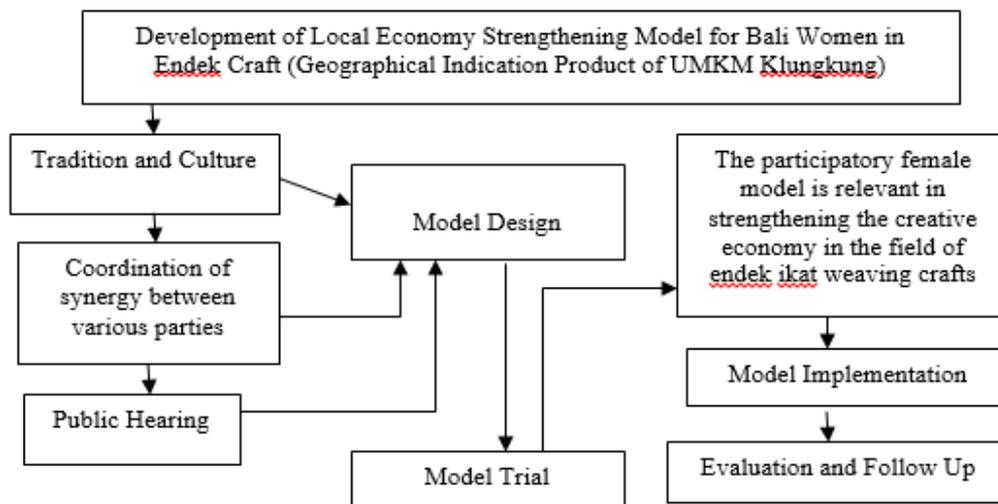
The problems that are focused to be studied are as follows: 1. How is the development of local economic strengthening model for Balinese women in endek craft as a product of geographical indication of Klungkung regency? 2. How is the influence of the local economic strengthening model of endek crafts on the existence of Klungkung's struggle as the subject of creative industry? 3. How is the MSMEs partnership strategy of endek craft of Klungkung with the Department of Industry and Trade, Cooperatives and SMEs, and Higher Education Institution managed by women can make product innovation and market expansion?

Research from (Rustidja, 2007) examines the study of local economic development (LED) is an alternative development for developing countries like Indonesia. Application of LED has strength in addition to its weaknesses and constraints. (Merta & Berata, 2010), the results achieved in this study: wooden craft that can be used as a source of scientific information about the form, function, technique, and the process of making it. The ethics of (Susanti et al., 2017) examines local economic development (LED) is a process whereby local government and community organizations are involved to encourage, stimulate, nurture, business activities to create jobs. In Pagelaran, to create new jobs and improve the economic concept of local economic development is also implemented. Research by (Rodríguez-Pose & Tijmstra, 2005), LED can indeed be a complement, if not an alternative, to existing development strategies in the Sub-Saharan African context. The potential benefits of the approach, such as stronger participation of local residents and stakeholders, the formulation of more balanced development strategies, and greater emphasis on the sustainability of development, offer a potential relatively new way for tackling some of the main problems faced by SSA's urban centres and city-regions. However, the generally difficult development environment local and regional governments face, combined with the lack of funding and government capacity, both in terms of skills and infrastructure, is likely to limit the ability of sub-national institutions to develop and implement successful strategies, especially in those areas where capacity constraints are greatest. (Dwitasari & Indrajaya, 2017), the results of data analysis obtained a positive positive effect of 0.474 on production, capital has the greatest influence on production. Working hours have a positive effect of 0.148 on production. Education has a positive effect of 0.044 on production and production has a positive effect of 0.998 to the income of Dulang fiber craftsman. Variable of production is intervening variable influence of capital, working hours, and education to income Dulang Fiber craftsmen. Similarity of previous research with research from research team is found assessment about craft industry. Significantly differentiate the researcher from previous research, that this research focuses on the strengthening of the local economy because in the field there are still MSMEs in the endek bundling sector which has not been synergized including the advocacy and supervision of their own way. MSMEs with entrepreneurial image are many Geographical Indication products such as endek ikat weaving crafts have not been registered. Vulnerable to the occurrence claim endek motive. Registration Geographical indications embrace first to file system, registration is the main requirement to get protection. The model of local economic strengthening of endek craft as a product of geographical indication, the utilization of existing local resources, involving the role of women who are incorporated in SMEs whose contribution can be physical, human, and institutional resources.

## **RESEARCH METHOD**

The focus of research studies in the field of customs, traditions, culture, institutions, and public participation. A Roadmap for Local Strengthening Economy Model for Bali Women in Endek Craft (Geographical Indication Product of Klungkung MSMEs). Type of research development. This research is a model development research with populist economic approach in modeling in strengthening local economy of endek ikat weaving craft in Klungkung Regency. The subjects involved in this research are Disperindag, Dinas Koperasi and MSMEs, and stakeholders are Non Government Organizations represented by representatives of SME owners who also have capacity as produce, distributor, and consumer. Stages or design of this study is described as follows:

Scheme 1. Research Design



The data collected to be analyzed is qualitative and quantitative in this research, which includes the model validity, user response to the model to be developed. Data collection techniques can be seen in Table 1.

Table 1 Data Collection Technique

No	Data Type	Method	Data Source
1	Related information on model developed	1. Interview 2. Observation	Department of Industry and Trade, Department of Cooperatives and SMEs, owners of SMEs consisting of women as well as producers, distributors, and consumers
2	a valid model	Questionnaire	model feasibility test by competent user
3	user Response	Questionnaire	Department of Industry and Trade, Department of Cooperatives and SMEs, owners of SMEs consisting of women as well as producers, distributors, and consumers

Through this interview and questionnaire method, the researcher knows the problem that happened in model development process. The questionnaire method is used in the review activity of model feasibility test by competent user. The feasibility test consists of two options that are Appropriate and Inappropriate, while for individual testing, small group trials, field trials, and response tests consist of five options, namely: Strongly Agree (SS), Agree (S), Less Agree (KS), Disagree (TS), and Strongly Disagree (STS). The questionnaire scores can be seen in Table 2.

Table 2 Respondent Test Questionnaire Score

Alternative	Positive Statement Score	Negative Statement Score
Strongly Agree (SS)	5	1
Agree (S)	4	2
Less Agree (KS)	3	3
Disagree (TS)	2	4
Strongly Disagree (STS)	1	5

## RESULT AND DISCUSSION

Based on the findings research in 2017 (Purnamawati, 2017), the strategic plan with this research can be born Local Economic Strengthening Model for Bali Women in Endek Craft (Geographical Indication Product of Klungkung MSMEs). The content of gender equality is designed with a pluralist model, the way to test this model departs from the proposition that the interaction between groups is the focal point of reality that contributes to the creation of local economic forces such as producers, consumers and distributors. The group is seen as a bridge between individuals and governments. The common consensus is the arena of group struggle to win public policy. The purpose of consensus is to manage group conflict. The actions are: (1) Determining the rules of the game in the group struggle. (2) Arranging compromises into public policy form. (3) Arranging compromise and developing interests, and (4) Strengthening compromises. The focus of the Local Economy Strengthening Model for Bali Women in Endek Craft (Geographical Indication Product of MSMEs Klungkung) is targeting gender equality, protection of geographical indication, mutualist cooperation between industry players, policy and public sector penetration and effectiveness of local market strengthening model to endek endek craft regardless of the participation of Balinese women in the highly participatory Klungkung district.

The findings in this research are (1) The strong influence of purusa system in the social life of Balinese society also influence the performance of women in work in the field of art of craft, there is still assumption of woman less suitable wrestling in the field of weaving crafts endek. However, responding to market demand and the existence of a participatory performance demonstration by Klungkung women in the endek weaving craft have answered the concept of gender equality in managed handicrafts. (2) The occurrence of cases of duplication of endek ikat handicraft motive by irresponsible pengerajin impact on the threatened product of local wisdom Klungkung. (3) The model of strengthening the local economy with the empowerment of Balinese women as well as responding to the stigma that women are not only minimal but labor-intensive work to be able to take responsibility as owner, as well as manager, and coordinate the workers in every MSMEs located in Klungkung area. Based on the problems that occur sustainability of handicraft management endek ikat woven with the involvement of women need to be supported to be productive to grow so that there is no misuse of the function of the main tasks by certain parties that can actually harm in the long period of time, especially pengklaiman motif, blurred role of women and men because of the ties of tradition and culture, and the optimization of local potentials that need to be productive.

The results show that, (1) Balinese women pursue endek bundle handicraft based on hereditary cultural heritage, amidst the influence of the evolving purusa system, sometimes the appreciation of women's contribution in the field of minimal art; (2) In addition, the protection of product law has not been done in coordination with the Department of Industry and Trade, the Cooperative Service and MSMEs; (3) The strengthening of the local market has not been supported by the training and training system for MSMEs, exhibition performance system for product promotion, packaging and packaging product.

The Results of this research is: (1) 12.05% considered that, after experiencing the whole implementation process of the model, the evaluation of the results achieved shows that the implementation of the model is entirely successful. (2) 77.60% considered that, after experiencing the whole implementation process of the model, the process was very successful due to the results achieved and the manner it was executed. (3) 10.35% considered that, after experiencing the whole implementation of the model, the change made meet expectations and, although they did not take the failure of such a change into consideration, they admitted that the developed model show any satisfactory results.

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