



Female Entrepreneur Potency in Meger Village, Klaten, Central Java, Indonesia

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Abstract

Female entrepreneur is important to a village's progress, because the potency the rural women can be utilized to empower their village's resource more expediently. This research aims to find out the potency of female entrepreneurs in order to direct more easily the type of business to be developed to improve their standard of economic life. This study used a descriptive qualitative approach. This research taking place in Meger Village, Klaten Regency, involved female citizens, affiliated with PKK (Family Welfare Program) consisting of 70 women. The sampling technique used was purposive sampling. Technique of analyzing data used was an interactive data analysis. The result of research shows that many Meger Village women have potency in processing food including snack or cooking provided for food stall or catering. This potency needs to be developed in order to be useful to increase the income of Meger village women.

Keywords: *Potency; Entrepreneur; Female Entrepreneur*

Introduction

Development is an endeavor to grow and to change as planned and is implemented consciously by a nation, a state, and a government. Every state surely conducts this development activity. To see a state's successful development implementation, some questions should be posed. There are three questions to be posed on the development of state, according to Dudley Seers in Tjokrowinoto (1987). Firstly, what is occurring with poverty? Secondly, what is occurring with unemployment? Thirdly, what is occurring with gap? If the answers to the three questions are "substantial decrease", the state is surely experiencing development period. There are varying concepts of development in social economic field, depending to its user context. Economists develop development theory based on the production capacity of human labor in development process, later called *investment in human capital*. Human as *human capital* is reflected on knowledge, idea, creativity, skill, and work productivity (Schultz, 1961).

Building villagers in Indonesia is not only the government's responsibility, but it also needs public support and participation, recalling that two third of Indonesian populations live in rural areas. The implementation of rural development from one government period to another has not run optimally yet to free the villagers, particularly the poor villagers, from poverty and disadvantage fetter. The number of Indonesian poor population during Covid-19 pandemic, according to data of Central Bureau of Statistics

(BPS) is 27.55 million people per September 2020, increasing by 1.13 million from that in March 2020 and 2.76 million from that in September 2019.

The proportion of poor populations in Indonesia, according to data released by Kompas.com on February 18, 2021, is still dominated by Java Island during pandemic. The open unemployment rate is 7.07% in 2020; it increased by 1.84% from that in August 2019, 5.23%, with the following details: (1) 2.56 millions people become unemployed, (2) 0.76 million people become non-labor force, (3) 1.77 million people not working provisionally, and (4) 24.03 million people working with the reduced working time.

Village fund has been a hot issue in the community life, since the issuance of government regulation no. 6 of 2014. This regulation states that Village Government get budget 10% of APBN (State Income and Expense Budget). The fund will be utilized for improving the quality of villager life. The quality of life is measured through economic, educational, and health levels of villager. Economic improvement can be seen from the populations' per capita income. Meger village has per capita income of IDR 1 million on average. It indicates that Meger Village still belongs to poor village category that still needs empowerment.

An advanced village is the one that can manage its natural resource to be something useful. It means that people have been able to process the natural resources becoming the typical characteristics of the village and to convert them into reasonable wage. Rural economic improvement also results from the development of MSMEs coming from the village. These MSMEs are a productive and sustainable enterprise, and thereby capable of creating job opportunity for surrounding people (Kessa, 2015).

Natural resources the Meger Village has include 85.180000 ha-wide rice farmland and 36.720000 ha-wide dry field. The rice farmland consists of technically irrigate, irrigate and technical, rainfed, and tidal rice farmlands. Meanwhile dry field consists of horticultural field, settlement, and yard. As known, sharecropper income is not expectable now, recalling the price of fertilizer and seed and other expenses to cultivate the land not corresponding to the expected outcome.

Daily social activity in Meger Village is dominated by women (e.g. *pengajian* [Quran Study], *arisan*, *gotong royong*, and other social activities). Data of women's livelihood in Meger Village shows that 266 women have not worked yet or are unemployed, 373 women are housewives, and 135 are employees and workers in private company. The rest of them can be empowered easily by directing, guiding, and facilitating them to be female entrepreneur, according to their own interest and potency. Knowing and analyzing their potencies will facilitate the mentor to lead them to find out the appropriate type of business and development model to improve their standard of economic life.

Research Method

This research employed a descriptive qualitative approach. A qualitative approach is the research procedure yielding descriptive data, both writing and speaking, from what is observed, felt, heard, and documented. Meanwhile, a descriptive method is the one describing a certain condition or event based on fact existing, to draw a conclusion then based on the fact. The descriptive qualitative research method was selected to get in-depth data. This method is appropriate to this research as it attempts to find description on anything, so that the phenomenon can be disclosed clearly and accurately. This research took place in Meger Village by involving the women affiliated with the Family Welfare Program (Indonesian: *Pembinaan Kesejahteraan Keluarga* or PKK), consisting of 70 women. The sampling technique used was purposive sampling. This research was a descriptive study. Thus, to obtain data as much as possible, some techniques were used: observation, interview, and document study. The research procedure included data collection, data processing, data analysis, data display.

Data collection was conducted through literature study, interview, and observation. Literature study is the activity of collecting literature data, reading and recording, and managing research material. Interview is an activity of collecting data in the form of information from a resource person, by means of posing some questions. Meanwhile, observation is an activity of observing or reviewing precisely and directly the research location to find out the condition occurring or to prove the truth of a research design implemented. Data validity test was carried out using source and method triangulation techniques to meet data credibility. An interactive data analysis was used to find out the data objectivity.

Data processing; data obtained was classified and processed. Data analysis; data was conducted to refine, to classify, to direct, to dispose unnecessary data and to organize data in such a way that the final conclusion can be drawn and verified. Technique of analyzing data used in this research was an interactive model of analysis. Data display; is a series of information allowing for conclusion drawing from the research. Data display includes sentence narration, figure/scheme, network and table as the narration.

Result and Discussion

Entrepreneurial Interest

Basically, everyone, both male and female, can do entrepreneurial activity. An entrepreneur should have strong character, take risk bravely and be responsible for what he/she has done. So far, many studies have compared and analyzed female entrepreneurs. In the last two decades, the concept of female entrepreneur has been recognized to be significant contributor to the state's economic growth (Nair, 2015). Female entrepreneur is viewed as an activator of growth and development, who plays important role in developing countries. However, the number of female entrepreneurs is lower significantly. The reinforcement of female entrepreneur is dependent on policy measures adopted nationally, high education level, good internet connectivity, and likewise women's motivation to be independent and creative that can result in successful business development (Stefan et al., 2021). Female entrepreneur faces such complex challenges as financial access, inadequate training leading to inadequate technical skill, inadequate knowledge on financing source and technical support, tight market competition, women marginalization, and inadequate knowledge on marketing strategy (Rudhumbu et al., 2020).

Viewed from women's potency in rural areas, women contributed significantly to activating household economy in particular and rural economy in general. Similarly, women play more active role than men do in social activities. In Meger Village, women contribute actively to monthly routine *pengajian* and *arisan* activities, so that these activities are utilized as a means of communicating and socializing PKK program and other economic activities like save-loan, *arisan* for daily needs, and even other household needs. There are also maternal and child health such as body weighing, immunization, and health food distribution with Village Puskesmas help. Another social activity is *gotong royong* (mutual cooperation) to help those experiencing disaster or mourning.

Modern economic growth theory views economic growth as the foundation of social development, and human capital or human resource as endogenous factor supporting economic growth. Women are the creator of social material wealth, spiritual wealth and human resource. This theory is in line situation and condition of women in Meger village. I women participate more actively in social productive work in modern society, women's human capital will play more important role in economic growth and social development. The increase in female human capital stock will surely encourage a sustainable social-economic development and growth shift (Guan, 2019).

The research conducted in Meger Village indicates that many activities have been conducted by PKK members in building a business in Meger Village. Originally, these activities done jointly are used to increase the cash of PKK organization at Neighborhood Association (Indonesian: *Rukun Tetangga*,

thereafter called RT) level. However, as time goes by, the women want productive activities that can add their household income because most members of it are housewives. Their internal motivation becomes the main factor generating the interest in being female entrepreneur among the women in Meger Village and this interest should be developed, built, and facilitated to realize their wish to get income and improve household economy. It, of course, will impact the economic growth and development in Meger Village. It will be realized well with the support from Village Government by empowering the function and role of Village-owned Enterprises (Indonesian: *Badan Usaha Milik Desa*, thereafter called BUMDES).

So far, the function and role of BUMDES as the village-owned enterprise has not been optimum for productive activities. The fund is largely still absorbed for save-loan business for the needing villagers. A respondent said that some training have been conducted on food processing and handicraft production, despite no follow-up. For example, some women are interested in producing bead-made bag craft, but they find some constraints in the term of capitalization and marketing. Eventually, entrepreneurial potency and interest subside.

An entrepreneur is a smart talented person in relation to new product, organizing its operation capitalization, and marketing (Latief, 2018). Entrepreneurial activity can run successfully when an individual has intended or been interested in doing business activity. Interest comes from inside due to external motivation or some external events that can motivate or make us to follow it. Interest is a feeling an individual has to anything he/she will do. So, interest can be expressed through a statement indicating that an individual prefer something to other thing that can also be manifested into the participation in an activity. Entrepreneurial interest is an individual's activity choice arising from the feeling of being attracted, liking, and wanting to be an entrepreneur and to take risk bravely for what he/she has undertaken. Arshad et al.'s (2021) study found that intrinsic (intrinsic interest and feeling aspiration of community) and extrinsic factors (perceived relative income and job prestige) affect positively and stimulate entrepreneurial intention.

Female Entrepreneur

Women serve not only as the complement but also as starting point of a business journey, either as founder or initiator or as manager that works directly in the first line of SME (Agustina et al., 2020). Female entrepreneur plays an important role in creating job opportunity (Coughlin, 2002). Female entrepreneur can be defined as a woman or a group of women that initiates, organize, and operate a business.

In its development, there are some supporting and inhibiting factors encountered by female entrepreneurs. The result of analysis of a study conducted by Ogundana et al. (2021) shows money (access and utilization), market (customer intelligent), and management (nonformal education and experience) as important components of business development in female entrepreneurship. Maternity factor (household responsibility), and mezzo- and macro-environments (social, economic, and cultural factors) not only affect business development, but also inhibit financial access and utilization, management and entrepreneur women market, and shape their business development action. It is in line with a study conducted in Yordania (Banihani, 2020) finding that female entrepreneur (employer) still face many challenges, particularly related to family responsibility, network, and physical mobility. Meanwhile, another study conducted by Khan et al. (2021) on Pakistan female entrepreneurs revealed that internal factors, including self confidence, risk taking, and need of achievement, and external factor including economic, and socio-cultural affects the successful female entrepreneurs positively and significantly.

Some studies have found that female entrepreneurship contributes to economic development (Aliansyah, 2016; Coughlin, 2002; Meunier et al., 2017). It becomes important, because women are currently believed to play their role capably in business domain. Apart from gender, women can be an important agent of change.

The Potency of Female Entrepreneurs in Meger Village

The exploration of potency in a village is indeed desirable to enable the citizens to utilize what existing in the village. Such potency will later be a foundation for the local business enterprise establishment, but the potency should be supported with entrepreneurial characteristics to make business running smoothly. It is in line with Galloway and Kelly stating that the characteristics of entrepreneur in real life can be identified in an individual with high-level entrepreneurial potency (Subotic et al., 2018). Entrepreneurial potency is recognized as an important predecessor in entrepreneurial activity (Kruger & Steyn, 1994). The concept of entrepreneurial potency can be defined as intention, readiness or orientation, in capturing idea on an individual's preparedness for receiving or pursuing entrepreneurial chance (Ryan et al., 2011).

Considering the result of prior observation and interview with women affiliated with PKK of Meger Village, it can be seen that Meger Village women have many potencies in food processing, either snack or cooking provided for stall or catering. Meger Village women's business departed from a village women empowerment program entitled family self-care through medicinal plant (Indonesian: *asuhan mandiri tanaman obat keluarga*, thereafter called "*asmantoga*"). PKK members were trained by the officers of Village Puskesmas to plant house yard and empty land in the village with medicinal plants. These plants are expected to develop into the ones that can yield money to help the family economy, in addition to meeting the family's need for medicine. However, this activity ran shortly, and then this *asmantoga* ceased because women's spirit of being entrepreneur is inhibited by the less active activator. In this case, a commitment is required to the activities done. Thereafter, the Village Puskesmas provides training on how to process under-five-age children's food in Meger Village. However, Covid-19 pandemic incidence made this business stagnant and even cease.

As time goes by, in the presence of aid in the form of platform obtained by regional government and cooperation with Village Puskesmas, some (female) activators initiate business for producing colorful porridge (*jenang*) to replace baby porridge in which baby are less interested. This food is selected because all age groups, from under-five-age children to adult, can enjoy this. This colorful *jenang* consists of *jenang sumsum*, *grendul*, *kacang hijau*, *pati garut*, *bunga telang*, *jagung*, *mutiara*, and *jenang ketan hitam*. The *jenang* produced utilizes the village's local potency. These *jenangs* are put into a portable cup. In addition to *jenang*, this business also sells any cakes produced by PKK members and a product made of dried-*telang* (butterfly pea) flower planted in their garden packaged in small package. Considering this, it can be seen that the potency raised here is *telang* flower. This *telang* flower is useful to cure some diseases, helpful to lower body weight, useful to eye health, and good for cardiac health, and decreases diabetic effect, and improves brain health wholly.

From the result of research, it can be concluded that the potency of Meger Village female entrepreneur has arisen. It is affected by individual willingness factor: the women's wish to spend their leisure time for doing productive activities and for increasing and improving their family income. On the other hand, activator is also important to help women by giving entrepreneurship-related information. It is in line with a study conducted by Yuliawan & Ginting, (2014) finding that personality, entrepreneurial information availability, and social network ownership affect the entrepreneurial interest significantly. This potential entrepreneurial resource is human capital requiring cultivation and development in appropriate way, i.e. through building, guiding, facilitation, capitalization, and development.

Conclusion

This research finds that the potency of female entrepreneurs in Meger Village is related to culinary development. Such entrepreneurial resource potency is a human capital requiring appropriate cultivation and development, through building, guiding, facilitation, capitalization, and development. The

factors supporting the entrepreneurial potency of women in Meger Village is their internal will to improve the family's economic condition by spending their leisure time for doing productive activities to increase and to improve their household economy. In addition, an activator is required to give inspiration, role model, and leadership that become the activator of PKK members in Meger Village. Village Government pays much attention to this activity by means of giving village fund subsidy that should be utilized as well as possible for the village's progress and prosperity. It can be used for, among others, empowering function and role of BUMDES. If this factor has been met, the business initiated by the women of Meger Village will perform well.

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